



—ALBERTA—  
**OMBUDSMAN**



**2017-18**  
**ANNUAL REPORT**





November 2018

The Honourable Robert Wanner  
Speaker of the Legislative Assembly  
352 Legislature Building  
10800 - 97 Avenue NW  
Edmonton, AB T5K 2B6

Dear Speaker Wanner:

The Alberta Ombudsman's office is pleased to present its 51st Annual Report to you and through you, to the Legislative Assembly.

The Report has been prepared in accordance with section 28(1) of the *Ombudsman Act* and covers the activities of the Alberta Ombudsman's office for the period April 1, 2017 through March 31, 2018.

Respectfully,

Marianne Ryan  
Alberta Ombudsman

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# OUR VISION

Equitable treatment for all.

# OUR MISSION

The Alberta Ombudsman provides oversight to ensure fair treatment through independent investigations, recommendations and education for all Albertans.

# OUR VALUES

Integrity. Respect. Accountability. Independence.

We also value a working environment that embraces diversity, fosters personal and professional growth, collaboration and innovation.



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# MESSAGE FROM THE OMBUDSMAN



It's been a full year since I accepted the appointment as Alberta's ninth Ombudsman and second Public Interest Commissioner. As I look back, I am both humbled by and proud of the work our offices have been able to accomplish in fiscal year 2017-18.

In my role as Ombudsman, I have had the privilege to hear from Albertans across the province – those who have chosen to serve the public and those who depend upon the public services provided. What often strikes me most from these conversations, is what we all have in common – a pride in Alberta, an interest in resolving issues quickly and efficiently, and what I see to be reasonable expectations for fairness within the public sector. As a whole, I have confidence in the administration of our public services but it is unrealistic to expect

flawlessness in today's increasingly complex world. We are here when things don't seem fair – perhaps the outcome of a decision does not go as expected, policies are not complied with or necessary information is not communicated, respectfully and without bias.

Most individuals seek us out when they have exhausted all other avenues to resolve their issues. The Ombudsman's mission is to provide oversight and ensure fair treatment through independent investigations, recommendations and education for all Albertans. In this report, we share how we have gone about this business – from statistics quantifying our day-to-day work, to individual case summaries and articles on outreach and education. Resounding themes throughout the report consist of the expansion of our jurisdiction to include municipalities and the subsequent changes we made to our investigative procedures to prepare for the increase in complaints.

Speaking to the first of these themes, on April 1, 2018, we began accepting complaints about Alberta's municipalities, as amendments to the *Municipal Government Act* took effect. Although this occurred after the conclusion of this report's fiscal timeline, the majority of the preparations were completed in the months leading up to April 1, 2018. Later in this report, we will describe how an environmental scan across Canada and a survey of Alberta's municipalities, informed our decisions and helped predict the impact of the jurisdictional expansion on the office.

With the certainty of an increase in complaints, we approached operational changes this year in three broad areas – through a restructuring of our investigative teams, by revising operational policy and broadening the scope of our outreach and education initiatives.

The restructuring of the teams allowed for a “front-end loaded”, team-approach as investigations are addressed by the group instead of investigators working on individually assigned cases. We believe that the heavy emphasis on the team concept will improve

the learning and developmental opportunities for all staff while affording the ability to adapt to changes in our work flow, including gaps in personnel due to vacations or other temporary absences.

We built on the prior success of our alternative complaint resolution process to implement early resolution – a pre-investigative stage whereby our investigators work with the complainant and organization in question to resolve matters informally and expeditiously. Early resolution was piloted in June of 2017 and once practised, became a standard approach, a number of months later in October. As applied to the existing jurisdiction, we saw timeline improvements on cases, fewer cases requiring formal investigation and fewer cases carried over into the following fiscal year.

Throughout the year, our work to bring awareness of the Ombudsman’s office remained essential to our strategic business plan and through outreach, not only did we enhance awareness of our office, we gained further insights as to how we may be more effective in our roles. This year, we conducted 59 outreach events, accepting invitations from various municipal associations, municipal councils, government departments, health colleges, industry conferences and educational organizations in both urban and rural settings. Building relationships with municipalities or any sector of our jurisdiction doesn’t happen overnight - it occurs one conversation at a time, engaging stakeholders both inside and outside of our office.

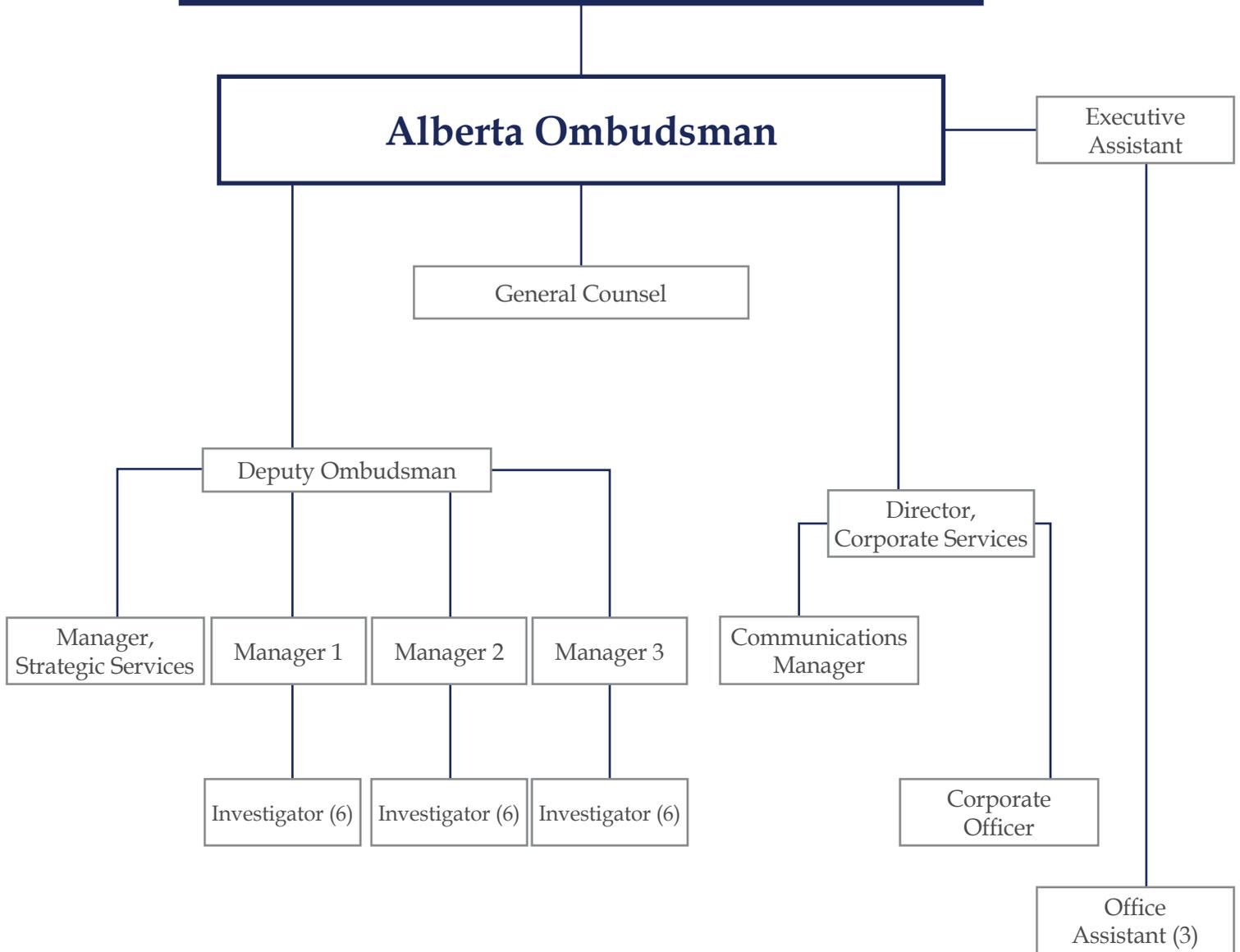
In early June, I attended my first meeting with the members of Canadian Council of Parliamentary Ombudsman from across Canada, this year hosted in Winnipeg, Manitoba. This is an important meeting which occurs annually and is attended by all of the parliamentary Ombudsman in Canada, where ideas, best practices, challenges and opportunities are discussed. I look forward to sharing what I have learned and continually moving forward in enhancing the services provided by our office.

To conclude, I would like to take a moment to thank my staff for their encouragement and support throughout my first year in role. We have a great team of dedicated employees who are committed to serving the public by ensuring all Albertans are treated fairly and with respect. As I look forward to the year ahead, I recognize that although there is still much to learn about our ever-changing environment, I remain closely aligned with the mission of the office and our daily work to improve fair treatment for Albertans.

