

# Policy Manual

## Operational Policy

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### **Operational Policy 17 (OP-17): Conflict of Interest**

Adopted by: Board of Directors

Adopted on: March 22, 2011

#### **Summary:**

Members of the Union place trust in their elected representatives. These representatives, as members of the Board of Directors, have significant resources and powers at their disposal. To discourage and remedy any betrayal of the members' trust, consideration of conflict of interest for members of the Board of Directors is subject to a set definition, procedure for resolution, investigation, and penalty.

#### **Policy:**

- I. Conflict of interest exists where a member of the Board of Directors exercises an official power or performs an official duty or function in the execution of his or her office and at the same time knows that in the performance of the duty or function or in the exercise of the power there is the opportunity to further his or her private interest;
- II. Conflict of interest is apparent if there is a reasonable perception, which a reasonably well informed person could properly have, that the ability of a member of the Board of Directors to exercise an official power or perform an official duty or function must have been affected by his or her private interest;
- III. Conflict of interest prohibits the following:
  - a. The exercise of an official power or the performance of an official duty or function if the member has a conflict of interest or an apparent conflict of interest;
  - b. The use of information that is gained in the execution of the office of the Board of Directors and is not available to the general public to further or seek to further the private interest of the member of the Board of Directors;
  - c. The use of the office of the Board of Directors to seek to influence a decision, to be made by another person, to further the private interest of a member of the Board of Directors;
  - d. The accepting of a fee, gift, or personal benefit that is connected directly or indirectly with the performance of the duties of office of a member of the Board of Directors;
- IV. Procedure for early identification and resolution of potential conflicts of interest shall be the following:
  - a. A member of the Board of Directors who has reasonable grounds to believe that he or she has a conflict of interest in a matter that is before the Board of Directors or a committee of the Board of Directors, must, if present at a meeting considering the matter:
    - i. Disclose the general nature of the conflict of interest;
    - ii. Withdraw from the meeting without voting or participating in the consideration of the matter;
  - b. If a member of the Board of Directors has complied with Section IV.a. the minutes of the meeting

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shall include:

- i. The disclosure of the conflict of interest and its general nature;
- ii. The withdrawal of the member from the meeting;

V. The failure of any member of the Board of Directors to comply with Section IV. does not of itself invalidate any business transacted by the Union with any person who, or organization that, acted in good faith and without actual notice of the failure to comply with Section IV.;

VI. The investigation of alleged conflicts of interest shall:

a. Require a request for such an investigation, which:

- i. May be submitted only by a member of the Union in good standing;
- ii. Is based on reasonable and probable grounds that a member of the Board of Directors is in contravention of this policy;
- iii. Is submitted in writing, and includes:
  1. The name, student identification number, telephone number, and email address of the member making the request;
  2. The grounds for the belief and the nature of the contravention alleged;
  3. The date received and the name and signature of the receiver;

b. Be undertaken by the Executive Director, who shall:

- i. Report the receipt of the request for an investigation to the Board of Directors;
- ii. Be authorized to order:
  1. The attendance of the member of the Board of Directors under investigation to give evidence on oath, affirmation, or in any other manner;
  2. The submission of records in the possession of the member of the Board of Directors under investigation;
- iii. Inform the member of the Board of Directors under investigation of any adverse effect that may result from the investigation and provide the member of the Board of Directors the opportunity to make representations before recommendations are made as a result of the investigation;
- iv. Make a report following the investigation to the Board of Directors, which:
  1. Shall indicate an opinion on the nature of the alleged contravention of this policy;
  2. May recommend a penalty to the member of the Board of Directors under investigation, or to the member requesting the investigation;

VII. Penalties related to conflict of interest shall:

a. Be authorized if, after an investigation:

- i. A member of the Board of Directors is found to have contravened Section III. or IV., or failed to comply under Section VI.
- ii. The member requesting the investigation is found to have had no reasonable and probable grounds for the request;

b. Be recommended by the Executive Director to the Board of Directors and may include:

- i. That the member of the Board of Directors:

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1. Be reprimanded;
  2. Be suspended for specified period;
  3. Be removed from office;
- ii. That the member requesting the investigation be held in bad standing;
- c. Be determined by the Board of Directors within thirty (30) days of receipt of recommendation.