

# **Conflict of Interest Policy**

## ***Managers***

### **Presentation of the Policy**

## PREAMBLE

The *Conflict of interest Policy applicable to senior administrators, senior officers, intermediate officers and officers of the Cree Board of Health and Social Services of James Bay* (hereinafter the “**Policy**”) supersedes any other provisions of any other policy, contract or other agreement or document dealing with matters and subjects covered therein.

A summary of the Policy is available. However, it is important to understand that the summary is not intended to replace or supersede the Policy in any way. Therefore, in the event of a conflict or incompatibility between the summary and the Policy, the Policy shall take precedence. It is the responsibility of the Manager to read the Policy and understand all his or her obligations provided for therein.

# 1. POLICY STATEMENT AND APPLICATION

- **Application**

- Individuals to whom the Policy applies

- Senior administrators
    - Senior officers
    - Intermediate officers
    - Officers

(hereinafter the “**Managers**”)

These position titles come from the applicable regulation on working conditions.

- **Policy Statement**

- Purposes of the Policy

- Support the CBHSSJB’s integrity
    - Establish standards of conduct for Managers
    - Provide tools to address conflict of interest issues
    - Meet the current governance standards

## 2. IMPORTANT DEFINITIONS

- **“Conflict of interest”** means:

Without restricting the general scope of this term, any actual, perceived or potential situation that might threaten to compromise the Manager’s ability to exercise his or her functions objectively as his or her judgment might be influenced and independence affected by the existence of direct or indirect interests. Conflict of interest situations can involve money, information, influence or power.

- **“Immediate relative”** means:

The concerned person’s spouse or child, the spouse’s child, the person’s mother or father, the spouse or child of the person’s mother or father as well as said spouse’s child, the spouse of the person’s child or of the person’s spouse’s child, or the person’s brother or sister or their spouse. In the Policy, “child” includes a child through legal or customary adoption.

- **“Interest”** means:

The interest of the concerned person, whether direct or indirect, pecuniary or not, real (including material, professional or philanthropic in nature), apparent or potential.

- **“Related business entity”** means:

Any business, enterprise or activity carried on personally or through an unincorporated business, a partnership, or a corporation (excluding publicly traded corporations) or a cooperative in which the concerned person or an immediate relative of the concerned person has a direct or indirect interest no matter what the level of this interest may be.

### **3. GUIDING PRINCIPLES**

All Managers must carry out their duties and functions in such a manner that public confidence and trust in the integrity, objectivity and impartiality of the CBHSSJB are conserved and enhanced. In particular, the Managers:

#### **Gifts or customary hospitality**

- Must not accept transfers of economic value from third parties other than incidental gifts or customary hospitality.

#### **Funds or other property of the CBHSSJB**

- Must not, directly or indirectly, use for themselves or allow to be used by any third party any of the funds or other property of the CBHSSJB for anything other than approved use, activities or programs of the CBHSSJB.

#### **Participate in any decision, deliberations or process**

- Must not participate in any decision, deliberations or process or influence any decision, deliberations or process to gain a benefit from the CBHSSJB for them or for an immediate relative or a related business entity.

#### **Information obtained in the course of the Manager's duties or functions**

- Must not take advantage of or benefit for themselves, an immediate relative or a related business entity from information which is obtained in the course of their duties or functions for the CBHSSJB and which is not already publicly available.

#### **Interest in an undertaking**

- Must not have, under pain of dismissal, any direct or indirect interest in an undertaking causing their personal interest to conflict with that of the CBHSSJB, subject to the exceptions provided for in the Policy.

#### **Outside employment or activity and remuneration**

- Can be involved in outside employment or activity as long as such outside employment or activity does not constitute a conflict of interest and is not inconsistent with the performance of the Manager's duties for the CBHSSJB.

