



**PUBLIC INTEREST
COMMISSIONER**

**A report of the Public Interest Commissioner
in the matter of a disclosure under the
*Public Interest Disclosure
(Whistleblower Protection) Act***

Case #: P14-106915
Allegations of Wrongdoing Related to
Alberta Health Services (AHS) - 2012 Purchase and Subsequent
Deployment of Replacement Computer Equipment.

July 16, 2014



Generic language is used in this report to protect the identity of the parties involved.

For copies of this report, please call or write the Office of the Public Interest Commissioner at:

Province-wide (toll-free): 1-855-641-8659

Calgary: 403-592-3106

Edmonton: 780-641-8659

Head office and mailing address:

Public Interest Commissioner

10303 Jasper Avenue NW, Suite 2800

Edmonton, AB T5J 5C3

Calgary office

Public Interest Commissioner

801-6 Avenue SW, Suite 2560

Calgary, AB T2P 3W2

Email the Public Interest Commissioner's office at: info@pic.alberta.ca, or visit us online at www.yourvoiceprotected.ca



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Vickie Kaminski
Chief Executive Officer
Alberta Health Services
14th Floor, 10030-107 Street
Seventh Street Plaza-North Tower
Edmonton, AB T5J 3E4

Dear Ms. Kaminski,

I am pleased to provide my report, *Allegations of Wrongdoing Related to Alberta Health Services (AHS) - 2012 Purchase and Subsequent Deployment of Replacement Computer Equipment*, as required by Section 22 of the *Public Interest Disclosure (Whistleblower Protection) Act*.

[Original signed by Peter Hourihan]

Peter Hourihan, B.Admin., LL.B.
Public Interest Commissioner

Edmonton, Alberta
July 16, 2014



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Forward

An effective public service depends on the commitment of everyone who works in it to maintain the highest possible standards of honesty, openness and accountability. The *Public Interest Disclosure (Whistleblower Protection) Act* (the Act) creates a confidential avenue for public servants to speak out about wrongdoings or make complaints of reprisal. Employees covered by this legislation can choose to report internally or, in limited circumstances, directly to the Public Interest Commissioner (the Commissioner). Whether the matter is investigated by the public entity or the Commissioner, Albertans expect the investigation will be thorough, objective and complete. Whistleblowers have the same expectation, and must have confidence their concerns will not be met with reprisal. Management needs to ensure this, and should embrace whistleblowing as an opportunity to make positive change.

The Act came into force June 2013, and facilitates the disclosure and investigation of significant and serious matters or reprisals occurring in government departments, offices of the Legislature, and public entities (including provincial agencies, boards and commissions, post-secondary academic institutions, school boards, charter schools, accredited private schools that receive grants, and public sector health entities).

Section 22(1) of the Act stipulates the Commissioner must prepare a report on completion of an investigation which sets out the findings, reasons for those findings, and any recommendations considered appropriate respecting the disclosure and the wrongdoing. This report fulfills that requirement.



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Mandate

The Commissioner is an independent Officer of the Legislature, who reports to the Legislative Assembly as a whole. Investigators conduct investigations and provide advice as required in respect of disclosures and complaints of reprisals for employees of provincial government and other jurisdictional public entities.

The Act states the purposes of the office are to:

- (a) facilitate the disclosure and investigation of significant and serious matters in or relating to departments, public entities or offices of the Legislature, that an employee believes may be unlawful, dangerous to the public or injurious to the public interest,
- (b) protect employees who make those disclosures,
- (c) manage, investigate and make recommendations respecting disclosures of wrongdoing and reprisals, and
- (d) promote public confidence in the administration of departments, public entities and offices of the Legislature.

Our larger aim is to promote a culture in the public sector where employees and managers share a common goal of reporting, investigating and changing practices to prevent or remedy wrongdoings.

