



**OTTAWA
COMMUNITY
FOUNDATION**

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Code of Conduct and Conflicts of Interest

ORIGINAL EFFECTIVE DATE: November 24, 2015
LAST REVIEWED: November 2015
SUBJECT TO REVIEW: November 2020


POLICY: CODE OF CONDUCT AND CONFLICTS OF INTEREST

SECTION 1 GENERAL

- 1.1 **Application.** This Code of Conduct and Policy on Conflicts of Interest (the “**Code**”) has been approved by the Board of Directors (the “**Board**”) of the “Corporation”. The Code is intended to govern the conduct of directors (“**Directors**”) of the “Corporation” and sets out guidelines for avoiding and disclosing conflicts of interest. Section 3 (Conflict of Interest Guidelines) and section 4 (Gifts and Hospitality) also apply to members of committees of the “Corporation” (“**Committee Members**”), including Committee Members who are not Directors.
- 1.2 **Definitions.** Unless otherwise specified, the words and expressions used in this Code shall have the same meaning as in the By-laws of the “Corporation”.
- 1.3 **Complement to By-laws, etc.** The provisions of this Code are intended to complement and enhance in a consistent manner, the requirements that arise at law and in the By-laws of the “Corporation”.
- 1.4 **Interpretation.** This Code shall be, unless the context otherwise requires, construed and interpreted in accordance with the interpretation provisions of the “Corporation’s By-laws.”


SECTION 2 DUTIES AND RESPONSIBILITIES OF INDIVIDUAL DIRECTORS

- 2.1 **Responsibilities.** Each Director is expected to become an active participant of the Board to ensure the Board functions effectively as a whole. Every Director has a duty to:
 - a) Be informed of the constating documents and legislation under which the “Corporation” exists, its By-laws, mission, values, codes of conduct, and policies as they pertain to the duties of a Director;
 - b) Keep generally informed about the activities of the “Corporation” and general trends in the sector(s) in which it operates;
 - c) Attend Board meetings regularly, serve on committees of the Board and contribute from personal, professional and life experience to the work of the Board;
 - d) Exercise, in the performance of his/her duties, the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
 - e) Be independent and impartial;
 - f) Act honestly and in good faith with a view to the best interests of the “Corporation”;

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- g) Not be influenced by self-interest, outside pressure, expectation of reward or fear of criticism;
 - h) Act with integrity and conduct him/herself in a manner consistent with the nature and the responsibilities and the maintenance of public confidence in the conduct of the Board's business;
 - i) Offer his/her personal perspectives and opinions on issues that are the subject of Board discussion and decision;
 - j) Voice, clearly and explicitly at the time a decision is being taken, any opposition to a decision being considered by the Board;
 - k) Maintain solidarity with other Directors in support of a decision that has been made in good faith in a legally constituted meeting by the Board;
 - l) Ask the Directors to review a decision, if he/she has reasonable grounds to believe that the Board has acted without full information or in a manner inconsistent with its fiduciary obligations;
 - m) Work with the staff of the "Corporation" on committees or task forces of the Board;
 - n) Know and respect the distinction in the roles of Board and staff consistent with the principles underlying the "Corporation's" governance policies;
 - o) Exercise vigilance for and declare any apparent or real personal conflict of interest in accordance with the "Corporation's" By-laws and policies, and in particular with this Code; and
 - p) Comply with all other codes and policies approved by the Board from time to time.

2.2 Conduct of Directors. A Director will at all times conduct him/herself in a manner that:

- a) Supports the purposes and mission of the "Corporation";
- b) Serves the overall best interests of the "Corporation";
- c) Subordinates his/her personal interests, and those of any particular constituency, to the best interests of the "Corporation";
- d) Brings credibility and goodwill to the "Corporation";
- e) Respects principles of fair play and due process;
- f) Demonstrates respect for individuals and human rights;

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- g) Respects and gives fair consideration to diverse and opposing viewpoints;
 - h) Demonstrates due diligence and dedication in preparation for, and attendance at, meetings, special events and in all other activities on behalf of the “Corporation”;
 - i) Demonstrates good faith, prudent judgement, honesty, transparency and openness in his/her activities on behalf of the “Corporation”;
 - j) Ensures that the financial affairs of the “Corporation” are managed and conducted in a responsible and transparent manner with due regard for his/her fiduciary responsibilities and stewardship;
 - k) Avoids real or perceived conflicts of interest;
 - l) Conforms to the By-laws and policies approved by the Board, in particular this Code.