**Marianne Ryan**  
Alberta Ombudsman

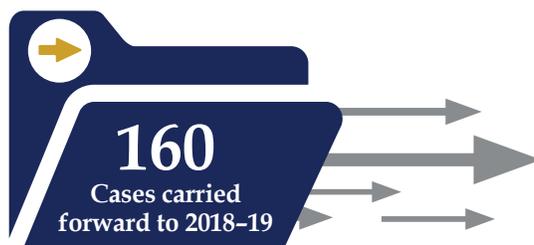
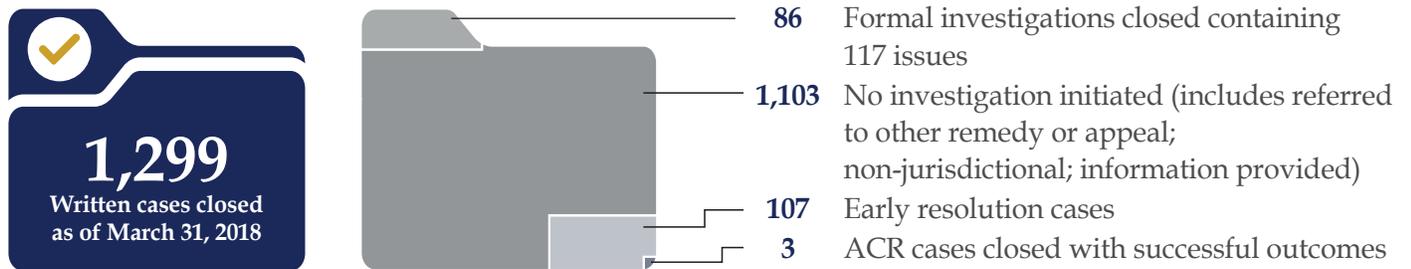
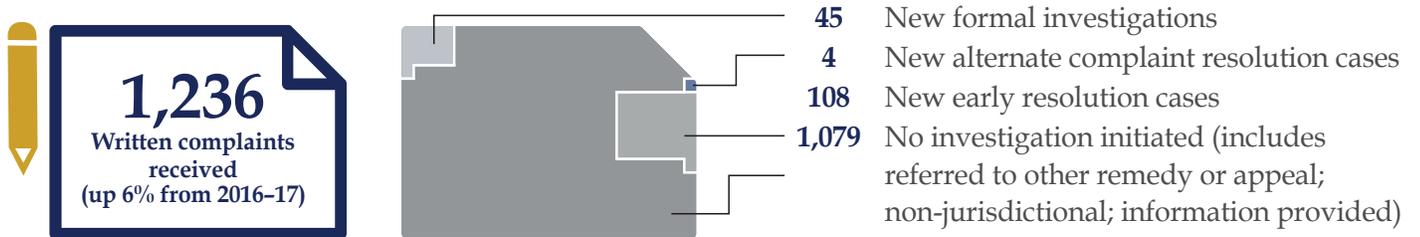
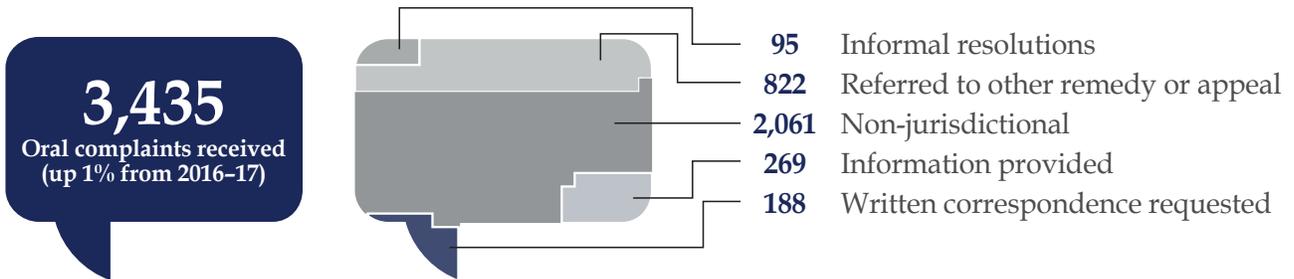
# LEGISLATIVE ASSEMBLY OF ALBERTA

## STANDING COMMITTEE ON LEGISLATIVE OFFICES

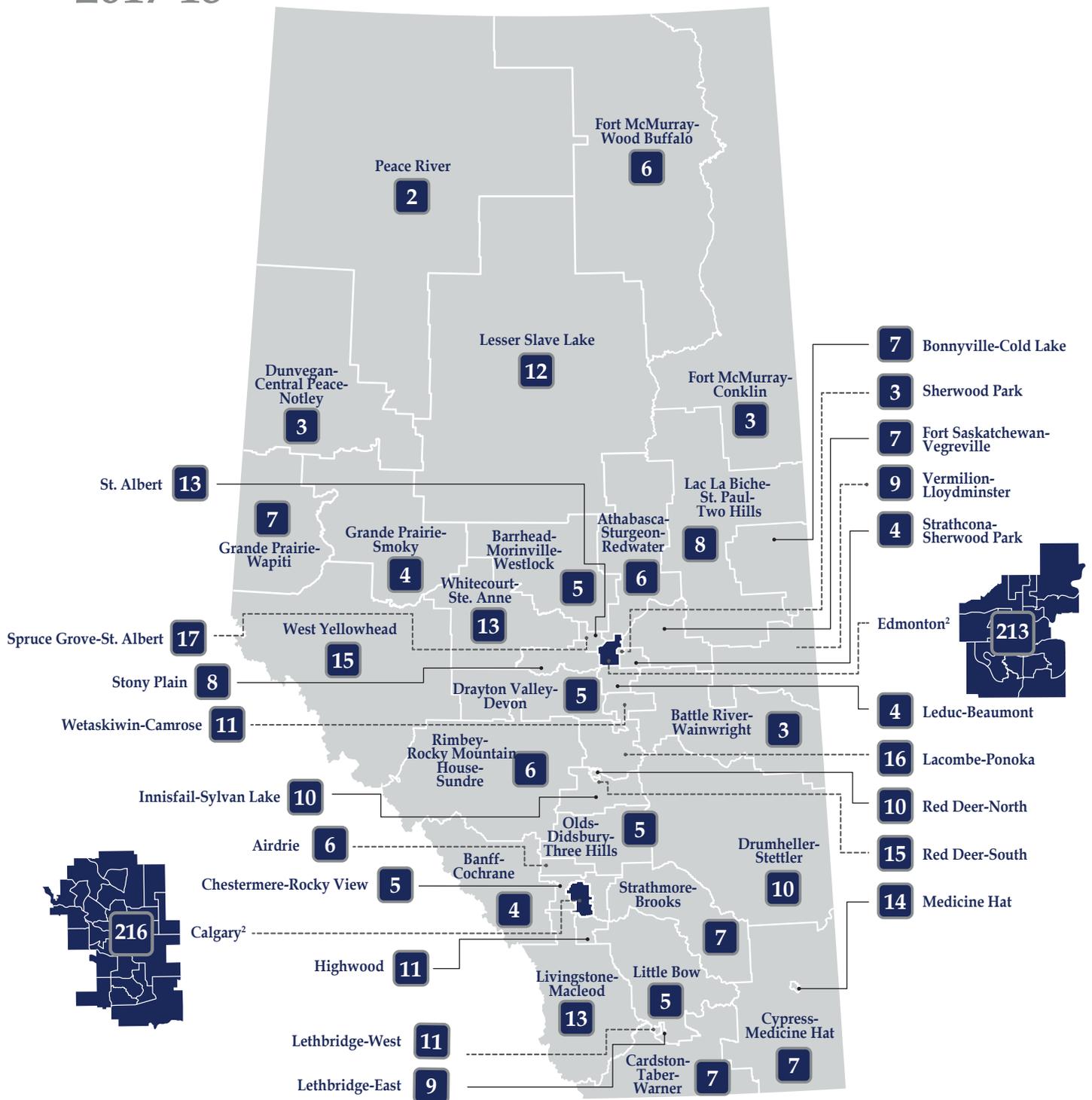


# YEAR IN REVIEW

April 1, 2017 through March 31, 2018



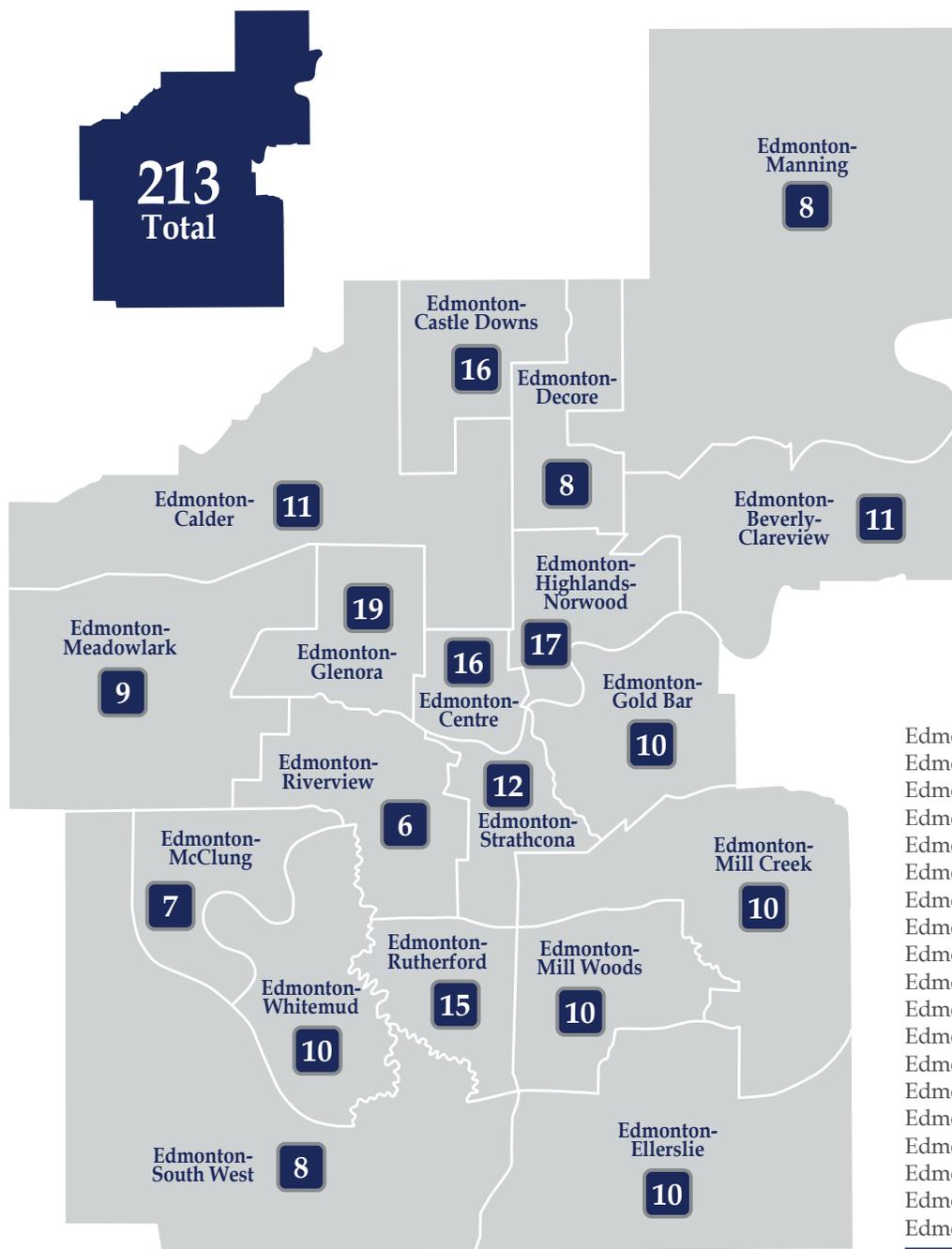
# COMPLAINTS BY ELECTORAL DIVISION 2017-18<sup>1</sup>



<sup>1</sup> The figures on the maps refer to written complaints received between April 1, 2017 and March 31, 2018 and do not include complaints that originated in provincial correctional centres (79) and out-of-province/no city, address specified unknown/sent via email (382).

