

Conflict of Interest Policy

Adopted date: Oct 26, 2022	Amended date:	Next Review: 2025
----------------------------	---------------	-------------------

OBJECTIVE

As an Improvement District governed by the Local Government Act and the guidelines in the Improvement District and Trustees Handbooks, the Van Anda Improvement District’s reputation is the basis for inspiring the trust of its ratepayers, the various levels of government, business, and the public at large. In order to conduct its affairs successfully, the District must trust its Trustees (Board Members) and employees to act consistently in the District’s best interest. Therefore, the purpose of this Policy is to identify conflicts of commitment, actual and potential conflicts of interest, and situations that may give rise to the perception of a conflict of interest.

DEFINITIONS

“Conflict of Interest” is a situation in which there is or may be perceived to be a divergence between the private financial benefit or financial interest or personal benefit of a person, family member, or an outside party, and that person’s obligations to the district, such that an impartial observer might reasonably question whether related actions to be taken or decisions made by the person would be influenced by consideration of the persons own interests.

“Conflict of Commitment” occurs where a Trustee or employee engages in non-District activities that are substantial or demanding of the person’s time and attention and may adversely affect the discharge of the person’s responsibilities to the District. They must disclose Conflicts of Commitment and obtain written approval from the Board of Trustees or District Manager prior to engaging in any activity that may give rise to a Conflict of Commitment. In this policy "conflict" or "conflict of interest" also includes a conflict of commitment.

“District” means Van Anda Improvement District

“Employee” means a person who is employed by the District.

“Financial Benefit” is the receipt or expectation of anything of monetary value, including pay or salary or other payments for services (e.g., consulting fees or honoraria), equity (shares, options or the like) security or other ownership interests, and intellectual property rights (e.g., patents, copyrights)

“Financial Interest”

- a) Ownership in the form of shares in a privately held company, or
- b) Ownership in a publicly traded company in the form of shares representing more than 10% of the company’s outstanding shares, or
- c) Where the person is a member of a board of either a privately held or publicly traded company.

POLICY

“Nominal Value” – the item or favour in question would not affect the judgment of the Trustee or employee, is not normally saleable, is designed primarily for advertising, represents cordial relations only, or will become the property of the District.

“Personal Benefit” - The receipt or expectation of any personal (workplace or otherwise) benefit of a non-monetary value.

“Significant Financial Interest” - The benefits obtainable by the Trustee or employee would reasonably be considered to be or could potentially be of material importance to them.

SCOPE

This Policy applies to, and is meant to protect, all District Trustees and employees, which means fulltime and part-time employees, and any other person who conducts research, or works at or under the auspices of the District.

POLICY

All actions or decisions by the Trustees must be based on an impartial and objective assessment of the District’s interest in the situation, without regard to any gifts or favours from outside interests that could adversely affect, or be seen by others as possibly affecting, their judgment. The Trustees and employees are expected to vigilantly guard against conflicts of commitment, actual and potential conflicts of interest, and perceived conflicts of interest. It is important to note that the mere existence of a conflict of commitment, a conflict of interest, or a perceived conflict of interest does not necessarily imply wrongdoing on anyone’s part. Rather, conflicts exist regardless of a person’s character, intentions, and motivations.

In situations where a conflict exists or there is a perception of a conflict, it is not sufficient to merely live up to one’s Conflict of Interest Policy obligations; it is necessary to do so in a timely, open, forthright, constructive, and accountable manner. Further, without limiting, an employee and/or Trustee should not:

- a) Serve as a director, officer, or employee, whether full or part-time, paid, or unpaid, of another profit-making or non-profit organization whose interests or activities are or could be in conflict with those of the District or its members, without the approval of the Board.
- b) Give away or share any District research data or materials, financial or other information for the benefit of another organization, including non-profit organizations, or individuals without prior Board discussion and approval. In the case of data, all recipients of District research or data must sign an agreement for use of said materials in accordance with District policy
- c) Use or disclose for personal gain information on decisions, findings, plans, bids, or other matters concerning the District, which has not otherwise become public knowledge
- d) Use or disclose information on decisions, findings, plans, bids, or other matters concerning the District, which has not otherwise become public knowledge, without prior consent of the Board of Trustees

POLICY

- e) Have significant financial interest in or service as a Trustee, employee, officer, or consultant of an organization having or planning to conduct business with the District where there exists, or may appear to exist, an opportunity for special consideration for either the individual or the other organization
- f) Accept payments, loans, services, benefits, or gifts of other than nominal value from any organization doing or seeking to do business with the District. Meals or entertainment of modest cost, limited duration, and of a normal business nature appropriate to the Trustee or employee's position are acceptable, when they are offered as a means of obtaining additional meeting time during which business can continue to be conducted.
- g) Make more than minor or insignificant personal use of District assets
- h) Use or cause to be used the District's name or Board position to obtain benefits for another
- i) Give away or dispose of any District property for the benefit of another organization, including non-profit organizations, without appropriate Board approval
- j) Misuse or misappropriation of the physical assets of the District: Trustees, employees, and any other person who conducts research, or works at or under the auspices of the District should be able to account for District property entrusted to them, such as office equipment, vehicles, and supplies of all kinds
- k) Remove and/or willfully destruct District property. To do so is grounds for immediate censure by the Board, or termination of employment and may also constitute a criminal offense.
- l) Let personal interest or the interests of a third-party conflict with those of the District. If a conflict arises, a Trustee is forbidden from exploiting the Trusteeship and must account to the District for all profits realized as a result of such a conflict
- m) Allow the conduct of Trusteeship duties to serve personal ends even though a Trustee honestly believes that their conduct is in the best interests of the District. Any corporate opportunities that come to the Trustee by virtue of office must not be exploited, and the Trustee may be liable for any profit thereof
- n) Contract, either with another Trustee or with a third party, as to how they will vote at a meeting of the Board or its committees

SANCTIONS

Sanctions will be commensurate with the seriousness of the violation. Any disciplinary sanction that is imposed on an employee pursuant to this Policy will be in accordance with the applicable terms and conditions of employment or such other contractual process(es) applicable to the person and in accordance with BC labour law.

Trustees found in violation of this policy may be asked to reconsider their participation as a Board member or cease the activity causing a conflict of interest or commitment.

RELATED DOCUMENTS

- BC Local Government Act
- Improvement District and Trustees Handbooks
- BC Employment Standards Act
- Responsibilities of the Board Chair and Trustees Policy