Wrongdoings are defined in the Act as:

- (a) a contravention of an Act, a regulation made pursuant to an Act, an Act of the Parliament of Canada or a regulation made pursuant to an Act of the Parliament of Canada;
- (b) an act or omission that creates
 - i. a substantial and specific danger to the life, health or safety of individuals other than a danger that is inherent in the performance of the duties or functions of an employee, or
 - ii. a substantial and specific danger to the environment;
- (c) gross mismanagement of public funds or a public asset;
- (d) knowingly directing or counselling an individual to commit a wrongdoing mentioned in clauses (a) to (c).

The purpose of an investigation by the Commissioner is to bring the wrongdoing to the attention of the affected department, public entity or office of the Legislature, and to recommend corrective measures. This promotes confidence in the administration of the department, public entity or office of the Legislature, and encourages whistleblowers to come forward without fear of reprisal.



The Disclosure

The investigation involves Alberta Health Services (AHS), a public entity in the health sector as defined in the Regulations.

The investigation stems from an anonymous complaint consisting of two letters dated June 10, 2013, and January 13, 2014 (the letters), which were ultimately forwarded to Members of the Legislative Assembly of Alberta. The letters alleged Alberta Health Services purchased a large quantity of computer equipment under questionable circumstances, which was subsequently stored for unknown reasons, resulting in excess storage costs and the expiration of warranties. The disclosure was forwarded to the Commissioner, who ordered an investigation on January 24, 2014. The disclosure relied on section 3(1)(c) of the Act which defines a wrongdoing as **“gross mismanagement of public funds or a public asset”**.

The issues examined during this investigation were:

1. Did the purchase of computers by AHS constitute a gross mismanagement of public funds? and
2. Did the delay in deployment of computers by AHS constitute a gross mismanagement of a public asset?

Findings

1. **The investigation found the bulk purchase of computers by AHS did not constitute a “wrongdoing” per section 3(1)(c) of the Act for the following reasons:**
 - The purchase of the computers was funded using surplus operating budget;
 - The computers were bought to replace outdated computers in use within clinical units;
 - The procurement utilized a public tender process; and
 - The bulk purchase resulted in significantly reduced per-unit costs.
2. **The investigation found the delay in deployment of the computers by AHS did not constitute a “wrongdoing” per section 3(1)(c) of the Act for the following reasons:**
 - AHS faced challenges in migrating applications from existing legacy devices from the former health regions where IT protocols were not standardized. Measures taken by AHS to deploy the computers were reasonable given the challenges and lack of available internal resources to manage a large scale deployment;
 - AHS included a mandatory requirement in the Request for Quotes (RFQ) for a three (3) year warranty on all devices. AHS further negotiated an additional year of warranty for the desktop



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computers at no cost. The computers were under warranty beyond the conclusion of the project, and currently remain under warranty;

- AHS had identified and acknowledged issues with the deployment of the computers and was taking steps to resolve the issue prior to the first whistleblower complaint; and
- The computers purchased as part of the procurement have been deployed and are actively being used to support clinical areas within AHS.

Although no wrongdoing was found, we identified several issues of concern. These concerns are highlighted in the Observations section on pages 14/15 of this report. These concerns have been communicated to AHS with the expectation they will be reviewed and appropriate action will be taken.

Overview

This case addresses an unsupported complaint of wrongdoing. The investigation does highlight the need for comprehensive technology evergreening (prescheduled replacement of technology and equipment) policies and practices to keep technology current and avoid irregular or hasty procurements. This case also highlights the need for mandatory project planning for all major projects.

The investigation examined the following stages of the procurement and deployment of computers purchased by AHS:

- Approval for financial expenditures;
- Project planning;
- Procurement process;
- Contract awards;
- Storage of computers; and
- Deployment of computers.

The investigation encompassed the review and analysis of more than 1,500 pages of documentation and research surrounding the internal policies and procedures of AHS. Fourteen (14) witnesses were interviewed or provided information related to the investigation. This included members of the AHS executive team responsible for critical financial and operating decisions related to this project.