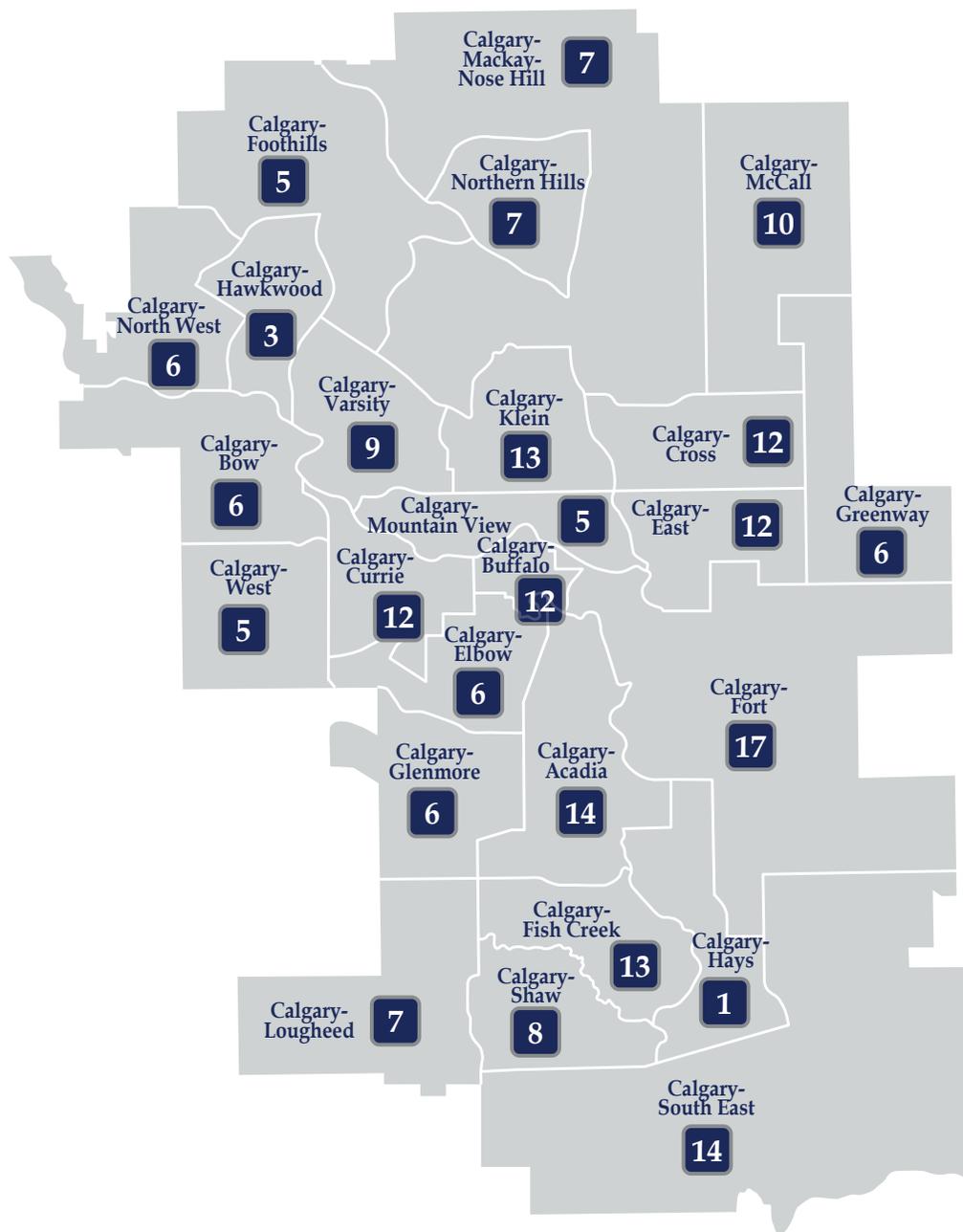
<sup>2</sup> Denotes multiple electoral divisions in region

# EDMONTON ELECTORAL DIVISION



Edmonton-Beverly-Clareview . . . . .	11
Edmonton-Calder . . . . .	11
Edmonton-Castle Downs . . . . .	16
Edmonton-Centre . . . . .	16
Edmonton-Decore . . . . .	8
Edmonton-Ellerslie . . . . .	10
Edmonton-Glenora . . . . .	19
Edmonton-Gold Bar . . . . .	10
Edmonton-Highlands-Norwood . . . . .	17
Edmonton-Manning . . . . .	8
Edmonton-McClung . . . . .	7
Edmonton-Meadowlark . . . . .	9
Edmonton-Mill Creek . . . . .	10
Edmonton-Mill Woods . . . . .	10
Edmonton-Riverview . . . . .	6
Edmonton-Rutherford . . . . .	15
Edmonton-South West . . . . .	8
Edmonton-Strathcona . . . . .	12
Edmonton-Whitemud . . . . .	10
<b>Total . . . . .</b>	<b>213</b>

# CALGARY ELECTORAL DIVISION



Calgary-Acadia . . . . .	14
Calgary-Bow . . . . .	6
Calgary-Bufferlo . . . . .	12
Calgary-Cross . . . . .	12
Calgary-Currie . . . . .	12
Calgary-Elbow . . . . .	6
Calgary-Fish Creek . . . . .	13
Calgary-Foothills . . . . .	5
Calgary-Fort . . . . .	17
Calgary-Glenmore . . . . .	6
Calgary-Greenway . . . . .	6
Calgary-Hawkwood . . . . .	3
Calgary-Hays . . . . .	1
Calgary-Klein . . . . .	13
Calgary-Lougheed . . . . .	7
Calgary-Mackay-Nose Hill . . . . .	7
Calgary-McCall . . . . .	10
Calgary-Mountain View . . . . .	5
Calgary-North West . . . . .	6
Calgary-Northern Hills . . . . .	7
Calgary-Shaw . . . . .	8
Calgary-South East . . . . .	14
Calgary-Varsity . . . . .	9
Calgary-West . . . . .	5
<b>Total . . . . .</b>	<b>216</b>

# OMBUDSMAN RECOMMENDATIONS

## Professional Associations and Colleges

Alberta College of Social Workers. . . . .	3
College of Alberta Psychologists . . . . .	4
College of Physicians and Surgeons of Alberta . . . . .	5

## Boards, Agencies, Commissions

Alberta Human Rights Commission . . . . .	1
Out-of-Country Health Services Appeal Panel . . . . .	1
Patient Concerns Resolution Process . . . . .	7
Public Service Commission . . . . .	2

## Departments

<b>Education</b> . . . . .	1
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### Advanced Education

Apprenticeship and Industry Training . . . . .	1
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### Health

Alberta Health Care Insurance. . . . .	1
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### Community and Social Services . . . . .

Appeals Secretariat . . . . .	2
Assured Income for the Severely Handicapped . . . . .	2

### Children's Services . . . . .

Alberta Child and Family Services Authority . . . . .	1
Central Alberta Child and Family Services. . . . .	2

### Justice and Solicitor General . . . . .

Edmonton Remand Centre . . . . .	3
Maintenance Enforcement Program. . . . .	3
Office of the Public Guardian . . . . .	1
Red Deer Remand Centre. . . . .	2

### Service Alberta. . . . .

Land Titles and Personal Property Registry . . . . .	2
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### Treasury Board and Finance. . . . .

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<b>TOTAL</b> . . . . .	<b>51</b>
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**BUSINESS PLAN  
UPDATE**

# BUSINESS PLAN 2017-18

## HERE'S HOW WE DID

The office business plan acts as a guiding strategy – a roadmap that outlines high-level outcomes and the specific actions necessary for achieving them. The business plan focuses resources, strengthens operations and ensures employees are working in alignment with clear expectations and a clear vision for success. Annually we revisit this plan for updates, track progress and even course-correct when we learn of an innovative solution or better avenue for progress.

On October 26, 2017 the last of the amendments to the *Municipal Government Act* were proclaimed and it was confirmed the Ombudsman's jurisdiction would expand to include Alberta's approximately 350 municipalities. Throughout 2017-18, the office dedicated considerable time, effort and resources into preparing for this change; much of which will be discussed here and reflected in the business results themselves.

Our business plan identifies four desired outcomes, each with various goals, measurements and targets:

1. Ensure Administrative Fairness;
2. Enhance Understanding of the Alberta Ombudsman;
3. Provide Excellent Service; and
4. Support Continued Growth and Development of Best Practices.

**Ensuring administrative fairness** remains at the forefront of our day-to-day work. The Alberta Ombudsman provides oversight to ensure fair treatment through independent investigations, recommendations and education for all Albertans. As of April 1, 2018, the Ombudsman can investigate any administrative decision, recommendation, act or omission of:

- Alberta provincial government departments, agencies, boards and commissions
- Alberta municipalities
- Patient Concerns Resolution Process of Alberta Health Services
- Self-regulated health professions proclaimed under the *Health Professions Act* such as the Alberta College of Optometrists
- Other designated professional authorities such as accounting, forestry, veterinarian and agrologist professions

We believe in a collaborative approach and can offer both complainants and the organizations we work with the benefit of over 50 years of experience promoting fair practices within Alberta's public sector.

Our education and awareness initiatives are designed to **enhance an understanding of the Alberta Ombudsman** and share important information such as who we investigate, what a complaints process looks like and how to get in touch with us. We direct our outreach efforts toward two major groups – jurisdictional authorities and members of the public. This year municipalities factored highly in where we chose to dedicate our resources.

Our offices in Edmonton and Calgary are committed to serving Albertans in a way that meets and exceeds expectations – on a daily basis, we strive to **provide excellent service**. Complaints to our office range in complexity, and often contain personal details from individuals directly affected by what they view as unfair treatment. We believe a professional, courteous staff, responsive and empathetic to the needs of Albertans is critical to the mandate of our office.

Lastly, to effectively provide oversight as an independent office of the Legislative Assembly of Alberta, it is important to ensure we **support continued growth and development of best practices**. We will explore innovative business solutions in the areas of employee training and development, technology, communication and policy review.

In planning our business for the coming years, we will take a balanced approach – one that equally relies on the successes of the past while remaining open to new, innovative ideas and ways of doing things.

## DESIRED OUTCOME ONE: ENSURE ADMINISTRATIVE FAIRNESS

### Goals and Key Strategies:

- Increased government focus on administrative fairness in decision-making and timely implementation of recommendations
- Increased information flow to government authorities concerning Ombudsman investigations
- Increased education and awareness for front-line service workers within government

## Results:

	Target 2017-18	Actual 2017-18
1.a Hold Meetings with Ministers, authority heads, constituency offices, etc.	24	26
1.b Deliver educational seminars	2	2
1.c Implementation of Ombudsman recommendations within 90 days <sup>1</sup>	80%	68%

<sup>1</sup> Recommendations relating to policy change are not included as this process requires extra time and resources for authorities to implement.

- The Ombudsman and Deputy Ombudsman held 26 meetings with Deputy Ministers, chief executive officers, executive directors, advocates, and other authority heads over the course of fiscal 2017-18.
- Two educational seminars designed to share elements of good decision-writing were presented in fiscal 2017-18. With the purpose of increasing focus on administrative fairness in decision-making, this presentation walks attendees through thought-provoking considerations such as: Knowing Your Legal Authority/Jurisdiction, Structure of a Good Decision and Drafting and Editing.
- We endeavour to ensure the authorities and organizations we work with implement our recommendations in a timely manner. It is our belief that a collaborative relationship will facilitate the focus on administrative fairness practices and improvements to decision-making processes.