## 4. PREVENTIVE MEASURES RELATING TO CONTRACTS, SERVICES, PAYMENTS AND INTEREST IN AN UNDERTAKING

Any Manager who has, or whose immediate relative or related business entity has, a direct or indirect interest in any (i) proposed or existing contract with the CBHSSJB, (ii) service from the CBHSSJB, (iii) payment from the CBHSSJB or (iv) undertaking causing his or her personal interest to conflict with that of the CBHSSJB must, in accordance with the terms and conditions set forth in the Policy:

A. **DISCLOSE** the situation to the CBHSSJB; and

B. **REFRAIN** from participating in any deliberations, decisions or process or influencing any deliberations, decisions or process, including a process for tender, related to such contract, service, payment or interest in an undertaking.

**Annual disclosure:** In addition to the above mentioned obligation of disclosure, every year by September 30<sup>th</sup> at the latest, the Managers must file a declaration of interests using the form attached to the Policy as Schedule B.

**Exceptions:** For example, these duties do not apply to the following situations:

- a) Salary or remuneration paid to the Manager in accordance with the by-laws, contracts and policies of the CBHSSJB;
- b) Expense accounts paid in accordance with the travel policies of the CBHSSJB
- c) Services provided by the CBHSSJB to the general public such as those related to health and social services; and
- d) Contracts, services and payments involving the Grand Council of the Crees and other Bands insofar as the conflict results from the fact that the Manager is a member of a Band.

## **4. PREVENTIVE MEASURES RELATING TO CONTRACTS, SERVICES, PAYMENTS AND INTEREST IN AN UNDERTAKING (CONTINUED)**

### **Disclosure procedure**

#### **Disclosure**

- In writing, using the form attached to the Policy as Schedule A
- To the director of corporate services
- In the case of an employment contract or a contract with nursing agencies, to the director of human resources, or the assistant executive director administration if the director of human resources is in conflict of interest
- To the executive director in the case of a disclosure involving the director of corporate services

#### **Following a disclosure**

- Notification to the executive director
- Unless currently in force or applicable, the contract shall not be entered into or carried out, the service shall not be granted nor the payment made until such time as a decision has been made
- Any authority or power shall not be exercised in relation to such contract, service, payment or undertaking until such time as a decision has been made
- Interim measures may be taken by the executive director pending the final decision disposing of the matter
- Decision by the executive director upon the contract, service, payment or matter pertaining to the undertaking

#### **Exceptional circumstances and situations where time is of the essence**

- Delegation by the Manager of his or her responsibilities to participate in any deliberations, decisions or process to a person who has the necessary authority, qualifications and skills and, in turn, disclosure of his or her interest as soon as practicable

## 5. REMUNERATION AND OUTSIDE EMPLOYMENT OR ACTIVITY

**Remuneration in accordance with the rules:** The Managers must not be remunerated by the CBHSSJB over and above the bonuses, salary scales, allowances and premiums set out in the policies, by-laws or resolutions of the CBHSSJB adopted for such purposes and/or in the applicable law and regulation, except if it is approved by the executive director and insofar as the remuneration is reasonable taking into account the circumstances.

**Outside employment or activity allowed at certain conditions:** Involvement in outside employment or outside business or other outside activities by the Managers is not prohibited unless:

- i) The outside employment, business or other activity is such that it is likely to result in a conflict of interest with the CBHSSJB or it constitutes such a conflict; or
- ii) The outside employment, business or other activity places demands on the Managers which are inconsistent with the performance of their normal duties, functions and responsibilities for the CBHSSJB.

**Discretion of the CBHSSJB:** In any event, the CBHSSJB can require that the outside employment, business or other activity be curtailed or modified or that it cease.

## 6. GIFTS, HOSPITALITY, FAVOURS AND OTHER BENEFITS FROM THIRD PARTIES

**Prohibition to accept gifts, hospitality, favours or other benefits:** A Manager must not accept, directly or indirectly, for himself or herself, or through or for an immediate relative or related business entity, any gifts, hospitality, favours or other benefits from third parties:

- Who have or seek a business relationship, a payment or an employment with the CBHSSJB (for themselves or for another person or entity) and which could influence the Manager in the judgment and performance of his or her duties, functions or responsibilities for the CBHSSJB; or
- Which could influence the Manager in the judgment and performance of his or her duties, functions or responsibilities for the CBHSSJB.