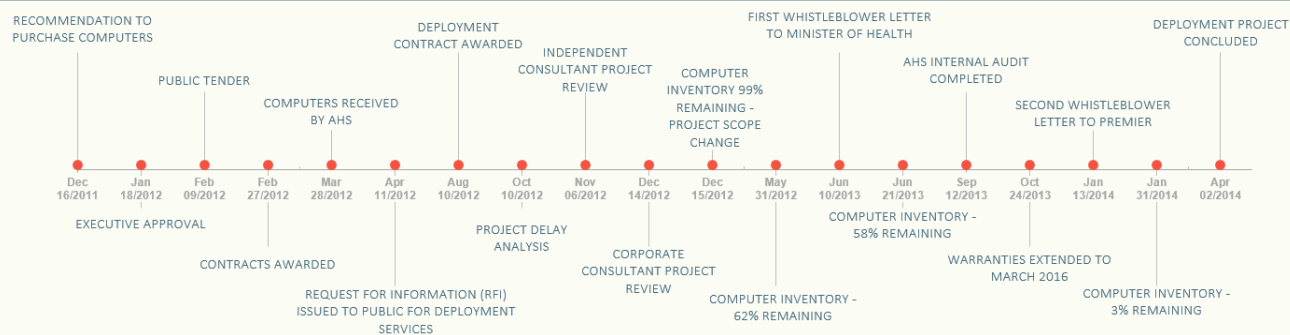
Investigators established an understanding of the procurement processes within AHS to determine if best practices were used, and whether internal policies had been followed. Investigators examined the process used for deployment of the computers, referred to by AHS as the “Edmonton Zone Refresh”, and considered what impact the Information Technology (IT) environment within AHS had on the project. Investigators further assessed what action, if any, was taken by AHS prior to and subsequent to receiving the first letter from the whistleblower.



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The events subject of this investigation occurred between December 2011 and April 2014:

TIMELINE OF EVENTS RELATING TO AHS COMPUTER PROCUREMENT AND DEPLOYMENT



EVENT DETAILS

DATE	EVENT	SUMMARY
Dec 16/2011	Recommendation to Purchase Computers	As a result of a projected operating surplus, a recommendation was made to AHS Executive to approve a one-time investment of \$15 million to replace outdated computers in the Edmonton Zone.
Jan 18/2012	Executive Approval	Funding for \$15 million was approved by then-President and CEO, Dr. Chris Eagle.
Feb 09/2012	Public Tender	A Request for Quote was released for public tender on Alberta Purchasing Connection.
Feb 27/2012	Contracts Awarded	Three contracts were awarded totalling approximately \$10 million for the purchase of computers.
Mar 28/2012	Computers Received by AHS	All product ordered were received by AHS at the Edmonton warehousing facility.
Apr 11/2012	Request for Information (RFI) Issued to Public for Deployment Services	An RFI was released to the public to solicit information for computer deployment services.
Aug 10/2012	Deployment Contract Awarded	AHS entered a \$4.4 million contract with an independent contractor to provide computer deployment services.
Oct 10/2012	Project Delay Analysis	The computer deployment contractor conducted an analysis to determine the cause of delays in the project.
Nov 06/2012	Independent Consultant Project Review	A project review and analysis was completed by an independent consultant to provide recommendations on how to re-establish control of the project.
Dec 14/2012	Corporate Consultant Project Review	A corporate consultant completed a review and analysis of the existing contract with the deployment contractor and provided recommendations on how to proceed with the deployment project.
Dec 15/2012	Computer Inventory 99% Remaining - Project Scope Change	IT Executives approved deploying the computers with Windows XP instead of Windows 7 Operating System, as the result of approximately 3,700 non-IT supported applications being discovered. A Windows 7 upgrade project would follow the deployment of all of the computers. At this time, 99% of the original computers purchased remained in stock.
May 31/2012	Computer Inventory - 62% Remaining	Deployment of the computers increased. 62% of the original computers purchased remained in stock.
Jun 10/2013	First Whistleblower Letter to Minister of Health	The first Whistleblower letter was sent to the Minister of Health.
Jun 21/2013	Computer Inventory - 58% remaining	58% of the original computers purchased remained in stock.
Sep 12/2013	AHS Internal Audit Completed	As a result of the first Whistleblower letter, an internal audit was completed and provided to the CFO.
Oct 24/2013	Warranties Extended to March 2016	AHS received a no-cost warranty extension on 8,000 devices for an additional 6 months. The extension increased the warranty expiration date to March 31, 2016.
Jan 13/2014	Second Whistleblower Letter to Premier	The second whistleblower letter was sent to the Premier.
Jan 31/2014	Computer Inventory - 3% remaining	3% of the original computers purchased remained in stock.
Apr 02/2014	Deployment Project Concluded	The deployment project was concluded by AHS.



