



**AUTHOR:** Executive Committee      **APPROVED BY:** Executive Committee  
**ORIGINAL APPROVAL DATE:** May 14, 2009  
**REVISED/REVIEWED DATE:**      **REVIEW FREQUENCY:** Annually

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## WHISTLEBLOWER POLICY

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### 1. BACKGROUND

Markham Stouffville Hospital Foundation is committed to maintaining high standards of honesty and accountability, and recognizes that each of its employees has an important role to play in achieving this goal.

“Whistleblowing” is a term used to describe the disclosure of what is possibly an illegal, unethical or improper act or omission. A person who makes such disclosure may be referred to as a “Whistleblower”.

This procedure is to be used if you believe honestly and in good faith that such behaviour, act or omission has occurred or may occur. If you use this procedure maliciously, in bad faith, make false allegations or do it for personal gain, you may be subject to disciplinary actions, including possible termination of your employment. This policy is not intended to deal with concerns or grievances that regularly arise in a workplace or to challenge decisions, practices or policies with which you disagree, unless they fall into the types of behaviours set out above.

You are not required to disclose your identity, however, in most cases it will make it easier for the concern to be investigated and resolved. In addition, without your name the results of the investigation cannot be discussed with you.

The Foundation will try to keep your name confidential, or disclose it only with your permission, but it is possible that it may need to be disclosed to ensure a proper investigation, to resolve the concern, or in a legal or regulatory proceeding.

### 2. POLICY / STRUCTURE STANDARD:

- 2.1. It is the responsibility of the Executive Committee (the "Committee") of Markham Stouffville Hospital Foundation Board of Directors to ensure that the Foundation has appropriate procedures for the receipt, retention, and treatment of complaints about any illegal, unethical or improper act or omission, as well as concerns regarding accounting, internal accounting controls, or auditing matters.
- 2.2. Internal control systems have been developed to protect the Markham Stouffville Hospital Foundation's property. Every employee and staff member is responsible for respecting and operating within these controls and exercising diligence in preventing losses due to illegal and/or fraudulent acts. Each employee or staff member of the Foundation is responsible for reporting all suspicions of illegal and unethical behaviors, as well as fraud or financial wrongdoing. The Foundation is committed to protecting from retaliation any employee or staff member, who, in good faith, reports such a

suspected behavior, regardless of the outcome of the investigation. If it is subsequently learned that the reported suspicion was knowingly false, and that it was made with malicious intent, disciplinary action will be taken against the Complainant.

- 2.3. The Foundation is committed to thoroughly investigating every report of suspected wrongdoing, and where in the Foundations opinion, it is advisable to do so, to report the results of the investigation to appropriate authorities.

### **3. PURPOSE**

- 3.1. To ensure that any illegal or unethical behavior, including a breach of Code of Business Conduct or other Corporate/Foundation policy is reported, properly investigated and resolved;
- 3.2. To ensure that all suspected discrimination or harassment is reported, properly investigated and resolved;
- 3.3. To ensure that all suspected financial wrongdoing is reported, properly investigated and resolved; to thereby improve internal controls and thereby, to protect Foundation property;
- 3.4. To facilitate the discharge of the Executive Committee and Board of Directors' fiduciary responsibilities; and
- 3.5. To maintain a reputation of high integrity within the community.

### **4. DEFINITIONS**

"Anonymous" means unknown authorship, and without designation that might lead to information about the authorship. Anonymity is not compromised by assignment of a code or other designation with which a person can communicate without revealing his or her identity.

"Complaint" means any adverse information provided to the Foundation, whether in the form of a concern, a demand for remedial action, or a report of a suspected violation of law or Corporate/Foundation policy, that relates to accounting, internal accounting controls, or auditing matters.

"Compliance Officer" means a person, independent of the financial reporting function, designated by the Executive Committee to assist the Investigation Committee in addressing Complaints in a manner consistent with these Procedures and the role of the Committee. Unless otherwise designated by the Committee, the Compliance Officer shall be the Chair of the Executive Committee or a member designated by the Chair of the Executive Committee.