**Exceptions:** However, the Manager can accept these gifts, hospitality, favours or other benefits if they answer all of the following criteria:

- They do not compromise the integrity of the CBHSSJB including the integrity of the Manager;
- They are not such as to bring suspicion on the Manager's objectivity and impartiality; and
- They are within the bounds of propriety, a normal expression of courtesy, customary or within the normal standards of hospitality (gifts, hospitality, favours or other benefits of \$250.00 or less per year per third party are generally considered as meeting this requirement).

**Obligation to report:** Any gift, hospitality, favour or other benefit from a third party who has or is seeking a business relationship, a payment or an employment with the CBHSSJB and which is conferred or offered to a Manager or to an immediate relative or related business entity and whose value exceeds \$250.00 per year per third party or which does not answer the above criteria must be immediately reported to the director of corporate services or in the case of said director, to the executive director, by the concerned Manager.

## 6. GIFTS, HOSPITALITY, FAVOURS AND OTHER BENEFITS FROM THIRD PARTIES (CONTINUED)

### Measures to be taken further to the reporting of gifts, hospitality, favours or other benefits

The director of corporate services must inform the executive director, as soon as practicable after the disclosure, and the executive director can take, without limitation, the following decisions:

- Allow the Manager to accept or keep the gift, hospitality, favour or other benefit;
- Require that the gift or the value of the gift, hospitality, favour or other benefit be remitted to the CBHSSJB to be disposed of for charitable purposes;
- Notify the third party of the provisions of the Policy and of the requirement to cease any future gifts, hospitality, favours or other benefits; and
- Review any business relation between the CBHSSJB and the concerned third party and cancel such relation if it can be reasonably ascertained that the relationship was acquired through exaggerated gifts, hospitality, favours or benefits or through other improper means.

## **7. DUTIES AND OBLIGATIONS AFTER LEAVING EMPLOYMENT AND/OR OFFICE**

### **Public confidence**

The Managers have a duty after they leave office and/or employment to act in such a manner as not to cast doubt on the probity and impartiality of the CBHSSJB or to diminish public confidence in the CBHSSJB.

### **Duty of disclosure during 6 months after the departure**

For a period of 6 months following the departure from the CBHSSJB, the duties of disclosure and the procedure set out in the Policy (except for the annual disclosure) apply to any contract, service or payment conferred or proposed to be conferred on a former Manager, an immediate relative or a related business entity or on any third party who employs the Manager.

## 8. COMPLAINT AND INQUIRY PROCEDURE

### Filing of a complaint and Manager's obligation to make a complaint

- **Filing a complaint with the director of corporate services:** Any person who has reasonable grounds to believe that a Manager does not comply with the Policy may file a complaint with the director of corporate services. In the event the complaint concerns the director of corporate services, it shall be filed with the executive director.
- **Manager's obligation to make a complaint:** A Manager who has reasonable grounds to believe that another Manager does not comply with the Policy has the obligation to make such complaint.
- **Complaint form:** The form attached to the Policy as Schedule C can be used to file the said complaint. The complaint may be done verbally.
- **Reporting a complaint:** If a Manager receives a complaint relating to the application of the Policy, he or she must immediately forward it to the director of corporate services. If the complaint concerns the director of corporate services, it must be forwarded to the executive director.

### Treatment of a complaint

- **Preliminary inquiry:** Upon receiving a complaint other than a complaint concerning the director of corporate services, the director of corporate services shall: (i) immediately report such a complaint to the executive director and (ii) carry out a preliminary inquiry as to the validity of such complaint. If the complaint concerns the director of corporate services, the inquiry and the measures, if any, will be conducted or taken by the executive director.
- **Complaint with no grounds:** If the preliminary inquiry reveals that the complaint has no grounds for being further investigated, the director of corporate services shall inform the executive director of his or her conclusions.
- **Complaint with grounds:** If the complaint involves a Manager other than the director of corporate services and on ascertaining that there may be grounds for such a complaint, the director of corporate services shall refer the matter to the executive director as soon as the preliminary inquiry is completed.
- **Measures:** For any complaint referred to him or her pursuant to these provisions, the executive director shall initiate further inquiries or take the measures, if any, which are required in the circumstances and which are consistent with the provisions of the Policy.