Facts of the Investigation

In relation to the approval for the expenditure:

The initiative by AHS began in response to an identified need to replace clinical information systems:

- The Edmonton Zone clinical systems were old and there was significant demand to implement a more modern system. As a new clinical information system could not be implemented with the existing computers and operating systems, the refresh of computers in the Edmonton Zone was viewed as the first step in upgrading clinical information systems in the area.
- AHS' existing computers in the Edmonton Zone used an outdated Windows XP operating system. Microsoft was scheduled to terminate support for Windows XP operating systems in April 2014, therefore there was a further inherent need to upgrade computers to a new Windows 7 Operating System.
- Internal assessments by AHS determined 47% of the computers within the Edmonton Zone were more than 4 years old. This impacted clinical care and would lead to increased security vulnerabilities.

An AHS Budget Forecast projected an operating surplus of \$157 million for the 2011/2012 fiscal year end. The replacement of computers in the Edmonton Zone was one of three investments recommended for approval by the AHS Executive. The recommendation was approved by the (then) President and CEO of AHS, Dr. Chris Eagle, on January 18, 2012, authorizing the one-time expenditure. Ultimately, \$10 million was allocated for the procurement of computers in the Edmonton Zone.

Operating surpluses may be carried over to the next fiscal year. The AHS finance department, however, directed the purchase and delivery of the computers be completed by fiscal year end (March 31, 2012).

In relation to the project planning:

The investigation found poor or little risk-identification/deployment pre-planning was undertaken in advance of the procurement of computers.

A deployment project known as the Edmonton Zone Refresh was approved. A contract valued at \$4.4 million was awarded for deployment of the computers. This funding was approved with the promise of a forthcoming project charter by the Project Sponsor (a senior AHS executive with decision-making powers tasked to provide guidance and governance of the project). Ultimately, the project moved forward without a project charter.

Computers were to be deployed with the new Windows 7 Operating System. Applications (software) on the existing computers were to be migrated (transferred) to the new devices. The investigation found the lack of significant project planning and the absence of a project charter resulted in project risks not being identified at early stages.



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The lack of project planning contributed to:

- the decision to deploy the computers with the existing Windows XP operating system,
- challenges both internally and with independent contractors, with communication, identifying roles and responsibilities,
- challenges determining the human resources required for the project,
- challenges establishing expectations, and
- delays in deploying the computers.

A report, produced by an independent consultant on November 6, 2012, indicated “a final version of the project charter for the EZ [Edmonton Zone] Refresh was not prepared. As a result a number of the key project management tools and processes for the EZ Refresh don’t exist or aren’t current/at the appropriate level of detail.” The consultant advised having a project charter could have helped identify some of the risks of the project, such as scheduling, budget, and migration of programs.

In relation to the procurement process:

At the time of the procurement of the computers for the Edmonton Zone Refresh, the Information Technology (IT) department had a contracting unit separate from the Contracting, Procurement and Supply Management (CPSM) department. The IT department identified their own financial requirements and obtained project and financial approval directly from the AHS Executive Committee. After receiving approval from the Executive Committee, CPSM became involved to administer the procurement process.