SECTION 3 CONFLICT OF INTEREST GUIDELINES

3.1 Paramountcy. These Conflict of Interest Guidelines supplement the provisions in the Canada Not-for-profit Corporations Act and the By-laws of the “Corporation” dealing with conflicts of interest. In the event that these Guidelines conflict, or are inconsistent, with the By-laws or the Canada Not-for-profit Corporations Act, the By-laws and Canada Not-for-profit Corporations Act shall prevail.

3.2 Integrity. These Conflict of Interest Guidelines are intended to ensure the highest standards and maintenance of the integrity of the Board and its committees. Directors and Committee Members shall act at all times in the best interests of the “Corporation” rather than in his/her personal interests or the interests of particular constituencies. This means putting the interests of the “Corporation” ahead of any personal interest or the interest of any other person, group of persons or entity. It also means performing his/her duties and transacting the affairs of the “Corporation” in such a manner that promotes public confidence and trust in the integrity, objectivity and impartiality of the Board and its committees.

3.3 No Pecuniary Benefit.

- a) No Director or Committee Member shall directly or indirectly receive any profit from his/her position as such, provided that, notwithstanding anything herein contained to the contrary, Directors and Committee Members may receive reimbursement for reasonable expenses incurred by them in the performance of their duties as permitted in the By-laws and approved by the Board.
- b) The pecuniary interests of immediate family members (including the immediate family members of a Director’s or Committee Member’s partner) or close personal or business associates of a Director, Committee Member, or a Director’s or Committee Member’s partner, as applicable, are considered to also be the pecuniary interests of the Director or Committee Member, as applicable.

3.4 Definition of Conflict of Interest.

- a) A conflict of interest refers to situations in which personal, occupational or financial considerations may affect, or appear to affect, a Director's or Committee Member's objectivity, judgment or ability to act in the best interests of the "Corporation" and includes conflicts as described in subsection 3.5 hereof.
- b) A conflict of interest may be real, potential or perceived in nature.
- c) A real conflict of interest arises where a Director or Committee Member has a private or personal interest, for example, a close family connection or financial interest.
- d) A potential conflict of interest arises when a situation is capable of being a conflict of interest but is not yet in existence. For example, it may arise when a Director or Committee Member has a private or personal interest such as an identified future commitment. In such situations, a Director or Committee Member, as applicable, must exercise appropriate caution to ensure that the unrealized, possible conflict does not evolve into an actual conflict of interest.
- e) A perceived or apparent conflict of interest may exist when a reasonable, well- informed person has a reasonable belief that a Director or Committee Member has a conflict of interest, even if there is no real conflict.
- f) Full disclosure, in itself, does not remove a conflict of interest.

3.5 Examples of Conflict of Interest on the Part of a Director/Committee Member.

The following examples constitute Conflicts of Interest under this Code:

- a) Any circumstance that may result in a personal or financial benefit to a Director/Committee Member or his/her family, business associate or friend. This includes, but is not limited to, accepting any payment for services rendered to the "Corporation" other than reimbursement of expenses of a Director or Committee Member as permitted in this Code; or accessing financial or other resources for personal use, i.e. transportation, training costs, supplies, equipment, etc.
- b) Any circumstances where a Director/Committee Member or his/her family, business associate or friend is affiliated with a person, organization or entity which has a business relationship with the "Corporation" or is seeking or negotiating funding or other support from the "Corporation".
- c) Subject to subsection 4.1, seeking, accepting or receiving any personal benefit from a supplier, vendor or any individual or organization doing or seeking business with the "Corporation".
- d) Being a member of the board or staff of another entity or organization which might have material interests that conflict with the interests of the "Corporation"; and, dealing with matters on one board which might

materially affect the other board.

