

## New Beginnings Non – Profit Housing

<b>Policy Name:</b>	Conflict of Interest Policy
<b>Contact Officer:</b>	Marwick Property Management, 519-351-6881
<b>Date Approved by Board of Directors:</b>	October 8 <sup>th</sup> , 2002
<b>Date Approved by General Membership</b>	N/A
<b>Date Certified:</b>	N/A

### **Background:**

The Non – Profit recognizes it is good business practice to avoid conflict of interest

### **Reference:**

1. *Social Housing Reform Act 2000, 339/01, sect 4-6*

### **Definitions – In this Policy:**

1. "Conflict of Interest" means a situation where:
  - a. The personal or business interest of a director, officer, agent or employee of a housing provider are in conflict with the interest of the housing provider
  - b. Or a personal gain, benefit, advantage or privilege is directly or indirectly give to or received by a director, officer, agent or employee or a person related to any one of them as a result of a decision by the housing provider

And includes

- c. The Non – Profit giving a direct or indirect gain, benefit, advantage or privilege to a director, officer, agent or employee or a person related to any one of them;
  - d. A director, officer, agent, or employee or a person related to them receiving a direct gain, benefit, advantage, or privilege from the non – profit as a result of the person's position within the non – profit;
  - e. The non – profit, in offering housing accommodation or in setting rents or other occupancy charges, giving any advantage or privilege to directors who are tenants that is not available to tenant who are not directors
2. "Declaration" means a declaration in the form attached as SCHEDULE "B" to this By-Law
  3. "Director" means a member of the board of directors of the Non – Profit
  4. "Persons related to any one of them" means a parent, spouse, same-sex partner, child, household member, sibling, uncle, aunt, nephew, niece, mother-in-law, father-in-law, sister-in-law, brother-in-law or grandparent of the director, officer, agent or employee or a person with whom the director, officer, agent or employee has a business relationship
  5. "Service Manager" means a Service Manager as defined in Section 2 of *The Social Housing Reform Act 2000*, and includes any person exercising the powers of the Service Manager under Section 16 of *The Social Housing Reform Act 2000*
  6. "Threshold" means more than an amount accepted as such by the Service Manager, which is less of"
    - a. \$14,999.00; and
    - b. \$2,000.00, plus \$20.00 for each residential unit in the Non – Profit's project/portfolio in excess of 100 units

### **Avoiding Conflict of Interest**

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7. **Exceptions** : The Non – Profit shall not enter into a relationship, arrangement, contract or agreement with any person in a way that creates a Conflict of Interest, except that:
  - a. Provided that a notice of conflict or potential conflict of interest has been delivered to the Service Manager and the Service Manager agrees there is no reasonable alternative, the Non – Profit may enter into a relationship, arrangement, contract or agreement that normally would be the conflict of interest; and
  - b. Some or all of the Directors may also sit as Directors of an organization that supplies essential support services for special-needs clients residing in the Non – Profit’s project/portfolio exists specifically so that residents can live in the community with the support services provided
8. **Duty to Monitor and Avoid Conflict of Interest**: The Non – Profit shall closely monitor its relationships, arrangements, contracts and agreements, and not engage in any that may result in a Conflict of Interest. The Directors, individually and collectively, shall ensure compliance with this requirement.
9. **Termination**: Subject to employment law in force in Ontario and any collective bargaining agreements to which the Non – Profit is party, all relationships, arrangements, contract, or agreements of the Non – Profit, which exceed the Threshold in any one fiscal year of the Non – Profit, shall include a clause permitting the Non – Profit to terminate the relationship, arrangement, contract or agreement if the Service Manager requires such a termination in order to resolve a Conflict of Interest.
10. **Director Must Resign**: Except as set out in the subsection 7. Director shall resign from his/her position before the Non – Profit’s board of directors deliberates issues as tender or votes on a contract or employment position for which the Director intends to compete.
11. **Former Director and Officer**: Except in the circumstance set out in subsection 7. no former Director or Officer may apply for employment with the Non – Profit or seek to enter into a contract to supply services to the Non – Profit directly or indirectly for a period of 6 months following the date he/she ceases to be a Director or Officer.
12. **Purchase or Lease of Land**: Where the Non – Profit purchases or leases land, it shall not purchase or lease such land from:
  - a. an individual; or
  - b. a corporation which has a shareholder, director or officer;

Who is a director, officer, agent, employee development consultant or resource group, architect or other technical consultant, real estate agent, or environmental consultant of the Non – Profit or any person related to one of them

### **Board Procedures**

13. **Conflict of interest**: The Board shall have Conflict of Interest as a regular agenda item at the beginning of each meeting of the Directors. Any director, officer, agent or employee who has a Conflict of Interest must submit their Declaration at that time.
14. **Declaration of Conflict of Interest**: Directors, officers, agents and employees of the housing provider must notify the chair of the Board of Directors of the housing provider of every potential or actual Conflict of Interest no later than the first meeting of the board after the director, officer, agent or employee becomes aware that he or she has entered into a situation, arrangement or an agreement that results in or may result in a conflict of interest. The form of such declaration is attached as SCHEDULE “B”
15. **Potential Conflict of Interest**: When a potential Conflict of Interest is raised before or during a board meeting, then:
  - a. the party to the potential conflict must leave the meeting; and
  - b. the board shall decide if there is a Conflict of Interest
16. **Consideration of Notice**: The Board of Directors shall consider any declaration given under subsection 14. no later than the second meeting of the Board after the notice is given. The consideration of the notice must be reflected in the minutes of the meeting.