For the \$10 million computer procurement, CPSM recommended and used a competitive public tender process. Vendors were invited to respond to a Request for Quotation (RFQ). An analysis of the RFQ confirmed:

- The RFQ provided sufficient, detailed information that provided vendors an opportunity to respond. It included five mandatory requirements, including a three year warranty and pre-deployment storage within Edmonton for 6 months.
- The process for drafting, approving and releasing the RFQ was well-documented and transparent.
- The RFQ was properly and publicly posted using Alberta Purchasing Connection on February 9, 2012.

Investigation found the procurement process was generally followed in accordance with AHS policy with the exception of the following:

- The Contract Requisition for the procurement of the computers was approved by an employee who did not have the level of authority necessary to approve the requirement. Investigators determined the Contract Requisition was considered a formality by AHS, and no financial commitments were made as a result of this document alone. AHS acknowledged further clarity for the use of this document was needed. AHS is revising the Contracts policy, which will provide future clarity on the use of contract requisitions.



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- The Contract Requisition to retain an independent contractor to provide deployment services was not signed by the employee who had authorization to approve the requirement. AHS policy required contract requisitions must be signed by the appropriate authority.

As of April 1, 2014, AHS centralized IT procurement and supply management practices within the CPSM department for the purpose of applying a consistent organizational IT procurement and contract approval process.

In relation to the awarding of the contracts:

The Edmonton Zone Refresh project included awarding contracts for purchasing computer equipment, deployment of purchased computers, and procurement of consulting services.

Contracts related to the purchase of computer hardware

Three contracts, valued at \$9,999,502 were awarded to two vendors and resulted in the purchase of:

- 9,330 desktop computers,
- 2,058 laptop computers, and
- 306 tablet devices.

Investigators determined AHS received responses from seven (7) vendors to the RFQ. Analysis of the awarding of the contracts confirmed:

- All RFQ responses were considered by AHS.
- The amounts and technical specifications provided in the vendor responses were accurately reported and considered by a review committee, comprised of members from the IT department, end user group, and CPSM.
- The contract was awarded to the lowest bidder meeting the required specifications, as reported by AHS.
- The successful vendors met the mandatory requirements detailed in the RFQ.

Contracts related to the deployment of purchased computers

AHS identified a need to employ a contracted resource to manage the deployment of purchased computers. A non-competitive process awarded the contract to an independent contractor. The contractor was retained August 10, 2012. The requisition valued the contract at \$4,444,746.

AHS indicated no tender was required as deployment services fell within an existing agreement. The investigators confirmed the deployment services were contemplated in the existing contract with the independent contractor.



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Contracts related to consulting services

Two separate consulting contracts were awarded in November 2012. In relation to the first contract, the Project Sponsor retained an independent consultant to provide advice about the deployment project. This consultant was already engaged with AHS. New services were considered by AHS to be within the scope of the ongoing contract.

In relation to the second contract, the Project Sponsor engaged the services of a corporate consultant to provide professional services specifically intended to help AHS re-establish control of the deployment project. This contractor was to review and recommend options related to the deployment contractor's work, as well as to develop an overall project management plan. Investigators noted the following concerns with this contract:

- The Project Sponsor recommended a contract to a vendor he or she had an interest in. The Project Sponsor failed to disclose the conflict of interest in accordance with AHS policy and the contract was awarded as recommended.
- The contract was a sole source contract valued at \$75,000. The Project Sponsor co-signed the contract. The Project Sponsor did not have financial delegation/authority to sign this contract.
- The written request to engage a corporate consultant was signed by employees not having the authority to do so. These employees reported directly to the Project Sponsor.
- Prior to recommending the contract, the Project Sponsor was provided a conflict of interest declaration document specific to the procurement of the computers. Further, in accordance with their Conflict of Interest Bylaw, AHS required the Project Sponsor submit an annual conflict of interest declaration which created an ongoing obligation to report real or perceived conflicts of interest.
- It was not until the contract had been awarded and the terms fulfilled that the Project Sponsor disclosed to the Ethics and Compliance Officer they were previously an employee and remained a shareholder of the company that was awarded the contract.