## Looking ahead:

In the upcoming year, our office will continue to seek collaborative resolutions and ensure administrative fairness remains at the forefront of decision-making within the public sector. We will grow and develop our own understanding of municipal government and look for new opportunities and new organizations with which to share information concerning our role and the services we provide.

## DESIRED OUTCOME TWO: ENHANCE UNDERSTANDING OF THE ALBERTA OMBUDSMAN

### Goals and Key Strategies:

- Increased public awareness of the role of the Alberta Ombudsman
- Increased availability of the services of the office of the Alberta Ombudsman

## Results:

	Target 2017-18	Actual 2017-18
2.a Number of presentations	40	43
2.b Number of mobile intake tours	6	2
2.c Develop 50 <sup>th</sup> anniversary implementation plan	Finalize plan and implement	Completed

- Our staff made 43 presentations to a variety of different groups including presentations to the Central Alberta Aging Council in Red Deer, to senior staff at the College and Association of Registered Nurses of Alberta, to the Chief Administrative Officer and municipal staff of Smoky Lake County and ongoing outreach through the School-at-the-Legislature (a program run by the Legislative Assembly of Alberta).
- We conducted two mobile intake tours that included Grande Prairie, Peace River, Red Deer and Wetaskiwin. During these visits, members of the public were invited to schedule private sessions/interviews with our investigators to discuss their complaints. As the jurisdiction did not expand until April 1, 2018, we did not include mobile intake along with our municipal outreach, which included 15 presentations throughout the province.
- We celebrated our 50<sup>th</sup> Anniversary in September 2017 with various activities including Ombudsman speaking engagements in both Edmonton and Calgary, a 50 Days of Giving promotion where staff collected food donations for the Edmonton and Calgary Food Banks and through various communication initiatives including website and social media.

## Looking ahead:

We expect the expansion of our jurisdiction to include municipalities will require an increase in the amount of resources we dedicate to public awareness and educational efforts. We will continue to seek out new ways to communicate about what we do through website, social media, educational products and outreach events.

## DESIRED OUTCOME THREE: PROVIDE EXCELLENT SERVICE

### Goals and Key Strategies:

- Provide timely responses to inquiries
- Complete thorough, timely and accurate investigations
- Ensure personnel have the proper tools to deliver effective services

### Results:

- In preparing for the expanded jurisdiction, the alternate complaint resolution process was redeveloped mid-way through the year in favour of new pre-investigative procedures we termed early resolution. This significantly impacted the effectivity of our investigative operations and we speak more about this in The Case for Change article, later in this report. Benchmarks to ensure investigations are conducted thoroughly and concluded in a timely fashion, continue to be an important factor in measuring our success. In adapting our complaints-handling procedures with a focus on early resolution, we will look ahead to revising key performance measures for effective and accurate tracking of results.
- Two own motion systemic investigations were initiated in fiscal 2017-18.

### Looking ahead:

Over the coming year, we will be continuing reviews of our investigative processes to ensure we are delivering the best possible service to Albertans and authorities under our jurisdiction. Our pilot for earlier, more informal resolution of cases was successful and the implementation of early resolution procedures took place in October 2017. We expect this year will provide a valuable learning experience for our office and we will continue to research best practices for handling complaints.

## DESIRED OUTCOME FOUR: SUPPORT CONTINUED GROWTH AND DEVELOPMENT OF BEST PRACTICES

### Goals and Key Strategies:

- Ensure appropriate training and technology are available to staff
- Ensure legislation, policies and practices reflect current environment and best practices

## Results:

	Target 2017-18	Actual 2017-18
4.a % of personnel who take training and/or other learning opportunities	90%	97%
4.b Analyze <i>Ombudsman Act</i> and review/prepare for <i>Municipal Government Act</i> amendments	Develop appropriate internal policies and practices to align with passage of MGA amendments	Completed with ongoing improvements
4.c Review Corporate policies	Assess current policies and incorporate amendments	Ongoing

- Our management, investigative and administrative support staff continue to seek out training opportunities to enhance their knowledge base. Be it in-house training, online technology-based training or instructional programming provided by an accredited school, 97% of our employees have participated in training and learning opportunities this year. This included a two-day workshop designed and facilitated by Municipal Affairs, attended by the Ombudsman, Deputy Ombudsman and all investigative teams.
- Internal operational policies and procedures have been drafted and implemented, including an internal intake guide to ensure the consistent, effective and efficient handling of municipal complaints.
- We have updated our case management system in preparation for the new jurisdiction and developed an internal SharePoint system to organize information about municipalities.

## Looking ahead:

In the coming year, we will continue to engage in growth discussions with our staff and ensure training and career development is maintained as a priority. We will continue to work on refining our internal information management systems and explore other technological updates, relevant to our work. Looking ahead, we will be assessing our staff performance management policies, procedures and templates to create alignment across teams and support clear, achievable expectations.



**THE CASE  
FOR CHANGE**

# THE CASE FOR CHANGE

## Recognition that Alberta municipalities were about to be added to the Ombudsman's jurisdiction challenged the office to find new ways of doing business in 2017

The new responsibilities came into effect April 1, 2018, the day after the reporting period for 2017-18 ended. The extent to which the new responsibilities actually affect us will be reported on next year. However, all the preparations had to be completed in this reporting period. Research done in 2016 and 2017 with Alberta Municipal Affairs and other provincial Ombudsman offices suggested earlier resolution at the local level was required to more efficiently handle a greater volume of complaints and to address issues that affect Albertans in their home communities and daily living. No longer can every complaint result in a formal investigation that may take six months to a year to thoroughly consider every aspect of the case.

We have named the process "early resolution." It is not an entirely new practice for the Alberta Ombudsman as it has similarities to the alternative complaint resolution process the office has used for the last 15 years. The greatest change is in approach. The alternate resolution process was attempted when it seemed obvious a complaint could be readily resolved or quick resolution appeared urgent. For example, the complaint might arise out of a simple misunderstanding, or there might have been a health and safety concern. The fallback position was formal investigation and most cases went that route. Early resolution on the other hand, will be attempted with the vast majority of complaints coming in the door and only if early resolution fails will a complaint be considered for formal investigation.

In the past, alternative complaint resolution cases were closed when the complainant and authority came to an agreement. If there was no agreement the case proceeded to formal investigation. Such is not the case with early resolution. Early resolution may resolve the complaint for the parties, but it is also a form of preliminary investigation. Should the preliminary investigation provide convincing evidence which satisfies our office the complainant has been treated fairly, the case will be closed even if both parties are not in agreement. While early resolution will be considered in every case, not every case is suitable for early resolution.

It can be said confidently that early resolution has already been applied successfully within our existing mandate of provincial government and certain professional authorities. While there were pilot attempts at early resolution in the months prior, as of October 2017 early resolution became the standard approach. Our numbers confirm the approach is working and complaints are being resolved more quickly, as only 160 cases were carried through into the next reporting year (as of March 31, 2018), which compares to 223 cases carried forward from the previous reporting year.

The number of formal investigations opened decreased to 45 from 132 in fiscal 2017-18 because 110 cases were resolved with early resolution as compared to 21 cases resolved by alternative complaint resolution in the previous reporting year. In addition, the new practice influenced our response to simple telephone inquiries reducing the necessity of complainants being required to submit a formal written complaint. The number of complaints resolved as a result of a telephone call without the necessity of a written complaint went up from 62 to 95. In 2017-18 the office received 3,435 telephone inquiries (up 1% from the previous year) and 1,236 written complaints (up 6%).

Because early resolution places more emphasis at the earlier stages of the investigation process, one of Ombudsman Marianne Ryan's first tasks when she came aboard in July 2017 was to restructure the office to support the new way of doing business. Rather than four teams, with one team handling written intake and analysis and three teams conducting formal investigations, the investigative staff was regrouped into three larger teams which all perform the same functions. One team is based in Calgary and two in Edmonton. Each team is designed to consist of a manager and six investigators with varying levels of responsibility within each team. In order to be ready on April 1, 2018 for the additional municipal responsibility, seven new investigators were hired — this filled five planned additions to our staff complement and two vacancies. Each team receives and administers all the written correspondence and telephone calls for one week every month. The remaining weeks in the cycle are dedicated to finalizing early resolutions, formal investigations and special projects.

Taking on seven new investigators has increased the need for the three teams to work collaboratively within the greater group. In the past, once investigators gained experience they were given increasingly complex investigations and expected to bring each case to completion themselves, consulting with other colleagues in the office as needed. Under the new system investigators still need to operate independently, but more complex formal investigations often involve two or three investigators with each assigned different tasks. Because the teams are working more collaboratively with several sets of eyes looking at each complaint, early resolution tasks are completed and closed within the team. A quality control manager, which is a newly-established role, reviews closed cases to ensure consistency among the teams. This manager gains an overview of the entire organization which also helps with planning and training.