"External Complainants" refers to any person not referenced by the definition of an Internal Complainant.

"Fraud" – to gain an unjust advantage by deception (e.g., false representations, falsification of information, extortion, embezzlement, bribery, misappropriation of funds, theft, forgery, impersonation, manipulation of tendering processes, receipt of kickbacks, etc.)

"Illegal Behaviour" refers to any act not in keeping with the law.

"Internal Complainants" refers to staff and volunteers of Markham Stouffville Hospital Foundation.

"Unethical Behaviour" refers to non-conformance with approved standards of social or professional behaviour.

## **5. PROCEDURE / GUIDELINE**

### **5.1. Duty of Employee, Staff Member or Volunteer to Report**

If any employee, staff member or Foundation volunteer suspects that another employee, staff member, volunteer, supplier or any person involved with Markham Stouffville Hospital Foundation is engaged in questionable activities as defined in Section 4, it is his/her responsibility to immediately follow the procedure for submission of complaints outlined below.

- 5.2.** Under no circumstances should employees, staff members or their supervisors initiate an investigation of any of these alleged activities. To do so might compromise any ensuing investigation.

## **6. SUBMISSION AND RECEIPT OF COMPLAINTS**

- 6.1.** Internal Complainants are free to bring Complaints to the attention of their supervisors, the President, as they would any other workplace concern, or to the Chair of the Board. Should the Complaint be against the President, direct access to the Compliance Officer is available. The recipients of such Complaints shall forward them promptly to the Compliance Officer.

To ensure that Complaints can be submitted confidentially or anonymously when Internal Complainants so choose, the Foundation shall maintain at least two other formal means by which employees may communicate Complaints, which may include:

- (i) a local telephone number, available at all times and accessed exclusively by the Compliance Officer;
- (ii) an e-mail address to which complaints may be forwarded and which is accessed exclusively by the Compliance Officer; and
- (iii) via interoffice mail (or regular mail or other means of delivery, addressed to the Markham Stouffville Hospital Foundation), by which Complaints may be submitted in a sealed envelope marked "Private and Strictly Confidential – Attention: Compliance Officer - Markham Stouffville Hospital Foundation ", which envelope shall be forwarded unopened to the Compliance Officer.

The Compliance Officer contact information will be updated annually, posted in the Foundation offices and included in the office phone list.

- 6.2.** External Complainants may submit Complaints by mail (or other means of delivery) to the Markham Stouffville Hospital Foundation, marked "Private and Strictly Confidential – Attention: Compliance Officer - Markham Stouffville Hospital Foundation ". Envelopes so marked shall be forwarded unopened to the Compliance Officer.

These procedures shall be posted on the Foundation website.

- 6.3.** The Compliance Officer shall report to the Executive Committee periodically about the process for receiving Complaints so that the Executive can ensure that the process is satisfactory in its efficiency, accuracy, timeliness, protection of confidentiality or anonymity, and effectiveness.
- 6.4.** The Foundation will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any staff or volunteers based upon any lawful actions taken by such employee with respect to good faith reporting of concerns or complaints.

- 6.5. The Complainant is encouraged to identify him/herself and to provide a written summary of the suspected activity. The written summary should include a brief history of the matter, citing as many details as possible, as well as any documentation or references to sources of documentation that may exist, which tend to corroborate the suspicion. The Complainant should prepare a report, and address it to the Compliance Officer, clearly marked as "PRIVILEGED AND CONFIDENTIAL". Every effort will be made to maintain the security and confidentiality of this written summary.