Investigators identified this conflict during the course of our investigation. The conflict was brought to the attention of AHS, however since the Project Sponsor was no longer employed with AHS, no disciplinary or corrective action was taken.

In relation to the storage of the computers:

A three (3) year warranty was included as a mandatory requirement in the RFQ. The contracts were awarded to vendors meeting that mandatory requirement. The initial three (3) year warranty commenced on the date the computers were delivered (approximately March 28, 2012). Therefore, warranties for all devices were effective until March 2015.

Due to the size and scope of the Edmonton Zone Refresh project, a no-cost 6 month extension of the warranties for the desktop computers was provided as part of the purchase agreement. In October 2013, AHS was notified an



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additional 6 month extension to the warranties would be provided at no cost. Therefore, a four year warranty was provided on the desktop computers and would be effective until March 2016.

The RFQ included a mandatory storage requirement of 6 months. Storage for the devices was inclusive until September 31, 2012. An additional \$64,760 in storage costs were paid to the vendor for the Edmonton Zone Refresh project.

In relation to the deployment of the computers:

A challenge the project team faced was the inability to “auto discover” the number of devices on the network. The devices had to be physically located. Once located, thousands of applications were discovered beyond those originally anticipated. A high percentage of the applications required direct physical intervention and remediation as opposed to using an automated process to migrate the applications to Windows 7. AHS failed to assess the complications that would arise during the migration of software.

AHS used informal surveys of various affected groups to estimate the number of applications on computers. Responses provided by staff vastly underestimated these numbers. As the deployment process began, upwards of 3,700 applications were discovered that were not supported by IT. Approximately 900 of the unsupported applications were broadly relied upon in clinical settings, and became critical for the migration process.

The widespread use of unsupported applications is a legacy of the former independent health regions utilizing different IT management practices, and the desire to provide service continuity during the formative stages of the new AHS model. The former health region operating in the Edmonton Zone had not previously restricted use of unauthorized or customized software installations.

Before applications could be migrated, IT technicians needed to evaluate each application to determine how or if it supported clinical services, whether it would function in the Windows 7 environment, and if it was compatible with other standard or non-standard software. The discovery process was further complicated, as often only one person knew how a particular application worked. AHS subsequently learned a large number of non-standard software applications could not migrate to Windows 7. The project fell well behind schedule.

Following a project review report provided by a corporate consultant on December 14, 2012, a decision was made to remove the Windows 7 migration from the project scope and deploy the computers with an XP operating system. A parallel project by AHS would upgrade all systems to Windows 7 within the next 6–18 months. This decision was made as it was deemed critical to upgrade a significant percentage of the hardware in the clinical areas as soon as possible.

Discovery of applications (software) on the existing computers, and testing of the applications on the new Windows 7 platform, was not conducted prior to the procurement. While the assumption of how many applications there



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were underestimated, the Project Sponsor rationalized that even if all of the application issues were discovered first, the computers still would have been purchased, as they were key to maintaining operations.

As of January 2013, 99% of the initial computer stock purchased remained for distribution. Deployment increased once the change in strategy was in place. In June 2013, at the time of the first whistleblower complaint, 58% of the stock remained and was deployed at approximately 10% per month. By January 2014, 3% of the original stock remained in storage. The project was concluded in April 2014.