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### **Promoting Fair and Objective Business Practices:**

17. New Beginnings Non-Profit Housing shall invite at least three qualification tenders, or publicly tender all contracts costing over \$14,999.00
18. In considering tenders, The Non - Profit shall:
  - a. Consider the quality of goods and services provided; and
  - b. Base its decision on written specifications outlining resources, timing, costs and fees.
19. Where the lowest bid is not chosen by the Board of Directors, The Non - Profit shall ensure that the reasons were documented.
20. The Non - Profit shall obtain a minimum of three written quotes for any contract costing between \$2,000.00 and \$14,999.00 in any fiscal year, and adopt clear, fair and written procedures for the awarding of contracts under \$2,000.00.
21. Where The Non - Profit is purchasing professional services;
  - a. For contracts with an estimated value up to \$9,999.00, The Non - Profit shall seek an appropriate supplier and negotiate a contract.
  - b. For contracts with an estimated value between \$10,000.00 and \$25,000.00, related to a specific project with a limited time-frame and which can be clearly defined, The Non - Profit shall;
    - i. Prepare terms of reference,
    - ii. See three competitive proposals with associated fixed-price quotations; and
    - iii. Award the contract based on an assessment of the qualifications of the consultant, the information provided in the proposal, and the price.
  - c. For contracts with an estimated value between \$10,000.00 and \$25,000.00, where the requirement cannot be clearly defined and where a fixed price approach is not feasible, The Non - Profit shall negotiate a contract with a suitably qualified supplier using standard negotiating procedures that employ ethical practices.
  - d. For contracts with an estimated value exceeding \$25,000.00, or which require ongoing provisions of professional advice to The Non - Profit, requiring knowledge of matters specific to The Non - Profit (such as legal advice relating to labour relations or specialized financial advice), the Non - Profit shall;
    - i. Establish terms of reference
    - ii. Invite offers of service by:
      - (1) Giving notice by public advertisement of the requirements to engage the services; or
      - (2) Inviting submissions from those individuals or firms who appear best qualified to meet the requirements of the engagement or to pre-qualified firms;
    - iii. Rate offers of service against the terms of reference to identify the offer of service which represents best value for money; and
    - iv. Select the firm offering the best value for money
  - e. The Non - Profit shall keep records of the appointments of suppliers meeting these criteria, together with their fees/
22. Where an emergency prevents The Non - Profit from following other provisions of this by-law, The Non - Profit shall;
  - a. Employ without call for proposal the individual or firm in whom The Non - Profit has the greatest confidence in regard to a particular requirement of The Non - Profit in dealing with this emergency

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- b. Ensure the employment of the individual or firm lasts no longer than necessary to deal with the emergency; and
  - c. Keep records of the appointment of the employment and remuneration of the individual or firm.
23. The Non - Profit shall implement documented, open and competitive practices of employment opportunities which are not inconsistent with;
- a. Any collective bargaining agreement of The Non - Profit; and
  - b. Other fair labour practices
24. The property manager/management or operations services company/development consultant of The Non - Profit shall not have a direct or indirect interest in any other business that provides advice, goods or services to The Non - Profit.
25. Election of Officers: The Board shall elect a President, Vice President, Secretary and Treasurer annually or more often as may be required. The President, Vice President, and Secretary shall be directors, but other officers need not be directors. The Board may from time to time elect such other officers as they deem necessary, who shall have such authority and perform such duties as the Board may from time to time prescribe.
26. Removal of Officers: The Board may by resolution remove any officers from office. Notice of any meeting where it is intended to propose such a resolutions shall be given to all directors and not such resolutions may be considered unless such notice was given. Such notice shall also be given to the officer concerned who shall be entitled to attend the meeting of the board and to make representations. The directors may immediately fill any office rendered vacant under this section.
27. Other Vacancies:
- a. Any officer may resign by notice of writing delivered to the office of the Corporation, such resignation to be effective on acceptance by the Board. The Board shall accept any resignation at the meeting following its receipt unless the resignation is withdrawn before acceptance.
  - b. When the President or Vice President ceases to be a director, they shall at the same time cease to occupy their office
28. Remuneration: The officers shall receive no remuneration for serving as officers, but shall be reimburses for any reasonable duly authorized expenses incurred in carrying out the business of the Corporation.