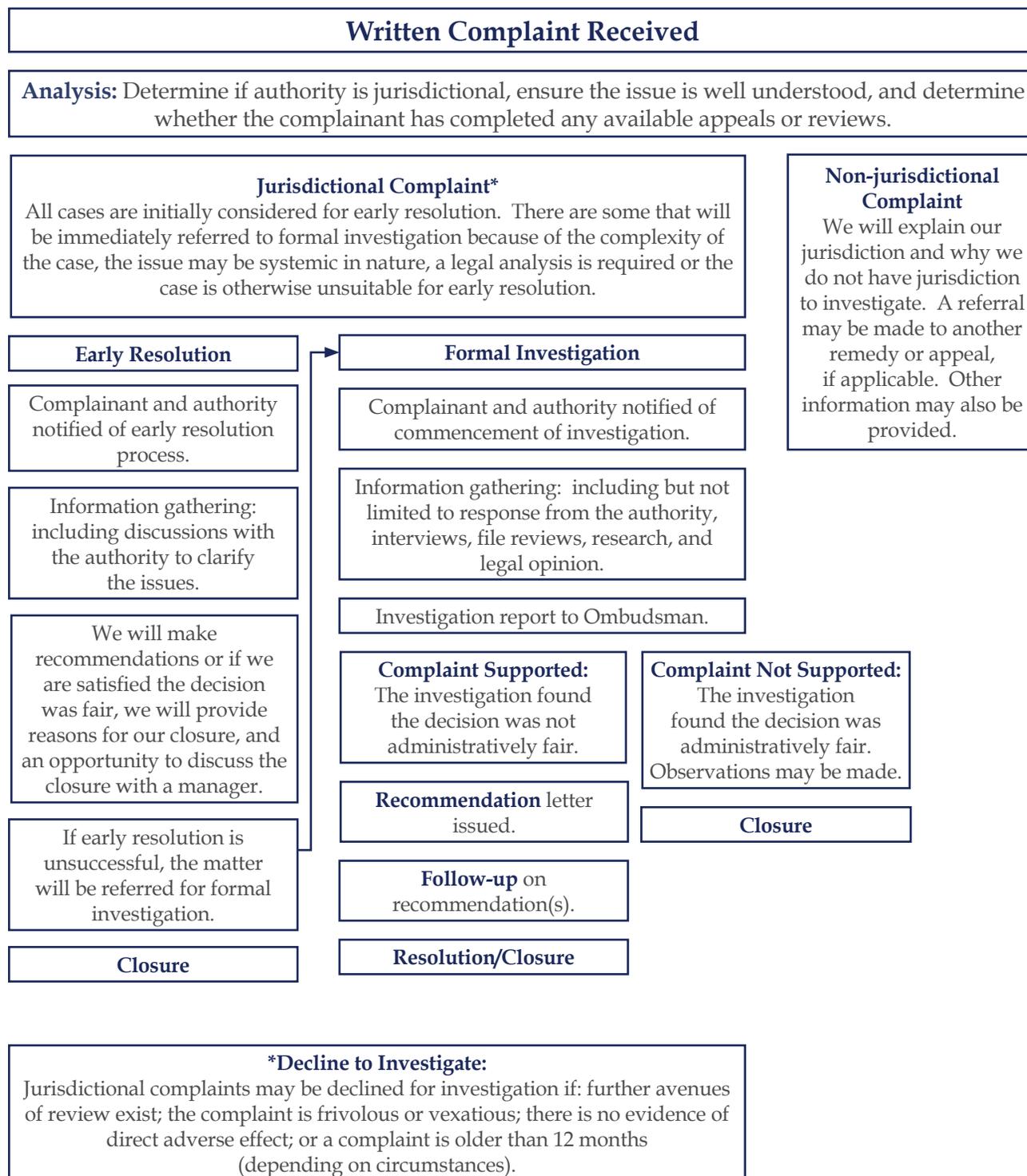
Another innovation which ensures consistency between the teams and acts as a training mechanism for new investigators, is the weekly "early resolution meeting" where investigators discuss interesting cases. The Ombudsman's jurisdiction is extensive and the legislation, policies and procedures we look at are constantly changing. The discussions from the early resolution meetings have proved educational for everyone.

The decision to include municipalities under the Ombudsman’s jurisdiction was made by the Alberta Legislature. The largest expansion of the office in 50 years has forced rapid organizational change. Some stress on staff is inevitable, but the changes, including the addition of several fresh investigators, have re-energized the organization.



Marianne Ryan, the Alberta Ombudsman, pictured here along with the Deputy Ombudsman, Ted Miles welcomes new investigators on their first day at the office.

## HOW A WRITTEN COMPLAINT FILE IS PROCESSED AT THE ALBERTA OMBUDSMAN'S OFFICE



**\*Decline to Investigate:**

Jurisdictional complaints may be declined for investigation if: further avenues of review exist; the complaint is frivolous or vexatious; there is no evidence of direct adverse effect; or a complaint is older than 12 months (depending on circumstances).



# CASE SUMMARIES

# CASE SUMMARIES — EARLY RESOLUTION

As of October 2017, early resolution became our standardized approach to assessing written complaints and working with both the complainant and authority to resolve a matter without a formal investigation. Early resolution is a pre-investigative stage whereby a jurisdictional written complaint is analyzed to determine if it can be resolved informally or if there is a need to open a formal investigation. These cases from the 2017-18 fiscal year are representative of this type of approach.

## Case 1. Appeal Panel’s decision to deny benefits was fair

An individual complained about the fairness of the decision of the Assured Income for the Severely Handicapped (AISH) Appeal Panel (the Panel) to uphold the decision of the department of Alberta Community and Social Services to deny her eligible for AISH benefits. She had opted out of taking remedial medication and instead chose a naturopathic route of treatment. The Panel could not determine the permanency of her condition as medication recommended by her doctor to potentially improve her condition had not been attempted. Per the AISH Act, all three criteria below must be met to satisfy the definition of ‘severe handicap’ which is defined as:

*... an impairment of mental or physical functioning or both that, in a director’s opinion after considering any relevant medical or psychological reports, causes substantial limitation in the person’s ability to earn a livelihood and is likely to continue to affect that person **permanently because no remedial therapy is available that would materially improve the person’s ability to earn a livelihood.***<sup>3</sup>

After carefully reviewing the information submitted by the complainant, the legislation, the material submitted to the Panel, and the Panel decision, we were satisfied the decision was made in an administratively fair manner.

This case is an example of how we have implemented early resolution to deal with cases more efficiently. This case was closed within three weeks, instead of potentially taking six to 12 months to conduct a formal investigation.

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<sup>3</sup> The bold portion of the definition has been highlighted by our office for emphasis.

## Case 2. A patient not fully informed of his right to appeal, receives an explanation

The complainant raised a concern with the College of Registered Psychiatric Nurses of Alberta (CRPNA) regarding the conduct of a psychiatric nurse and received a response from the Complaints Director dismissing the complaint. We reviewed the written decision of the Complaints Director and determined the Complaints Director did not reference the section of the *Health Professions Act* (HPA) used to dismiss the complaint. Further, the decision did not provide the complainant any information about his right to apply for a review by the Complaint Review Committee. The right to apply for a review is established in the HPA and the CRPNA owed a duty of fairness to the complainant to inform him of that right.

Instead of pursuing a formal investigation, we requested the CRPNA reissue its decision citing the relevant sections of the HPA and providing the complainant with an opportunity to request a review. The CRPNA agreed and we closed our case under early resolution after receiving the new decision letter.

## Case 3. Appeals Secretariat reassesses its decision

An individual was assessed an overpayment under the *Income and Employment Supports Act*. She complained the Appeals Secretariat, which is responsible for managing and scheduling appeals, acted unfairly in denying her application for a time extension as she had mitigating medical reasons which were not considered.

Subsequent to opening this matter for investigation, the Appeals Secretariat advised its review of the case revealed it had erred by not providing the complainant an opportunity to submit additional documentation to support the extension application. The Appeals Secretariat offered a new 30-day period to submit supplemental documents and we closed our case without any need for further action. We later learned the complainant made a submission to the Appeals Secretariat and was granted the requested time extension.

We played a role in creating an opportunity for the Appeals Secretariat to find a remedy without our office having to make a final determination relating to administrative fairness.

## Case 4. Clear explanation needed in the decision to deny benefits

A recipient of AISH benefits complained she was denied funding to cover vehicle insurance costs, alleging the department had valued her 1987 Camaro at between \$13,500 and \$24,500. Individuals in receipt of AISH can qualify for additional personal benefit funding over and above their monthly entitlement, when their assets do not exceed \$3,000, for specific purposes such as medical travel. The complainant alleged her request for funding for van insurance was denied because the value of her Camaro exceeded the asset ceiling.

We commenced the early resolution process to determine the basis for the valuation, and found the complainant had been denied funding for vehicle insurance because of the premium amount being charged of approximately \$7,500. The department was very clear the request for funding was denied as vehicle insurance is not a benefit that AISH provides and there were more cost effective options available for medical travel. The department acknowledged there was a period of just over two weeks where it had an incorrect valuation of the vehicle, but no decisions regarding vehicle insurance were made during that period of time.

The most significant result of our early resolution process in this case was an agreement by the department to send a letter of explanation of the reason for the insurance denial.

### Case 5. A patient gained new awareness of his right to a review

The complainant, who suffers from lung disease, was prescribed supplemental oxygen by his physician. The Alberta Aids to Daily Living (AADL) program denied payment, according to the complainant, because of his body mass index. This decision was provided verbally and nothing was said about the availability of any appeals of this decision.

We contacted AADL and learned that while Alberta Health Services provides clinical and operational support to the AADL for the respiratory benefits component, there is a complaint process through the AADL program which does accept complaints related to eligibility criteria. The complaint process involves examining policy, legislation and reviewing the circumstances of the complaint with the Respiratory Benefits Manager. If that review does not result in a new decision, the complainant then has an avenue of review to the AADL Director. This information was provided to the complainant and the case was closed without any further investigation required. Because of our involvement, we were able to advance the complainant's access to the reviews available to him, as is the right of all individuals dealing with AADL.

### Case 6. Alberta Transportation acts in accordance with legislation and standards

A driver applied for a handicapped placard to be used while she waited for knee surgery. Her doctor submitted a medical report to Alberta Transportation that disclosed not only the complainant's mobility problem but also that she had a genetic neurological disease. The doctor reported the condition is stable and currently does not affect the complainant's ability to drive. However, upon the driver's license renewal, a code 'C' condition was added to the license requiring the submission of annual medical reports.

The Director's response acknowledged that while the complainant was currently stable, the condition code was a requirement for individuals with progressive neurological conditions,

and is in accordance with the Canadian Council of Motor Transport Administrators (CCMTA) Medical Standards for Drivers. We were also advised that when her treating physician completes the medical report, if he confirms her condition is stable and he supports a longer license term, then the file can be reviewed for consideration of a five year license term.

In our analysis, we concluded the complainant had been treated in a fair and reasonable manner. The law requires a person who holds or applies for a driver's license to immediately disclose to the Registrar a disease or disability that may interfere with the safe operation of a motor vehicle. Also, by national agreement, all provinces use the same CCMTA guidelines to ensure consistent application of medical standards across the province. Finally, the *Traffic Safety Act* allows the Registrar to issue a conditional license requiring further medical reports before renewal of a license.

As we determined the department followed the legislation and standards, we were satisfied the response to the complainant was fair and reasonable and no further investigation was required.

## Case 7. Undue delays leave a student without important transcripts

A student complained about undue delays by Alberta Education in deciding whether to award high school credits for two level 30 courses. She and her family moved out of the country a few months after she finished high school and she needed her high school transcript to submit to the qualifications authority in the new country. She was unable to continue her education without the complete Alberta transcript.

Five months after starting the process, the department told the complainant a decision would be issued within 48 hours. Fourteen days later, she still had heard nothing. We contacted Alberta Education and were promised an answer would be issued shortly. A month later, our complainant advised she still had not received a response.

In following up with the department, we learned an email had just been sent to the complainant requesting further information. We were assured a decision would be issued promptly and that an explanation of the inordinate delays would be provided to the complainant by the department. We advised the complainant of the available avenue of recourse to the Director of the Examination Administration Branch if she disagrees with the response she received from the department. We further advised that if she receives a response from the Director that she believes to be unfair, she may write to our office again. By the conclusion of this reporting period, she had not made further contact.