## **7. DUTY TO INVESTIGATE**

- 7.1. Once the Compliance Officer has been notified, he/she will decide whether to refer the matter to an Investigation Committee, where the merits of each allegation will be evaluated. The Investigation Committee shall be comprised of appropriate individuals who may include but not be limited to; the Compliance Officer, Director or Foundation staff responsible for the area involved, member from the Foundation Board at large, Human Resources representative from the Hospital and/or President.
- 7.2. The Investigation Committee shall evaluate all of the allegations brought to its attention and shall make recommendations on how to proceed. If the Investigation Committee is satisfied on reasonable grounds that a questionable or fraudulent act may have been committed, the matter will be investigated as per their recommendations.
- 7.3. The person alleged to have committed the act has the right to have a Human Resources representative from the Hospital present during the investigation. In order to conduct a timely investigation, the person(s) alleged to have committed the questionable act may be suspended with pay during the investigation.

## **8. DUTY OF EMPLOYEES, STAFF MEMBERS OR VOLUNTEER TO FOUNDATION**

- 8.1. Every employee or staff member must cooperate with Investigation Committee (or their agents) involved in such investigations. Where an employee or staff member is called upon to participate in an investigation, that involvement is strictly confidential, and the individual is prohibited from discussing the matter with anyone, except a legal representative and an immediate family member also bound by confidentiality, unless expressly authorized to do so by the investigator(s).

## **9. DUTY OF FOUNDATION TO REPORTING EMPLOYEE OR STAFF MEMBERS**

- 9.1. Every employee, staff member or volunteer, who, in good faith, reports suspicious conduct pursuant to this policy, or who cooperates, gives testimony or participates in an investigation in any manner, shall do so without fear of reprisal. Any effort to retaliate against any person making a Complaint in good faith is strictly prohibited and shall be reported immediately to the Compliance Officer. Any allegations regarding such retaliation will be investigated and dealt with in accordance with this policy.
- 9.2. Wherever possible, the identity of the Complainant will be protected, and will not be disclosed to anyone (other than those individuals legitimately involved in the investigation). The identity of the Complainant will only be disclosed in connection with furthering the objectives of the investigation or if required by law to do so.

## **10. FOLLOW UP AFTER INVESTIGATION**

- 10.1. Once the Investigation Committee is satisfied on reasonable grounds that an illegal, unethical or improper act or omission has been committed by an employee or staff member that Committee will decide how to proceed with respect to disciplinary action.

- 10.2. Where suspicion of financial fraud is substantiated, the Foundation's Director of Finance shall, with support from the Chair of the Finance & Audit Committee and/or full Committee, as determined after the conclusion of the investigation, perform a thorough review of the existing internal controls and shall present to the President a summary of internal control weaknesses and recommended internal control improvements required to minimize the likelihood of a recurrence.
- 10.3. On a quarterly basis the Compliance Officer shall report a confidential summary of complaints to the Executive Committee of the Board of Directors. Serious incidents shall be reported to the Committee immediately, at the discretion of the Compliance Officer.

## **11. DUTY OF COMPLIANCE OFFICER TO REPORT**

- 11.1. All allegations brought to the attention of the Compliance Officer will be reported to the Executive Committee and should the allegations be related to accounting, internal accounting controls or auditing matters, reporting should include the Finance & Audit Committee.
- 11.2. If the suspicion of misconduct involves the President, that individual will not be informed in the ordinary course. The Compliance Officer shall report the matter immediately to the Chair of the Executive Committee.

## **12. RETENTION OF INVESTIGATION DOCUMENTATION**

- 12.1. The President of the Foundation, at the discretion of the Compliance Officer, will retain all investigation documentation related to unproven allegations and the provisions of the Confidentiality of Employee Information policy shall apply to its use, disclosure and retention.
- 12.2. With respect to those investigations that result in a finding of wrong-doing, the Foundation will provide Human Resources with an investigation / grievance file and the Confidentiality of Employee Information policy shall apply to its use, disclosure and retention.

## **13. MEDIA INQUIRIES**

- 13.1. Any media inquiries regarding an investigation shall be referred to the President of the Foundation. The alleged activity and resulting investigation shall not be discussed with the media by anyone at Markham Stouffville Hospital Foundation, other than through the President, who will liaise with the Investigation Committee / Compliance Officer. Should the investigation involve the President, all media inquiries shall be referred to the Compliance Officer or Chair of the Foundation's Board of Directors.