## 9. ADMINISTRATION OF THE POLICY

**Responsibility of the director of corporate services:** The director of corporate services is responsible for the administration of the Policy except as otherwise stipulated therein.

**Questions concerning the Policy:** Any questions or doubts about the interpretation of the Policy or its application to a particular situation should be addressed to the director of corporate services.

## **10. BREACH OF THE POLICY**

### **Disciplinary measures**

Any Manager who breaches the Policy is subject to disciplinary measures including and up to termination of employment.

### **Liability**

Any Manager who derives a benefit as a result of a failure to comply with the Policy is liable for the value of the benefit derived without prejudice to any civil recourse the CBHSSJB may exercise against the Manager as a result of such failure.

## **11. MISCELLANEOUS**

### **Amendment**

The Policy may be amended from time to time at the sole discretion of the Board of Directors of the CBHSSJB.

### **Review every three years**

The Policy shall be subject to review by the Board of Directors every three years at the latest.

## 12. EXAMPLES

### **Manager's immediate relative who has a direct or indirect interest in any proposed or existing contract with the CBHSSJB**

- If the Manager is interviewing candidates to hire for a new position and his or her son is applying for the position, the Manager must:
  - Disclose to the director of human resources, or the assistant executive director administration if the director of human resources is in conflict of interest, the nature and extent of his or her son's interest in the proposed contract; and
  - Refrain from participating in decisions or influencing any decisions related to hiring of his or her son;  
as the Manager's relationship to this individual constitutes a conflict of interest.

### **Manager's immediate relative who has a direct or indirect interest in an undertaking**

- If the Manager's spouse is the owner of a company that supplies equipment to the CBHSSJB, the Manager is in a situation of actual, perceived or potential conflict of interest when ordering equipment or negotiating the terms of the supplier agreement. The Manager must:
  - Disclose to the director of corporate services the nature and extent of his or her spouse's interest in the company and supplier agreement; and
  - Refrain from participating in decisions or influencing any decisions related to such agreement.

## 12. EXAMPLES (CONTINUED)

### Gifts, hospitality, favours and other benefits from third parties

- A service provider who seeks a business relationship with the CBHSSJB and which could influence the Manager in the performance of his or her responsibility within the CBHSSJB offers to the Manager two tickets for the Montreal Canadiens of a total value of \$300. The Manager can accept the gift even if its value exceeds \$250 only if:
  - The gift does not compromise the integrity of the CBHSSJB including the integrity of the Manager;
  - The gift is not such as to bring suspicion on the Manager's objectivity and impartiality; and
  - The gift is within the bounds of propriety, a normal expression of courtesy, customary or within the normal standards of hospitality.

However, in this case, since the value of the gift exceeds \$250, the Manager must report the gift to the director of corporate services.

- Two months later, the same service provider offers to the Manager a second pair of tickets for the Montreal Canadiens of a total value of \$300. The manager must:
  - Report the situation to the director of corporate services who shall inform the executive director who will take a decision in that regard; and
  - Refuse the gift unless authorized to accept it by the executive director.

## 12. EXAMPLES (CONTINUED)

### Gifts, hospitality, favours and other benefits from third parties

- A third party who has no business relationship with the CBHSSJB and who is not seeking a business relationship with the CBHSSJB, but who could influence the Manager's judgment in the performance of his duties for the CBHSSJB (such as a lobbyist) offers to the Manager an all-inclusive vacation package in the Caribbean of a value of \$5,000. The Manager must:
  - Refuse the gift as it is clearly outside the bounds of propriety as it is not a normal expression of courtesy or customary and as it is outside the normal standards of hospitality; and
  - Report the situation to the director of corporate services who shall inform the executive director who could, in turn, ask the third party to cease offering such gifts to the CBHSSJB's Managers in the future.

## CONCLUDING REMARKS

- Determining whether or not a given situation constitutes a conflict of interest (actual, perceived or potential) is often a question of common sense.
- The mere fact that the Manager is questioning himself or herself about a given situation should raise concerns about the existence of a conflict of interest (actual, perceived or potential).
- If a doubt persists about the existence of such conflict, the Manager's obligations of disclosure as well as refraining from participating in any deliberations, decisions or process shall prevail.