## Case 8. Adequate reasons explain an inmate's prolonged placement in administrative segregation

An inmate was charged with damaging a cell window, which is an offence regarded as an attempted escape. As is usual practice pending a disciplinary hearing, the inmate was placed in administrative segregation. Administrative segregation is not intended as a punishment and regular privileges are not unduly denied. According to policy, persons awaiting a disciplinary hearing are not to remain in administrative segregation more than 72 hours without a hearing. After being postponed twice, the disciplinary hearing was held three and a half weeks after the incident. He was found guilty and sentenced to 14 days in disciplinary segregation. As the inmate had already been in segregation for 26 days, he expected to be given time served and released back to general population. The inmate wrote our office to complain that he was still being held in segregation after 35 days.

We worked towards an early resolution of the complaint by contacting the centre Director who clarified the complainant was not actually sentenced at the hearing. Instead the Hearing Adjudicator had delayed sentencing until he had an opportunity to conduct the disciplinary hearings of another four inmates accused in the same incident. Only then would he be able to make a fair determination of how restitution would be divided amongst them. The Director also noted the inmate had continued to pose a risk to the centre and had been charged with a new offence while in administrative segregation.

We reviewed the relevant documentation and confirmed the inmate was given notice of the reasons for the administrative segregation and his continued placement was reviewed every three days in accordance with policy. Policy allows a centre Director to place an inmate in administrative segregation if there are concerns about the protection of other inmates or the safety of the institution. In view of this, we were satisfied with the validity of the placement in administrative segregation. The inmate was ultimately sentenced a few days later for the original institutional charge and moved back to general population shortly thereafter.

We remained concerned with the length of time it took for the inmate to appear before the Hearing Adjudicator and learned from executive management there was a significant shortage of Hearing Adjudicators which was resolved by the time this inmate received his sentence on the institutional charge.

We also determined the delays in hearing this particular case were partly due to statutory holidays around the time of the offence and a request by the inmate to re-schedule so he could arrange for legal counsel. This case was unusual because it is not common to adjourn a hearing before sentencing. The reason provided in this case was the large cost of the damages which required the Hearing Adjudicator to hear from all inmates charged in the incident before deciding on restitution.

We determined no further investigation was required and the complainant was notified of the outcome of our review.

# CASE SUMMARIES – FORMAL INVESTIGATIONS

Formal investigations occur in complex cases, where issues may be systemic in nature, a legal analysis is required or other factors are discovered that make the case unsuitable for early resolution. The following case summaries are representative of the types of formal investigations initiated in our office this past year and include subsequent outcomes and recommendations.

## Case 1. Landowner not informed of her right to seek compensation, available through the Assurance Fund

Under the land registration system used in Alberta, the government has custody of all original titles, documents, and plans and has the legal responsibility for the validity and security of all registered land titles information. Land Titles staff examine legal documents and plans to ensure they comply with all current legislation, case law, policies and procedures before accepting them for registration. The Land Titles Offices (LTO) in Alberta register more than 700,000 documents annually. While the majority of land titles transactions in Alberta are done through lawyers, there is still a segment of Albertans who choose to complete the paperwork themselves.

A landowner complained the LTO registered only one of two land transfer requests submitted and failed to recognize that one transfer was dependent on the other. When the seller became aware of this, she incurred legal costs in having the portion of land she retained ownership of properly registered in her name. The seller requested reimbursement of legal fees from the LTO and was advised to seek compensation from the buyer.

The landowner had sold a portion of a parcel of land to another party and when the paperwork was initially submitted to LTO to transfer ownership, there was an error which indicated the buyer was now in ownership of the larger parcel of land and the seller was in ownership of the smaller parcel of land, instead of the reverse. The paperwork was returned to the buyer who submitted the corrected information about the parcel of land he bought. The end result was both parcels of land were now registered in the name of the buyer.

We learned in our investigation that while the document registration request had two transactions listed (the purchased land in the name of the buyer and the amended parcel in the name of the seller), there was nothing in the special instructions section which stated the two transactions were in any way linked. The legal information and fees only

came in for one transaction which was the smaller portion of land correctly purchased by the buyer, and since everything required for that transaction was received it was put through by the LTO.

Anyone who suffers a loss due to an error or a fraudulent transaction on a land title may take steps to obtain compensation from the government through the Assurance Fund.

While the LTO adequately explained the process as to why the transaction was completed and answered questions surrounding the document registration process, the LTO did not provide sufficient detail about the Assurance Fund. When the complainant specifically asked questions about available compensation, the response should have included details about the Assurance Fund, including steps involved in making a claim and the legislative authority guiding it. We recommended the LTO issue a follow-up letter to the seller explaining the Assurance Fund and the steps involved in making a claim. We also recommended the booklet “An Introduction to Alberta Land Titles” include more detail about the Assurance Fund process to ensure the general public is better informed about the availability of this particular process.

The complainant received a complete written explanation of the Assurance Fund which included information on steps in making a claim, the types of claims that can be made, the legislative authority for the Assurance Fund, and the available avenues of appeal to the courts if a claim is denied.

## Case 2. College agrees to process enhancements to ensure complainants are given fair opportunity to discuss their concerns

An individual complained about the fairness of a decision of the Complaint Review Committee (CRC) of the College of Physicians and Surgeons of Alberta (CPSA) to dismiss a complaint. The decision dealt with an investigated member who had failed to advise the complainant of a cancer diagnosis for over a year. Upon reviewing both the complaints process and the CRC decision, our investigation highlighted several areas of concern.

The complaint was dismissed by the CRC due to insufficient evidence of unprofessional conduct; however, the CPSA investigation showed the investigated member was in violation of the Standards of Practice. We concluded the complaint should have been forwarded to a Hearings Tribunal instead of being dismissed.

Our investigation also revealed concerns with how the CPSA was interpreting its legislative authority in the *Health Professions Act* (HPA). The CPSA utilized different sections of the HPA to support its actions without being able to substantiate in policy or procedural documents how its decisions were being made. Our recommendation to develop a written process, which clearly shows how a complaint is processed, was accepted by the CPSA.

The investigated member involved had passed away, complicating the case as further inquiries and accountability directly related to the complainant could not be accomplished. We were able to determine the CPSA had given the complainant a legitimate expectation there would be a face-to-face meeting to set out all the issues; however, a decision was issued without the meeting, or a discussion involving the complainant taking place. The CPSA agreed this oversight occurred and advised its process had been changed to ensure complainants are contacted to discuss their concerns prior to a decision being issued.

### Case 3. Errors in a number of decisions led to re-hearings of all decisions

For a number of years, a woman suffering from Post Traumatic Stress Disorder (PTSD) had come into contact with a variety of different social workers and outreach workers involved in trying to assist her with various concerns or in counselling settings. She complained to our office about decisions issued by the Complaint Review Committee (CRC) of the Alberta College of Social Workers (ACSW) involving seven social workers. Our investigation found several administrative and procedural errors in each of those decisions.

In each of the seven decisions, the CRC failed to ensure both the complainant and the investigated member of the ACSW had an opportunity to provide submissions prior to issuing its decision. The result was neither party was able to fully participate in the process nor have a meaningful opportunity to be heard.

A number of the decisions referenced incorrect sections of the *Health Professions Act* (HPA). In some instances, the CRC stated the Complaints Director dismissed the complaint under a section of the HPA which does not allow for the dismissal of complaints. In other instances, the CRC failed to indicate which section of the HPA it relied upon to uphold the decision of the Complaints Director. In several decisions, the CRC failed to outline its legislative authority to conduct a review. In one decision, the CRC quoted the wrong section of the HPA when outlining its legislative authority.

The complainant raised several issues in her requests for review by the CRC; however, many of the decisions failed to address the main complaints and also failed to provide reasons why the complaints were not supported.

Two of the decisions were issued by the same CRC and were virtually identical in content. This clearly demonstrated the CRC failed to put its mind to each of the individual decisions and consider the evidence and arguments of each complaint independently.

Based on the significant errors found in our investigation, we recommended the CRC re-hear each decision. The ACSW agreed and we closed the case when the hearings were scheduled.

## Case 4. Maintenance Enforcement Program reimburses funds to debtor following child status review

The spouse of a debtor complained the Maintenance Enforcement Program (MEP) continued to collect maintenance payments and disburse them to the creditor while inquiries were being made concerning the status of the file. MEP policy is to collect maintenance for children up to the age of 22, and collection ends before that age if the child: is at least the age of majority and no longer registered in school full-time; had completed a post-secondary degree, certificate, or diploma; ceased to be a dependant or under the care and control of the creditor; or is married or living common-law. In order to determine eligibility, MEP conducts a child status review. It was standard practice at the time to continue to collect maintenance monies, but place a financial hold on distributing same to the creditor, pending the results of the review.

In this case, the results of the child status review were that the child no longer met any of the criteria for collection and an overpayment to the creditor resulted. Had the funds been held in trust, they would have been refunded to the debtor. MEP advised the complainant there was no recourse for reimbursement from MEP as it had no authority to require reimbursement of the funds from the creditor.

As a result of our investigation, MEP took the initiative to provide reimbursement to the debtor through an *ex gratia* payment which equaled the overpayment. We closed our case when MEP finalized the process for making the payment.

## Case 5. Patient's application for out-of-country health care funding is given a second chance

A patient complained about a decision of the Out-of-Country Health Services Appeal Panel (the Appeal Panel). The complainant needed a form of oral surgery available at the Mayo Clinic in Minnesota. Her doctor submitted a funding application to the Out-of-Country Health Services Committee (the Committee). The Committee denied the request and the patient appealed that decision to the Appeal Panel, which upheld the Committee's decision.

The patient argued the decision was unfair because all the medical information was not considered. She contended the Appeal Panel failed to acknowledge or mention the specifics she put forward in her notice of appeal.

Our investigation found the Appeal Panel did not respond to the appellant's primary argument for submitting the appeal. We determined the Appeal Panel addressed the reports of three physician's reports out of 15 submitted, did not explain how it assessed and weighed the evidence before it, and did not establish findings of fact or agreed on statements of fact. Every piece of evidence does not need to be addressed, but in order for

a decision to be administratively fair, the major evidence must be addressed along with an indication why the evidence was either relied on or rejected when making a decision.

Given these findings, we recommended the Appeal Panel re-hear the matter and closed our case when the Appeal Panel advised it was accepting the recommendation.

## Case 6. Review process now available to Albertans initially deemed ineligible for Alberta Health Care Insurance

A couple complained about a decision made by Alberta Health Care Insurance Plan (AHCIP). The complainants, who were born and raised in Alberta, own a home in Mexico. They also own a recreational vehicle which is parked in Alberta and which they live in when they return to Alberta for extended periods of time. The legislation governing eligibility for AHCIP coverage states a person can be absent from the province and Canada for a period which cannot exceed six months (interpreted as 183 days in a 12 month period) and maintain their eligibility for AHCIP coverage. One month extensions are available for what are known as 'long-term' vacationers and temporary absences are allowable of up to 24 months if upon return a person maintains permanent residency in Alberta long enough to meet the definition of 'ordinarily resident' (i.e., 153 days).

