


# First Nations Health Authority

## Board Policy



First Nations Health Authority  
Health through wellness

<b>Policy Title</b>	<b>Board of Directors Conflict of Interest Policy</b>
<b>Department</b>	Board of Directors

For Board Secretariat (do not fill this in)		
Document #	Effective	
BOD-18-001-005	November 1, 2018	
Board Approved Date	Verified By	Authorization (BoD Motion #)
November 1, 2018		MOTION 1118-BOD-011

### 1.0 Purpose

- 1.1 The purpose of this policy is to establish a framework and accountabilities for disclosing and preventing Conflicts of Interest so that the Private Interests of First Nations Health Authority (FNHA) Directors do not conflict with the interests of FNHA.
- 1.2 This policy supports all 7 Directives and the Shared Values.

### 2.0 Scope

- 2.1 This policy applies to all FNHA Directors.

### 3.0 Policy Statements

- 3.1 This policy is intended to enhance public confidence in the integrity of FNHA and its Directors.
- 3.2 The high level of public support and respect that FNHA holds results from its vision and from the high degree of integrity, objectivity and professionalism of its Directors in their conduct towards others.
- 3.3 This policy enables the development of partnership and relationships when the intentions are honourable and professional.
- 3.4 FNHA expects the highest standards of conduct from its Directors and views such conduct as paramount in developing and maintaining the public's trust and confidence in FNHA.
- 3.5 Confidential Information that Directors receive through their position on the Board must not be used by a Director for the purpose of furthering any Private Interest, or as a means of making personal gains. The proper handling and protection of Confidential Information is applicable both within and outside of FNHA and continues to apply after a Director's term on the Board ends.
- 3.6 FNHA will benefit from the expertise of individuals with a multiplicity of interests and it is through individuals bringing their strengths and working to achieve our mission that FNHA will be seen as a model organization rooted in organizational health and wellness. In this context, it is important that



Private Interests must not conflict with the interests of FNHA, nor impair the public support and respect necessary for the operation of FNHA.

- 3.7 Directors have a duty of loyalty to FNHA as they represent the interests of First Nations in BC. They must act honestly and in good faith and place the interests of FNHA ahead of their own Private Interests.
- 3.8 A Conflict of Interest occurs when a Director's Private Interests are in conflict, or could result in a perception of conflict, with the Director's duties or responsibilities to FNHA in such a way that the Director's ability to act in the interests of FNHA could be impaired or the Director's actions or conduct could undermine or compromise the trust that the communities it serves have in FNHA.
- 3.9 While FNHA recognizes that the right of Directors to be involved in outside activities, conflict must not exist between Directors' Private Interests and the discharge of their duties on behalf of FNHA. Directors must arrange their private affairs in a manner that will prevent Conflicts of Interest.
- 3.10 Directors are required to disclose to the Board Chair or to a quorum of the Board, as appropriate any personal, commercial, or financial interest or any occurrence or event that could give rise to a Conflict of Interest. Examples of Conflicts of Interest include, but are not limited to, the following:
  - (a) a Director uses FNHA property, email, equipment or the Director's position, office, or FNHA affiliation to pursue Private Interests or the interests of another organization;
  - (b) a Director is in a personal or familial relationship with another Director, Worker, Client or supplier of FNHA with respect to whom the Director has supervisory or decision-making authority or influence or to whom the Director could be in a position to provide or request special consideration or favour;
  - (c) a Director is in a situation where the Director is under a real, potential or perceived obligation to a person who might benefit from or seek to gain special consideration or favour;
  - (d) a Director, in the performance of duties on behalf of FNHA, gives or may be perceived to give preferential treatment to a nation, band, individual, corporation, or organization, including a non-profit organization, in which the Director, or Associate of the Director, has an interest, financial or otherwise;
  - (e) a Director benefits from, or is reasonably perceived by FNHA or others to have benefited from, the use of information acquired solely by reason of the Director's position; or
  - (f) a Director benefits from, or is reasonably perceived by FNHA or others to have benefited from, an FNHA transaction over which the Director can influence the decision.
- 3.11 Directors may hold jobs outside of FNHA, carry on a business, receive remuneration from public funds for activities outside their position, or engage in volunteer activities subject to no Conflict of Interest or disclosure as outlined above.
- 3.12 Directors must not solicit Gifts or accept cash but may accept Gifts of Nominal Value that would not bring FNHA into disrepute if made public. Directors may accept Gifts above Nominal Value that carry cultural significance so long as receipt of the Gift does not result in a sense of obligation to offer



preferential treatment to the sender. Gifts that could result in a sense of obligation must be accepted on behalf of FNHA or returned to the sender.