- e) Any involvement in the hiring, supervision, grievance, evaluation, promotion, remuneration or dismissal of a family member, business associate, or friend of the Director/Committee Member.

3.6 Principles for Dealing with Conflict of Interest.

- a) Both prior to serving on the Board or committee, and during their term of office, Directors/Committee Members, as applicable, must openly disclose a conflict of interest as soon as the issue arises and before the Board or applicable committee deals with the matter at issue.
- b) If the Director/Committee Member is not certain whether he/she is in a conflict of interest position, the matter may be brought before the Chair of the Board or chair of the committee, as applicable, or the Board for advice and guidance.
- c) If there is any question or doubt about the existence of a conflict of interest which is not satisfactorily resolved by the Chair of the Board or the chair of the committee, as applicable, the Board will determine by majority vote if a conflict exists. The Director potentially in conflict of interest shall be absent from the discussion (but shall be counted in the quorum) and shall not vote on the issue.
- d) It is also the responsibility of other Directors/Committee Members who are aware of a real, potential or perceived conflict of interest on the part of a fellow Director/Committee Member to raise the issue for clarification, first with the Director/Committee Member in question and, if still unresolved, with the Chair of the Board/chair of the committee, as applicable.
- e) A Director/Committee Member who has a conflict of interest must abstain from participation in any discussion on the matter, shall not attempt to personally influence the outcome, shall refrain from voting on the matter and, unless otherwise decided by the Board, must leave the meeting room for the duration of any such discussion or vote.
- f) The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting. The time the Director/Committee Member left and returned to the meeting shall also be recorded.

SECTION 4

GIFTS AND HOSPITALITY

- 4.1. Gifts and Hospitality. Directors/Committee Member shall not directly or indirectly offer or accept cash payments, gifts, gratuities, privileges or other personal rewards, which are intended to influence the activities or affairs of the "Corporation". Directors/Committee Members may, however, give or receive modest gifts or hospitality as a matter of general and accepted business practice, provided the foregoing does not include cash or other negotiable instruments and provided further that proper accounting of any such expenses is made.

SECTION 5 COMPLAINTS AND DISPUTES INVOLVING DIRECTORS

- 5.1 The Board, in a meeting duly called for the purpose, shall review any complaints that a Director has violated any provision of the “Corporation’s” By-laws, or policies approved by the Board, in particular, this Code.
- 5.2 The Board shall similarly review disputes between Directors that interfere with the ability of the Board to carry on its affairs.
- 5.3 Complaints of a grave nature may be referred to an independent arbiter.
- 5.4 Allegations of illegal activity shall be immediately referred to appropriate authorities for investigation. Any Director against whom such allegations are made shall take a leave of absence from the Board pending completion of the investigation.
- 5.5 The review of such complaints or disputes shall include an opportunity for the Director concerned to present his/her position. Board members who originate or are the subject of such complaints or disputes must declare their conflict and recuse themselves from such meetings (but shall nonetheless be counted as part of the quorum).
- 5.6 Every attempt should be made to resolve such matters expeditiously and fairly.
- 5.7 The ruling of the Board shall be final. If the Director refuses to abide by the ruling, the Board may table the matter pending determination of disciplinary action. Such action may include formal or informal censure by the Chair or the Board, suspension, a request for the Director’s resignation or a resolution removing the person as a Director.

SECTION 6 CONFIDENTIALITY

- 6.1 Confidential Information. It is the responsibility of Directors to know what information is confidential and to obtain clarification when in doubt. Except as he/she may be compelled by applicable legal process, a Director must, both while having and after ceasing to be a Director, treat as confidential all deliberations of the Board and its committees held in camera and all information regarding the policies, internal operations, systems, business or affairs of the “Corporation” obtained by reason of his/her status as a Director and not generally available to the public. A Director shall not use information obtained as a result of his/her involvement on the Board for his/her personal benefit. Each Director shall avoid activities which may create appearances that he/she has benefited from confidential information received during the course of his/her duties as a Director.
- 6.2 Review of Code. Each Director, forthwith after being elected, shall meet with the President and CEO to review this Code and such other policies of the “Corporation” that apply to Directors.