

Directors' Conflict of Interest Policy

Recognizing a Conflict of Interest

“Conflict of Interest” refers to a situation where a director’s personal relationships or financial interests could be seen as influencing the director’s duty to act in the best interest of Bowen Children’s Centre. This includes, but is not limited to, situations where a director: uses his or her official position or Centre property for private gain; gives preferential treatment to any person or entity in the conduct of official duties because of personal interest; adversely affects the efficiency or economy of the Centre because of personal interest; fails to act impartially in the conduct of official duties because of personal interest; or engages in conduct that could adversely affect the confidence of members or the public in the integrity of the Centre. Conflicts of Interest may be actual or potential (for example, if a director is about to accept a position on the management or board of another childcare centre).

Policy

Directors shall refrain from all Conflicts of Interest and be committed to protecting the Centre from Conflicts of Interest.

If a director becomes aware of or becomes involved in a financial Conflict of Interest, (s)he must follow the procedures required by the Society Act, described below.

If a director becomes aware of or becomes involved in any other Conflict of Interest, the director must immediately disclose such Conflict of Interest to the Executive Director, who then informs the Board of Directors.

This includes disclosing what could be “perceived” by an outsider as a Conflict of Interest. It is the responsibility of all directors to protect the Centre from accusations of Conflict of Interest.

The Executive Director and the Board of Directors shall decide if a conflict exists and if so, what steps should be taken to protect the Centre against the Conflict of Interest. Possible interventions include, but are not limited to:

- requiring that the director abstain from voting on the matter giving rise to the Conflict of Interest;
- requiring that the director recuse himself or herself from the matter giving rise to the Conflict of Interest; or
- requiring that the director cease to be in a position of influence with respect to the Conflict of Interest.

In cases where no actual conflict exists but the director wishes to be recused for personal reasons, the director will inform the Executive Director and the President of the Board. For

example, if there is a confidential matter concerning a director's close friend or family member and the director would prefer not to be placed in a position of receiving confidential information about that close friend or family member, the director may recuse himself or herself even if there is no vote or other board action required on the matter.

Directors' Disclosure and Abstention Requirements for Financial Transactions Under the Society Act:

A director who is, directly or indirectly, interested in a proposed contract or transaction with BCC must disclose fully and promptly the nature and extent of the interest to each of the other directors. A person holding an "indirect" interest may include, but is not limited to, a member of the director's immediate family; an organization in which the director or an immediate family member of the director is an officer, director, or employee; or a person or organization with whom any of the above individuals is negotiating or has any arrangement concerning prospective employment. The director must account to BCC for profit made as a consequence of BCC entering or performing the proposed contract or transaction, unless one of two courses of action has been followed. Either:

(a) the director discloses the interest as required above; after the disclosure the proposed contract or transaction is approved by the directors, at a meeting at which the director with the conflict of interest is not counted in the quorum and the director abstains from voting on the approval of the proposed contract or transaction; or

(b) the contract or transaction was reasonable and fair to BCC at the time it was entered into; and after full disclosure of the nature and extent of the interest in the contract or transaction it is approved by special resolution.

Accepting Gifts and Favours

Directors shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors/vendors. This is not intended to preclude bona-fide Centre fundraising activities.

Other Reasons for Recusal

Even if BCC's interests and a board member's friend or family member's interests do not conflict, a director may choose to recuse himself or herself from participation and voting on a matter. For example, if the board is discussing a confidential matter that involves a close friend or family member and the director feels that involvement in the matter would cause an awkward situation with that close friend or family member, the director may choose to recuse himself or herself.

Related BCC policies	This policy approved
Conflict of Interest (Employee)	January 14, 2014