



Conflict of Interest Policy

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Background

Community Living Ontario must meet high ethical standards in order to merit the trust of its members, partners, donors, government funders and the general public. The integrity of Community Living Ontario depends on ethical behaviour throughout the organization, and in particular, in reasonable, well-informed decision making. The ability to make a decision is sometimes affected by other interests (personal or professional) of individuals in the organization. Such conflict of interest situations cannot always be eliminated and must be managed successfully and resolved fairly.

Purpose

The purposes of this policy are to protect the integrity of Community Living Ontario’s decision-making process, to enable our constituencies to have confidence in our integrity, to protect the integrity and reputations of volunteers, staff and board members, and to set procedures to mitigate any potential conflict of interest situation which may arise.

The application of this policy relies heavily on the good judgement and common sense of those affected following the ethical principles laid out in the Code of Conduct of Community Living Ontario.

Definitions

A conflict of interest is a situation in which a person has a personal or professional interest sufficient to appear to influence the objective exercise of his or her official duties at Community Living Ontario.

“Personal or professional interest” refers to an individual’s self-interest (e.g. to achieve financial profit or avoid loss, or to gain another special advantage or avoid a disadvantage); the interests of the individual’s immediate family, business partners or employer; or the interests of another organization in which the individual holds a position (voluntary or paid) or financial interest.

“Objective exercise of his or her official duties” refers to an individual’s ability to carry out his or her responsibilities in the best interests of Community Living Ontario.

Policy

In matters where they have a personal or professional interest, Board members must not allow themselves to be in a position, or reasonably appear to be in a position, to receive or to grant preferential consideration, financial benefit, or any other reward in their capacity as a Director on the Board of Community Living Ontario.

Board members who may actually, or may reasonably be perceived to have a personal or professional interest or in any way materially benefit from any transaction or decision that is under consideration by the Board of Directors must take the following actions:

- **Declare the conflict of interest.** Ensure transparency by self-declaration at the meeting of the Board of Directors where the transaction or decision is first taken into consideration or, where the Board member is not present at the initial meeting, at the soonest opportunity (no later than the next meeting of the Board of Directors) after the conflict of interest situation arises, and by making sure a record of the declaration is made. In the case of an existing conflict of interest situation, the declaration shall be made at the first meeting of the Board of Directors after the Director assumes the office.
- **Discuss the conflict** of interest. Where the situation may not be clear, the conflict must be discussed with the Board of Directors in order to take appropriate action.

- **Mitigate or eliminate the conflict** of interest. Where a conflict exists, a Board member must act in the best interests of Community Living Ontario and the Board of Directors. Such actions may include some, or all, of the following:
 - *Recusing oneself.* Board members who are in a conflict of interest situation shall not vote, nor be counted in the quorum, in respect of the transaction or decision. The Board member is required leave the room while any discussion and/or voting occur.
 - *Refraining from discussing the conflict outside of the Board meeting.* Limit conversations or communication with other Board members regarding the conflict of interest situation outside of formal Board meetings that may be reasonably perceived by others as designed to influence the decision making of another person.
 - *Respecting the decisions of the Board.* Where the majority of Board members present at a meeting determine that a conflict of interest situation exists, the individual shall follow the procedures to manage a conflict of interest situation including a self-declaration on the record.
 - *Resigning from the Board.* In serious conflict of interest situations, where no other solution exists, the individual shall resign from the Board.

Where a recorded conflict of interest situation arises in the business of a Board meeting after the initial conflict of interest situation has been determined, the individual in conflict is required to self-declare his or her conflict of interest and is responsible for ensuring that the conflict of interest is recorded again.

Where an ongoing conflict of interest situation occurs, the Board member must declare the conflict of interest every year at the first Board meeting after the new Board has been sworn in to ensure that all current Board members are aware of the conflict of interest situation.

To further protect the stability of the organization and to ensure Board members are acting in the best interests of the organization, all Board members are restricted from taking employment with Community Living Ontario until the Board member has observed a full two year absence from the Board.

It is the responsibility of each individual Board member to be aware of the Conflict of Interest Policy and to seek clarification from the Board of Directors when conflict of interest situations may reasonably be perceived to occur.

This policy will be reviewed annually by each Board member and the corresponding Conflict of Interest agreement will be signed at such time. The signed Conflict of Interest Agreement for each Board member will be maintained at the office of Community Living Ontario.

To be approved by CLO Board of Directors at June 12, 2020 meeting.