The complainants were notified in the summer of 2015 their AHCIP coverage would expire if they failed to return to Alberta by October 2015. They were advised that because they had been out of the country for more than seven months in each of the past two years, AHCIP applied the extended absence policy. They were advised they would be eligible for another extended absence in 2017. Until then, they had to be physically present in Alberta for 153 days from the date of their return to Alberta. The couple returned to Alberta in the spring of 2016 and re-applied for AHCIP coverage and were denied on the grounds they did not meet residency criteria. AHCIP had determined they own a home in Mexico and live there more than seven months every year and are transient while in Alberta living in a recreational vehicle.

The complainants argued AHCIP staff failed to provide complete and accurate information about the rules governing AHCIP eligibility. Our investigation determined appropriate information was provided to this couple and the application of the legislated eligibility for AHCIP coverage was correct. We recommended AHCIP develop a process which would allow an individual to request a review of a decision made about the cancellation or denial of AHCIP coverage. The ability to request a review of a decision which could substantially impact an individual's life is an important aspect of an administratively fair process. The department accepted our recommendation and implemented a two-level review process.

## Case 7. New policies and a collaborative approach satisfies both the complainant and the authority

In our previous Annual Report, we committed to update the status of a featured case, in relation to an outstanding recommendation in last year's report. This case involved a complainant who, after exhausting available health services in Alberta for their child, was referred to the United States. The outstanding recommendation was for the Out-of-Country Health Services Committee (the Committee) to review its decision to require a second application by the complainant, for funding for out-of-country health services received prior to the Committee meeting.

In June 2017, our office was notified that the Ministry of Alberta Health agreed with our recommendation and recommended the Committee re-consider the second application. However, the Committee continued to disagree with our recommendation for a re-hearing and maintained that there was still no basis to reconsider the original application.

Prior to escalating her recommendation to the next level, the Ombudsman determined that the circumstances of this case were unique and that a meeting with the Committee might be of benefit to all parties. Although administrative unfairness was identified and best remedied by a re-hearing, consideration needed to be given to the possible outcomes of a re-hearing which could negatively impact the complainant. The complainant understood that if a re-hearing took place, previous decisions of the Committee, including decisions to grant benefits, would be set aside and her complaint would be heard anew. The complainant also understood that a re-hearing could result in entirely different decisions being made and that the ultimate outcome might be less than what she had hoped for. Moreover, the Committee adopted a fairer and less restrictive interpretation of the legislation. The Committee created new policies to ensure future applicants with similar circumstances are treated fairly and consistently. With the agreement of the complainant and based on the actions of the Committee, the Ombudsman decided to withdraw her recommendation and close the investigation.

The unique circumstances of this case, along with the Committee's and the complainant's willingness to consider alternate outcomes, allowed for a fair resolution to this case which met the satisfaction of all parties.



# OUTREACH AND EDUCATION

# OUTREACH AND EDUCATION

The 2017-18 fiscal year brought dynamic change and a new audience to address via our outreach and education initiatives. As of April 1, 2018, changes to the *Municipal Government Act* took effect and Alberta's approximately 350 municipalities were brought under our jurisdiction. In anticipation of this exciting change, we placed considerable focus on building relationships with both urban and rural municipalities through various presentations, events, activities and education sessions. We started with getting to know this new jurisdictional entity, through the lens of an Ombudsman.

Early in 2017, our office initiated an environmental scan of other provincial Ombudsman offices that investigate municipal complaints and have been doing so for some time. A business analysis was conducted to assess the impact of this type of jurisdictional expansion, and what considerations we would need to take, in predicting change for our office. Our questions focused heavily on operations and investigative processes; however, best practices for outreach and education were also considered. Of particular interest we noted an underlying theme as peers in other offices highlighted the benefits of maintaining positive, collaborative relationships with municipalities. This resonated with us and helped reinforce the importance our office has always placed on providing excellent service. Overall, the learning from this process was of great value and we owe sincere thanks to the teams at Ombudsman Saskatchewan, Ombudsman Ontario, Manitoba Ombudsman, The Office of the Ombudsperson for British Columbia, Nova Scotia Office of the Ombudsman and Ombud New Brunswick.

Later in 2017, we introduced ourselves to municipal leaders across Alberta and invited Chief Administrative Officers to participate in a survey, designed to gather important contact information and discover how municipalities address the complaints it receives. We also invited municipalities to comment on the types of educational resources it would find most beneficial in getting to know us. The leading result with a response rate of 73% of those polled, chose general Q&A resources about the Ombudsman and the upcoming relationship with municipalities. Our office responded with the preparation of Municipal Frequently Asked Questions which we posted to our website. We also included links to the tools and resources municipal leaders may find useful in enhancing awareness of our office with their own staff. Print materials, including a guidebook on our Administrative Fairness Guidelines also rated highly in the survey.

In March of 2018, Ombudsman staff attended a training session designed and facilitated by Municipal Affairs. The two-day agenda included several facilitators who provided instruction ranging from introductory materials such as "Municipalities 101", "Municipal Governance" and "Bylaws 101" to more advanced topics such as "Municipal Inspections" and "Intermunicipal Collaboration Frameworks". The sessions offered our staff important definitions, resources and contacts but more importantly, a deeper understanding of some

of the types of complaints and internal complaints processes that exist within the municipal world. We appreciate the role Municipal Affairs has played in advancing our awareness in this area and would like to thank its managers, staff and facilitators for coordinating and presenting these sessions.

Social media continues to act as an important platform for communication. We regularly make use of social media to engage Albertans and provide information about our events and the services our office provides. This year via Twitter, we leveraged resources from our website and the photos from our outreach events to engage users. Over the year, we saw over 89,000 impressions, the measure of the number of times users see a Tweet come across their screen. This year, we also expanded into YouTube with an introductory video animation about our office. With far more potential to be realized, we will continue to prioritize communication via social media and make good use of this platform in enhancing awareness of our office.

The office conducted 17 outreach events with municipalities, including two trade shows hosted by the Alberta Urban Municipality Association and the Alberta Association of Municipal Districts and Counties (now Rural Municipalities of Alberta). We partnered with staff from Municipal Affairs and joined zone meetings led by the Local Government Administration Association for presentations about our office. Zone meetings took us around the province with visits to Olds, Lethbridge, Claresholm, Grande Prairie, Peace River, Lac la Biche, Drumheller, St. Paul, Camrose, High Prairie and Spruce Grove. We conducted outreach in another 29 instances including presentations about our office to students enrolled in Correctional Induction Services Training, paralegal students at MacEwan University, and as part of a 50+ Lecture Series hosted by the Calgary Public Library.

Ombudsman Marianne Ryan encouraged outreach and led the way with 10 additional presentations of her own. She welcomed requests and spoke to various organizations including the Alberta Rural Municipal Administrators' Association, the Alberta Federation of Regulated Health Professions, Municipal Affairs for their Divisional Strategic Planning Day and to Alberta Legislative Assembly Pages as part of The Page Program. She also presented as keynote speaker at the "Finding Your Way" conference hosted by the Status of Women and presented to three Rotary Clubs.

Enhancing an understanding of the Ombudsman and the role of the office allows us to be more effective in our service to Albertans. The expansion of our jurisdiction to include municipalities broadened the potential of our reach and has allowed us to engage differently than ever before. We look forward to the year ahead - what we will learn about local government and how our work with municipalities will grow and develop over time. Education and awareness initiatives remain an integral part of our business plan and provide the opportunity to not only deliver information about our office but to listen for the issues that are of most concern to the Albertans we meet.

Office of the Ombudsman

**FINANCIAL  
STATEMENTS**

MARCH 31, 2018

# OFFICE OF THE OMBUDSMAN

## FINANCIAL STATEMENTS

Year ended March 31, 2018

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## Independent Auditor's Report

To the Members of the Legislative Assembly

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the Office of the Ombudsman, which comprise the statement of financial position as at March 31, 2018, and the statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Office of the Ombudsman as at March 31, 2018, and the results of its operations, its remeasurement gains and losses, its changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]  
Auditor General

July 5, 2018  
Edmonton, Alberta

# OFFICE OF THE OMBUDSMAN

## STATEMENT OF OPERATIONS

Year ended March 31, 2018

	2018		2017
	Budget	Actual	Actual
<b>Revenues</b>			
Fellowship Agreement	\$ -	\$ -	\$ 6,346
Prior Year Expenditure Refunds	-	1,623	3,307
	-	1,623	9,653
<b>Expenses - Directly Incurred (Notes 2(b), 3 and Schedule 2)</b>			
Salaries, Wages, and Employee Benefits	3,348,000	2,993,559	3,097,778
Supplies and Services	318,000	423,736	358,094
Amortization of Tangible Capital Assets	20,000	13,725	19,819
	3,686,000	3,431,020	3,475,691
Less: Recovery from Support Service Arrangements with Related Parties	(401,000)	(313,614)	(351,291)
Program - Operations	3,285,000	3,117,406	3,124,400
<b>Net Cost of Operations</b>	<b>\$ (3,285,000)</b>	<b>\$ (3,115,783)</b>	<b>\$ (3,114,747)</b>

The accompanying notes and schedules are part of these financial statements.

# OFFICE OF THE OMBUDSMAN

## STATEMENT OF FINANCIAL POSITION

As at March 31, 2018

	<b>2018</b>	<b>2017</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities	\$ 85,923	\$ 107,485
Accrued Vacation Pay	268,552	256,209
	<u>354,475</u>	<u>363,694</u>
<b>Net Debt</b>	<u>(354,475)</u>	<u>(363,694)</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 4)	124,752	51,762
Prepaid Expenses	6,557	8,636
	<u>131,309</u>	<u>60,398</u>
<b>Net Liabilities</b>	<u>\$ (223,166)</u>	<u>\$ (303,296)</u>
<b>Net Liabilities at Beginning of Year</b>	\$ (303,296)	\$ (318,019)
Net Cost of Operations	(3,115,783)	(3,114,747)
Net Financing Provided from General Revenues	3,195,913	3,129,470
<b>Net Liabilities at End of Year</b>	<u>\$ (223,166)</u>	<u>\$ (303,296)</u>

The accompanying notes and schedules are part of these financial statements.

