

Michael Garrett

August 4, 2004

Toronto Computer Leasing Inquiry
East York Civic Centre
850 Coxwell Avenue
Toronto, Ontario
M4C 5R1

Attention: Daina Groskaufmanis

Dear Sir;

Re: Closing Submissions - Michael Garrett

This letter will serve as my closing submission in accordance with your letter of July 6 2004. More importantly, it is in response to your letter of Oct 8 2003 in which you indicate that the Commission might make a finding of misconduct against me in fulfilling my role as Chief Administrative Officer of the City of Toronto.

Background

I was the first CAO for the newly amalgamated City of Toronto. Following amalgamation, the City had over 20,000 employees. I had overall responsibility for those employees. I was not, however, responsible for the individual conduct or misconduct of each individual employee of the City. It is unreasonable to suggest that I could monitor and be personally responsible for the actions of 20,000 persons.

I also had overall responsibility for the policies and procedures of the newly amalgamated City. Similarly, however, it is unreasonable to suggest that I am personally responsible for the quality or the enforcement of each of those policies and procedures.

Response to Possible Findings

- 2 *“Failed to exercise general control and management..... for the purpose of ensuring the efficient and effective operation of the municipality.*

I strongly believe that I exercised good general control and management of the affairs of the Corporation as witnessed by the fact that the vast majority of the City's transactions were carried out and reported appropriately. The statement above implies that misconduct was commonplace amongst City management staff. While

there may have been individual cases of misconduct, lack of good judgement, or failure to follow City policies and procedures, misconduct should not be found against me personally. The Inquiry has been focused on a computer leasing transaction and I do not believe it can judge me or the City's management staff based upon this limited transaction. The inquiry did not ask, nor did it hear fully about the general management of the City and that, in any event, is beyond the scope of the Inquiry.

2(a) *“failing to ensure that there were policies, procedures and controls in place regarding staff reports to Council...”*

One of the greatest challenges following amalgamation was the wide range of reporting formats and report writing standards that existed in the seven former municipalities. In an effort to address this challenge, there were new standardized protocols and sign-off requirements put in place regarding reporting to Council and its Committees, primarily led by the Clerks office. These protocols and requirements were influenced by my desire for full and complete reporting. When reporting deficiencies were identified, they were addressed. For example, reports were required to have a financial impact section and this area was strengthened over the time that I was the Chief Administrative Officer.

2(b) *“failing to ensure that staff report completely, directly and honestly to Council about all matters.....”*

Staff was encouraged to bring their best professional and technical advice forward in reporting to Council. Staff was, from time to time, under political pressure to change a report and in spite of this pressure, they were always advised to give their best impartial advice and let the debate at Council direct any changes. I described in my evidence the focus on ethics and values that we had in the early days of the new City.

2(c) *“failing to ensure that staff had adequate training, and maintained the highest standards of service....”*

Staff training and development plans were part of the annual performance review process for the City. Each commissioner was formally reviewed annually and each commissioner was required to cascade this process down through their respective departments. This was a change from the practice at some of the former municipalities which did not have a performance review process in place. In addition a training calendar was developed by the Human Resources division based on the training needs across the corporation. Specialist training was encouraged within each of the divisions of the City. My evidence laid out the management principles that were followed for which there was extensive discussion by staff (efficiency, service quality, organizational climate, strategic direction). The standard of service provided by staff was generally exemplary throughout and following the unusually difficult process of amalgamation.

- 3 *“Failed to ensure that there was a conflict of interest policy in place in a timely manner, and that staff abided by it..... and*
- 4 *“.....failed to ensure that staff abided by the conflict of interest policies... that were in place in the former municipalities.”*

Until the new policies were completed, the policies of the former municipalities continued to apply. This principle also applied to conflict of interest policies. A new conflict of interest policy was initiated by my office early in the first term of the new City. While I would have preferred to see the new policy completed and implemented in a more timely fashion, the delay in the development, approval and implementation phases were for legitimate reasons. If and when I became aware of any breaches of the existing codes of conduct, appropriate action was taken.

There was one incident involving Joan Anderton who mentioned to me in passing that she had been a guest of a supplier at a hockey game with Wanda Licyzk and other Councillors. I do not remember her mentioning the name of the firm. When Joan questioned me about appropriateness under the code of conduct, I advised her that infrequent entertainment was not banned outright and referred her to the Human Resources division for clarification as to which of the former municipality's policies applied to her and therefore which code of conduct applied.

It is not reasonable to find me at fault for delay of a code of conduct policy or for the failure on the part of a few staff to understand or follow that policy. While policy frameworks can be put in place to help guide staff, you cannot legislate ethical behaviour and good judgment and I should not bear responsibility for individual failures.

Conclusion

The work of the Inquiry has focused on events which occurred immediately following amalgamation. You now have insight into the scope of matters affecting the new City and the very difficult process of amalgamation that it was working through. The amalgamation process was horrendously complex and we had no experience with it until it occurred. I do hope, therefore, that the Commission will understand this backdrop and that it will focus on individual error, judgment or omission rather than upon a blanket finding in respect of the City's civil service or me as the Chief Administrative Officer responsible for that Civil Service.

The Inquiry, respectfully, is for finding out what went wrong with a computer leasing process. If there was wrongdoing on the part of individual staff or councillors, I believe that it would be unfair to attempt to diffuse the responsibility for that wrongdoing by spreading it to me.

To sum up, I do not accept the allegations of my misconduct. I oversaw the management of the Corporation during a period of extraordinary change and stress to the best of my personal ability. I believe that my performance in those difficult times far exceeded any

norms for judging public service officers, including myself. The Inquiry has dealt in hindsight with one transaction amongst the multitude of weighty matters that came under my responsibility during the period following amalgamation.

I do not believe that I have done anything wrong nor have I failed to conduct myself in a either a proper or professional manner. I hope that the Commission does not lose track of who was responsible for any of the wrongdoing that may have occurred.

Yours sincerely

Michael Garrett