- 3.13 Directors will inform the Board of any Gifts that they accept in the *Annual Declaration for Directors Form*. If a Director has a question as to the appropriateness of a Gift, he/she will seek approval from the Board Chair or quorum of the Board, as appropriate.
- 3.14 Qualified Associates of Directors may be employed by FNHA as long as it does not place the Director in a Conflict of Interest situation. FNHA recognizes that working alongside Associates is a reality in many First Nations communities and is deeply rooted in First Nations history and culture. Directors are required to disclose any Conflict of Interest to the Board Chair or the Board or a quorum of Board, as appropriate, who will address any Conflict of Interest with the Director.
- 3.15 FNHA supports the involvement of Directors in community Political Activities, but needs to ensure that a Conflict of Interest does not develop between Director's responsibility to FNHA and their responsibility to a political role or office. Director's Political Activities must be clearly separated from activities related to their appointment to the FNHA Board. Directors must not use FNHA facilities, email addresses, equipment, or resources in support of these activities.

### **Conflict of Interest Procedures**

- 3.16 Upon becoming a Director and at the first Directors' meeting in the new fiscal year, Directors will complete the attached *Annual Declaration for Directors Form*. Directors will notify the Board Chair or a quorum of the Board, as appropriate, of the occurrence of any event that would change the information contained in the declaration form.
- 3.17 A Director has an obligation to declare a Conflict of Interest at the earliest possible time and, in any event, prior to discussion or decision of an issue. In the case of the Board Chair, it will be disclosed to the full Board.
- 3.18 The Declaration of Conflict of Interest is a standing agenda item on all Board and Committee Meetings and the Directors are expected to declare any Conflicts of Interest for each meeting. The minutes of the meeting's proceedings will note the declaration and the Director must:
  - (a) refrain from further participation in any activities involved with the matter; and
  - (b) absent him or herself from the proceedings during discussion or voting on that particular matter, contract or arrangement.
- 3.19 The Board may seek legal advice as to whether or not a conflict exists and what steps can be taken to resolve the issue.
- 3.20 Where a Director is unsure of whether he or she is in conflict, that Director should raise the Conflict of Interest with the Board Chair. The matter will then be discussed at a meeting of the Board and a decision taken as to the best way to proceed. The Director with a possible Conflict of Interest will not vote on any such decision. The Director will absent him/herself during discussion and voting by the remaining Directors. The Director may be asked to return only to answer questions and clarify matters pertaining to the Conflict of Interest.



- 3.21 A Director who perceives another Director to be in a Conflict of Interest should identify the Conflict of Interest to the Board at the first opportunity. The matter will then be discussed at a meeting of the Board and a decision taken as to the best way to proceed. The Director considered to be in a Conflict of Interest will absent him/herself during discussion and voting by the remaining Directors. Before doing so, the Director may give the Board a statement on his/her opinion of whether a conflict exists. The Director may be asked to return to answer questions and clarify matters pertaining to the Conflict of Interest.
- 3.22 Where a Conflict of Interest is discovered after consideration of a matter, the conflict must be declared to the Board and appropriately recorded at the first opportunity. If the Board determines that the Director's involvement has, or could be perceived to have, influenced the decision, the Board must re-examine the matter and may rescind, vary or confirm its decision.
- 3.23 If a Conflict of Interest arises because an Associate of a Director has been hired for a position with FNHA, there must not be any supervisory role, direct or indirect, between the Director and that Associate.
- 3.24 If a Director becomes a Worker or contractor of an FNHA Member, First Nations Official, an elected federal, provincial or municipal official, or First Nations Health Director, the Director must resign immediately from the FNHA Board of Directors.

### **Recordkeeping:**

- 3.25 The Board will maintain all annual declaration forms, which will be held confidentially by the Member and Board Secretariat for the term of the Director. All other Conflict of Interest disclosures will be documented in the Board minutes.

### **Compliance**

- 3.26 Compliance with the *Board of Directors Conflict of Interest Policy* is a condition of each Director's appointment. Directors who fail to comply with this policy may be subject to disciplinary action up to and including removal.

### **Exceptions**

- 3.27 Exceptions to this policy require approval by the Chief Executive Officer (CEO).

### **Delegation**

- 3.28 This policy may be further defined and elaborated upon through an executive directive of the CEO.

## **4.0 Responsibilities**

- 4.1 Board of Directors (Board): approve the *Board of Directors Conflict of Interest Policy*; hear any Conflicts of Interest from Directors and the Board Chair and address them in compliance with this policy; seek legal advice as necessary.
- (a) Board Chair: disclose any Conflicts of Interest to the Board; hear any Conflicts of Interest from Directors and address them in compliance with this policy; seek legal advice as necessary.



- (b) Directors: disclose any Conflicts of Interest to the Board Chair; seek guidance regarding Conflicts of Interest and Gifts from the Board Chair, as necessary; excuse themselves from any meetings or decisions that could pose a Conflict of Interest.

### 5.0 Definitions

Associate(s): includes:

- (a) any person who is a spouse, common law partner, child, sibling, parent or grandparent of the Director, related by marriage and includes in-laws, relatives permanently residing in the employee's household or with whom the employee permanently resides, individuals who were previously married and are presently divorced, or whose relationship with the Director is similar to that of persons who are family members or related by marriage;
- (b) a friend of the Director;
- (c) a corporation or other legal entity of which the Director beneficially owns, directly or indirectly, more than 20% of the voting rights;
- (d) a corporation or other legal entity operating in the health sector of which the Director beneficially owns, directly or indirectly, any of the voting rights;
- (e) a trust or estate in which the Director has a substantial beneficial interest or for which the Director serves as trustee; or
- (f) a member of a professional association of which a Director is an executive member.