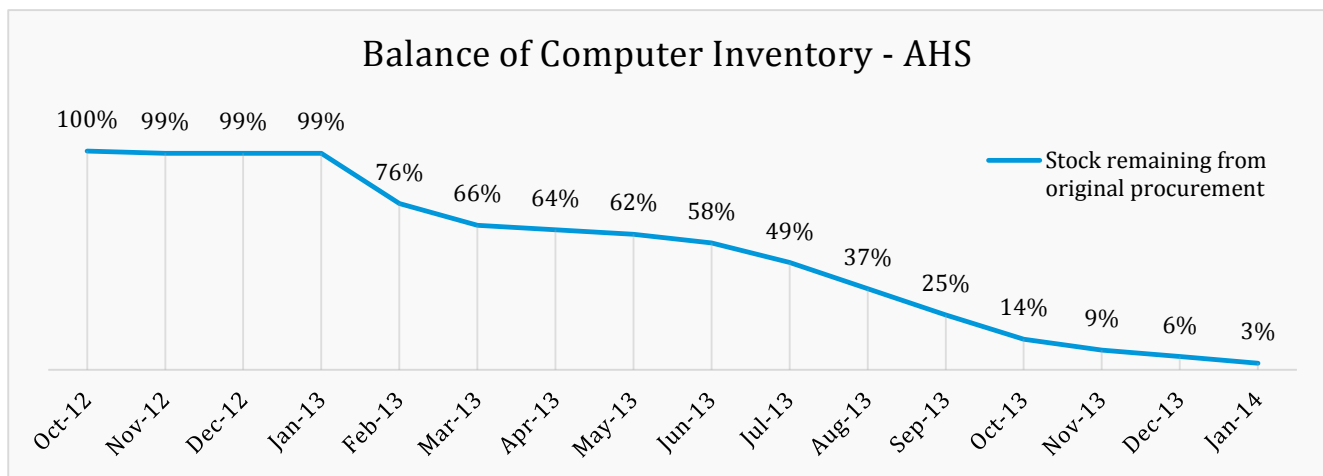


Figure 1 – Balance of computer inventory (data supplied by AHS)

Action taken by AHS:

AHS reports it is in the process of implementing a systems management software (the software) in all zones. The software has been installed in all AHS zones, except for mobile devices found in ambulances, and a limited number of clinical systems. The software is used for deploying applications to computers, asset lifecycle management, and providing remote assistance to users. AHS has been working with the software provider to develop an easy method of conducting computer operating system migrations and computer replacements. The process will retain and re-install applications by identifying what is currently on a computer so it can be migrated when the computer is replaced or the operating system is upgraded. The implementation of the software is intended to avoid the same type of large scale one-time deployment project that is the subject of this investigation.

AHS reports it is undertaking a “Desktop Operating System Upgrade” project that will result in an upgrade from Windows XP to Windows 7. It will involve the replacement of computers based on the age and compatibility of the equipment. AHS advised the intent of the “Desktop Operating System Upgrade” project includes transformation of the desktop environment to ensure future operating system upgrades will depend less on manually upgrading hardware.



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AHS reports its IT Technology Services is currently developing a “Strategic Plan and Road Map” which will define an annual evergreening process. This will be used in subsequent years to determine the capital requirements for this area of AHS business.

AHS has made the following policy changes:

- Following the start of this investigation, AHS has implemented four new procedures effective April 4, 2014:
 - Basic Procurement Process and Competitive Bid Thresholds Procedure
 - Competitive Bid Processes Procedure
 - Non-Competitive Procurement Procedure
 - Renewals and Extensions to Contracts Procedure
- AHS is revising its Contracts policy, which may also result in a modification to the Competitive Bid Processes Procedure to ensure alignment between both policy and procedure documents. The changes will include limiting financial approvals previously held by individual departments. AHS expects to complete the revisions in October 2014.
- As of April 1, 2014, the Contracting area within the IT Department transitioned to CPSM to standardize IT procurement and contract management. At minimum, any IT contract will include CPSM as a signatory.

At the conclusion of the project, the project team for AHS prepared a substantial Post Implementation Review (lessons learned report) finalized on June 3, 2014. The review was thorough, detailed, and identified areas where improvement can be made on future projects. The review demonstrated AHS had already recognized the project planning shortcomings found by the investigators.