# OFFICE OF THE OMBUDSMAN

## STATEMENT OF CHANGE IN NET DEBT

Year ended March 31, 2018

	2018		2017
	Budget	Actual	Actual
<b>Net Cost of Operations</b>	\$ (3,285,000)	\$ (3,115,783)	\$ (3,114,747)
Acquisition of Tangible Capital Assets	-	(86,715)	(39,806)
Amortization of Tangible Capital Assets (Note 4)	20,000	13,725	19,819
Changes in Prepaid Expenses		2,079	1,342
Net Financing Provided from General Revenue		3,195,913	3,129,470
<b>Decrease/(Increase) in Net Debt</b>		\$ 9,219	\$ (3,922)
<b>Net Debt at Beginning of Year</b>		(363,694)	(359,772)
<b>Net Debt at End of Year</b>		\$ (354,475)	\$ (363,694)

The accompanying notes and schedules are part of these financial statements.

# OFFICE OF THE OMBUDSMAN

## STATEMENT OF CASH FLOWS

Year ended March 31, 2018

	<b>2018</b>	<b>2017</b>
<b>Operating Transactions</b>		
Net Cost of Operations	\$ (3,115,783)	\$ (3,114,747)
Non-Cash Items included in Net Operating Results:		
Amortization of Tangible Capital Assets	13,725	19,819
Decrease in Prepaid Expenses	2,079	1,342
(Decrease)/Increase in Accounts Payable and Accrued Liabilities	(9,219)	3,922
Cash Applied to Operating Transactions	(3,109,198)	(3,089,664)
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets	(86,715)	(39,806)
Cash Applied to Capital Transactions	(86,715)	(39,806)
<b>Financing Transactions</b>		
Net Financing Provided from General Revenues	3,195,913	3,129,470
<b>Changes in Cash</b>	-	-
<b>Cash at Beginning of Year</b>	-	-
<b>Cash at End of Year</b>	\$ -	\$ -

The accompanying notes and schedules are part of these financial statements.

# OFFICE OF THE OMBUDSMAN

## NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2018

### NOTE 1 AUTHORITY AND PURPOSE

The Office of the Ombudsman (the Office) operates under the authority of the *Ombudsman Act*.

The Office promotes fairness in public administration within the Government of Alberta, designated professional organizations, the Patient Concerns Resolution Process of Alberta Health Services, and Alberta municipalities (effective April 1, 2018).

### NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian public sector accounting standards, which use accrual accounting.

The Office adopted the following standards from April 1, 2017:

PS 2200 Related Party Disclosures;  
PS 3420 Inter-Entity Transactions;  
PS 3210 Assets;  
PS 3320 Contingent Assets; and  
PS 3380 Contractual Rights.

The adoption of these standards, with the exception of PS3420 Inter-Entity Transactions (reflected in Schedule 2), have no material impact on the Office's financial statements; therefore no further notes or schedules have been included.

As the Office does not have any transactions involving financial instruments that are classified in the fair value category, there are no re-measurement gains and losses.

#### (a) Reporting Entity

The reporting entity is the Office of the Ombudsman, which is a legislative office for which the Ombudsman is responsible.

The Office's annual operating and capital budgets are approved by the Standing Committee on Legislative Offices.

# OFFICE OF THE OMBUDSMAN

## NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2018

### NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

#### (a) Reporting Entity (Cont'd)

The net cost of the operations of the Office is borne by the General Revenue Fund (the Fund) of Alberta, which is administrated by the President of Treasury Board, Minister of Finance.

All cash receipts of the Office are deposited into the Fund and all cash disbursements made by the Office are paid from the Fund.

Net financing provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

#### (b) Basis of Financial Reporting

##### Expenses

##### Directly Incurred

Directly incurred expenses are those costs the Office has primary responsibility and accountability for, as reflected in the Office's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs, which comprise the cost of employer contributions for current service of employees during the year; and
- a valuation adjustment which represents the change in management's estimate of future payments arising from obligations relating to vacation pay.

##### Incurred by Others

Services contributed by other entities in support of the Office's operations are not recognized but disclosed in Schedule 2.

# OFFICE OF THE OMBUDSMAN

## NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2018

### NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

#### (b) Basis of Financial Reporting (Cont'd)

##### Valuation of Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

##### Liabilities

Liabilities are present obligations of the Office to external organizations and individuals arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

##### Non-Financial Assets

Non-Financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- (a) are normally employed to deliver the Office's services;
- (b) may be consumed in the normal course of operations; and
- (c) Are not for sale in the normal course of operations.

Non-financial assets of the Office are limited to tangible capital assets and prepaid expenses.

##### Tangible Capital Assets

Tangible capital assets are recorded at historical cost and are amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major system enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. Amortization is only charged if the tangible capital asset is put into service.

# OFFICE OF THE OMBUDSMAN

## NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2018

### NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

#### (c) Net Debt

Net debt indicates additional cash required from the Fund to finance the Office's cost of operations to March 31, 2018.

### NOTE 3 SUPPORT SERVICES ARRANGEMENTS

*The Public Interest Disclosure (Whistleblower Protection) Act* appoints the Ombudsman to also be the Public Interest Commissioner. The Office of the Public Interest Commissioner is a separate Legislative Office physically located with the Office of the Ombudsman.

The Offices of the Ombudsman and Public Interest Commissioner have a formal support services agreement (the agreement) for provision of shared services.

The Office of the Ombudsman's employees provide general counsel, communications, and corporate (finance, human resources, information technology, administration) services to the Office of the Public Interest Commissioner. The salaries and benefits costs of these Ombudsman employees are allocated to the Office of the Public Interest Commissioner based on the percentage of time spent providing the shared services.

The agreement authorizes allocation of other office services (i.e. photocopier fees, etc.) paid by the Office of the Ombudsman to be allocated, on a usage basis, to the Office of the Public Interest Commissioner.

The shared services allocation is included in the voted operating estimates and statement of operations as a cost recovery for the Office of the Ombudsman and as a supplies and services expense for the Office of the Public Interest Commissioner.

For 2017-18, the Office's cost recovery from the Office of the Public Interest Commissioner was \$313,614 (2017 - \$351,291).

# OFFICE OF THE OMBUDSMAN

## NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2018

### NOTE 4 TANGIBLE CAPITAL ASSETS

	Useful Life (yrs)	Cost	2018	
			Accumulated Amortization	Net Book Value
Computer hardware and software	3	\$ 111,408	\$ 111,408	\$ -
Leasehold Improvements	5	33,220	1,092	32,128
Office equipment and furnishings	5 or 10	115,803	23,179	92,624
		<u>\$ 260,431</u>	<u>\$ 135,679</u>	<u>\$ 124,752</u>

	Useful Life (yrs)	Cost	2017	
			Accumulated Amortization	Net Book Value
Computer hardware and software	3	\$ 111,408	\$ 108,406	\$ 3,002
Office equipment and furnishings	5 or 10	71,531	22,771	48,760
		<u>\$ 182,939</u>	<u>\$ 131,177</u>	<u>\$ 51,762</u>

In 2017-18, tangible capital asset additions were \$86,715 (2017 \$39,806) and disposals were \$9,224 (2017 \$17,723).

# OFFICE OF THE OMBUDSMAN

## NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2018

### **NOTE 5 DEFINED BENEFIT PLANS (IN THOUSANDS)**

The Office participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Office also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$335 for the year ended March 31, 2018 (2017 - \$376).

At December 31, 2017, the Management Employees Pension Plan had a surplus of \$866,006 (2016 surplus \$402,033), the Public Service Pension Plan had a surplus of \$1,275,843 (2016 surplus \$302,975) and the Supplementary Retirement Plan for Public Service Managers had a deficit of \$54,984 (2016 deficit \$50,020).

The Office also participates in the multi-employer Long Term Disability Income Continuance Plan. At March 31, 2018, the Management, Opted Out and Excluded Plan had a surplus of \$29,805 (2017 surplus \$31,439). The expense for this plan is limited to the employer's annual contributions for the year.

### **NOTE 6 APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by the Ombudsman.

# OFFICE OF THE OMBUDSMAN

## SALARY AND BENEFITS DISCLOSURE

## Schedule 1

Year ended March 31, 2018

	2018				2017
	Base Salary	Cash Benefits <sup>(1)</sup>	Non-Cash Benefits <sup>(2)</sup>	Total	Total
<b>Senior Official</b> <sup>(3) (4) (5) (6)</sup>					
Ombudsman/Commissioner	\$ 188,193	\$ 34,465	\$ 9,394	\$ 232,052	\$ 333,195
<b>Executive</b> <sup>(7) (8) (9)</sup>					
Deputy Ombudsman	\$ 71,032	\$ -	\$ 14,829	\$ 85,861	\$ 206,241

- (1) Cash benefits are pension-in-lieu payments, vacation payout and vehicle allowance.
- (2) Non-cash benefits include the Office's share of all employee benefits and contributions or payments made on behalf of employees including pension plans, CPP/EI employer premiums, extended health care, dental coverage, group life insurance, and long-term disability premiums.
- (3) For 2017-18, automobile provided to April 16, 2017. The lease, insurance and operating costs of \$1,903 are included in other non-cash benefits. The Ombudsman/Commissioner received a taxable benefit at December 31, 2017 of \$4,925 (2016-\$14,944).
- (4) The position functions as the Ombudsman and the Public Interest Commissioner and does not receive additional remuneration for the role of Public Interest Commissioner. This salary and benefits disclosure schedule represents 100% of the senior official's total salary and benefits received in 2017-18 and 2016-17.
- (5) Note 3 on the Notes to the Financial Statements provides information regarding allocation of shared services costs for financial statement presentation.
- (6) The position was occupied by two individuals during the year as the first individual retired on April 16, 2017 and the incumbent commenced on July 1, 2017.
- (7) The Deputy Ombudsman was appointed Acting Ombudsman from April 16 to June 30, 2017.
- (8) The Deputy Ombudsman retired on August 22, 2017, no permanent incumbent as at March 31, 2018.
- (9) The Director, Public Interest Commissioner was also acting Deputy Ombudsman, for the period of August 14, 2017 to March 31, 2018.

# OFFICE OF THE OMBUDSMAN

ALLOCATED COSTS  
Year ended March 31, 2018

Schedule 2

Program	2018			Total Expenses	2017
	Expenses <sup>(1)</sup>	Expenses - Incurred by Others			Total Expenses
		Accommodation <sup>(2)</sup>	Telephones <sup>(3) (4)</sup>		
Operations	\$ 3,117,406	\$ 305,059	\$ 6,617	\$ 3,429,082	\$ 3,433,798

(1) Expenses - directly incurred as per Statement of Operations.

(2) Accommodation expenses - allocated by the total square meters occupied by the Office.

(3) Telephones - Service Alberta's costs for the Office's telephone lines for April 1 to October 31, 2017.

(4) Effective November 1, 2017, the Office of the Ombudsman commenced direct payment for all telephone related expenses. Service Alberta is no longer responsible for the Office's telephone services.



—ALBERTA—  
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