Client(s): an individual, resident, family, or community that receives direct care or accesses health and wellness services delivered by the organization and has the ability to decide and define the programs and services that will best support their health and well-being. Services enable each individual to become well-informed and best able to make decisions as it relates to their personal and collective health.

Confidential Information: includes information and Data, in any form or medium, relating to FNHA, its business, operations, activities, planning, personnel, labour relations, suppliers, and finances that is not generally available to the public, including Personal Information and information that is identified as "confidential information" in accordance with FNHA's Policy Documents.

Conflict(s) of Interest: a situation that places a Director's Private Interests in a conflict with the Director's duty to act in the best interests of FNHA. This can include:

- (a) Actual conflict of interest: where a Director exercises an official power or performs an official duty, at the same time knowing that, in exercise of such performance, there is the opportunity to further a Private Interest.
- (b) Perceived conflict of interest: exists where informed people might reasonably hold the perception that a conflict of interest exists on the part of the Director. An example of a perceived conflict of interest is where FNHA makes a decision that has the potential to provide a benefit to an Associate of the Director; if the Director takes part in the meeting, but does not vote, people

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might perceive that a Conflict of Interest has arisen. If it can clearly be shown that the Director had no influence on the decision, then the perception of a Conflict of Interest is greatly reduced.

- (c) Potential conflict of interest: exists where there is some Private Interest that could influence the performance of a Director's duty or function or the exercise of power, provided that she or he has not yet exercised that duty or function.

First Nations Official(s): includes:

- (d) an elected chief or councillor of an Indian band or a First Nation;
- (e) a hereditary chief of any First Nation or of any First Nations house or clan;
- (f) an elected tribal chief, president or chair of a tribal council; or
- (g) an elected official of the Assembly of First Nations or any Provincial Territorial Organization listed on the website of the Assembly of First Nations or any other organization of First Nations in Canada similar to such entities.

Gift(s): something given to another person or to an entity, usually to provide pleasure and to show gratitude or respect. May include objects, meals, entertainment, favours, discounts, or other valuable considerations.

Nominal Value: under \$100.00.

Political Activity(ies): any activity of a political nature including running or being elected to band council, tribal council, municipal council, provincial legislature, federal parliament, or Assembly of First Nations. May also include working on election campaigns of others.

Private Interest(s): means a pecuniary or economic interest or other advantages that personally benefit the Director or his/her Associate.

Worker(s): includes individuals employed or contracted with FNHA while engaged in a FNHA work activity; specifically, employees (union, non-union; permanent, term, casual; full-time, part-time); people working at FNHA through an Interchange Agreement; people paid via third party agencies (temporary workers); contractors; consultants; trainees; students; volunteers.

## 6.0 Related Documents

### Mandatory Compliance Documents

Code of Conduct

FNHA Constitution and By-Laws

Oath of Office (2015)

Societies Act (British Columbia)

Tripartite Framework Agreement on First Nations Health Governance (2011)

### Other FNHA Policy Documents

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### Procedure for Addressing Alleged Non-Compliance with Board Policy

#### 7.0 Rescind and Interpretation Statements

- 7.1 With the approval of this policy, older versions are considered to be rescinded and are no longer in effect.
- 7.2 Where interpretation is required regarding the relationship between Policy Documents, the CEO has sole discretion to provide the interpretation.

#### 8.0 Summary of Changes

Replaces
BOD-18-001-005 Board of Directors Conflict of Interest Policy

#### 9.0 Attachments

- 9.1 Annual Declaration for FNHA Directors Form

### ANNUAL DECLARATION FOR FNHA DIRECTORS FORM

This statement discloses information as of XX, 20\_\_

1. I have read and understood the conflict of interest policy.
  
2. I have listed the details of:
  - (a) any corporation or other legal entity of which I beneficially own, directly or indirectly, more than 20% of the voting rights or interests;  

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  - (b) any corporation or other legal entity operating in the health sector of which I beneficially own, directly or indirectly, any of the voting rights or interests;  

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  - (c) any trust or estate in which I have a substantial beneficial interest or for which I serve as trustee; and  

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  - (d) any professional association of which I am an executive member.  

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3. I hold the following offices and employments in addition to my role as a FNHA Board Member <sup>1</sup>:  

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4. An actual, potential or perceived conflict of interest with my role as a FNHA Board Member may arise because:  

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5. I have received the following gifts over the \$100 nominal value in my role as a FNHA Board Member since April 1, 20\_\_

Gift	Reason for Gift	From:	Value
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>

<sup>1</sup> Please disclose all decision-making roles that you occupy whether or not these would currently give rise to a conflict of interest.



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6. Other than as disclosed above, I do not have any relationships or interests that could compromise, or be perceived to compromise, my ability to exercise judgment with a view to the best interests of FNHA.
7. I agree to provide an updated Declaration annually or as may be required by changed circumstances.

Printed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

8. I hereby acknowledge the above Conflict of Interest Declaration:

Chair Signature: \_\_\_\_\_ Date: \_\_\_\_\_