Observations

The following observations may highlight areas where improvements and enhancements should be implemented by AHS. Where concerns are expressed, though not meeting the threshold of wrongdoing, attention is required to ensure proper management.

1. The whistleblower letters included an allegation collusion may have taken place. The author noted a former AHS senior IT executive was working for a vendor involved in the Edmonton Zone Refresh project.
 - a. Investigators determined the identity of the former AHS employee, and through the investigation confirmed this individual had no involvement in procurement process.
 - b. In the employee’s current capacity, this individual is responsible for the oversight of the day-to-day maintenance of contracts with clients. The employee is not involved in bidding on tenders.
 - c. No information was found to suggest this individual had any involvement with the subject matter of this investigation.



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2. Separate from the alleged collusion cited in the letters and commented about in Observation 1, investigators determined the Project Sponsor engaged a corporate consultant through a sole source contract valued at \$75,000 in late 2012. Investigators determined a conflict of interest existed as the Project Sponsor was previously a partner with the awarded corporation and remained a shareholder.
 - a. The annual and project conflict of interest declarations created an ongoing obligation to report real or perceived conflicts of interest.
 - b. The Project Sponsor failed to report the conflict of interest.
3. AHS does not have an enterprise technology evergreening policy. Comprehensive technology evergreening policies and practices are necessary to keep technology current and avoid irregular or hasty procurements. AHS reports this will be identified as a required action item based on the outcome of the IT Technology Services “Strategic Plan and Road Map.”
4. The procurement of the computers was rushed in order to leverage available funding. There was no testing of applications conducted prior to the purchase of the computers. Moreover, there was no formal project charter or deployment plan for the deployment of the computers which resulted in project delays. Further, \$4.4 million in funding for the deployment project was authorized absent a project charter. A project charter is the foundation of any project as it controls the scope and direction of the project throughout its life cycle, and allows all parties involved to agree on major aspects of the project.
5. Analysis of the procurement process identified failure to comply with some policies relating to the approval of contract requisitions, engaging corporate consultants, and entering into contracts with corporate consultants. The identified lapses in adherence to internal policies, although ill-advised, were determined not to meet the threshold of wrongdoing as defined by the Act.

Concluding Remarks

While this investigation found no wrongdoing was committed, investigators identified a number of issues that demonstrate some actions and decisions were poorly executed during the Edmonton Zone Refresh project.

This report includes comments about developing and maintaining ongoing technology evergreening, employing robust project management, adhering to standardized procurement and contracting processes, and updating policies and procedures to support these better business processes. These were brought to AHS’s attention, and the organization will benefit by implementing new or more robust processes as appropriate.

This report highlights the need for ongoing conflict of interest training and awareness. While any employee may be exposed to a potential conflict, the Project Sponsor who is a senior executive, should have understood the importance of declaring a conflict when one arose. Failure of the Project Sponsor to declare the conflict of interest



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is a significant issue. AHS should review their Conflict of Interest Bylaw and may wish to implement strategies for strengthening their conflicts of interest processes.

AHS initiated many of the resolutions to these issues before our investigation began. In response to the first of the two letters forming the basis of our investigation, AHS, upon receipt, demonstrated a timely and appropriate response to remedy shortcomings documented in the letter. AHS engaged its audit department to conduct an internal audit. Furthermore, AHS conducted a business process review of the Edmonton Zone Refresh project, and produced a lessons learned document.

AHS cooperated throughout the investigation, providing investigators with documentary evidence as well as unfettered access to any employee investigators wished to speak with.

This investigation commenced as a result of an anonymous whistleblower complaint bringing to light areas of concern within AHS. This complaint was anonymous and our office has not had contact with the whistleblower. We found no indication AHS took steps to identify the whistleblower, which is positive. Employees need an avenue to come forward and identify issues without fear of reprisal. This is consistent with the intent of the Act, and serves to help support a culture of confidence in whistleblowing.