

# Conflict of Interest Policy

Policy Name	Conflict of Interest Policy
Policy Number	4.1
Date	
Date Reviewed or Revised	June 16, 2021
Next Review Date	
References	The <i>Housing Services Act</i> , Ontario Regulation 339/01.
Also See	

## Policy statement

Housing Cambridge recognizes it as good business practice to avoid conflicts of interest. The Government of Ontario, pursuant to the *Housing Services Act*, has issued Ontario Regulation 339/01, which includes the Government's rules relating to conflict of interest and other business practices. Schedule "A" contains a summary of these rules.

## Purpose and Scope

### Purpose

This policy sets out how Housing Cambridge address conflicts of interest, including implementing the requirements of Ontario Regulation 339/01.

### Scope

This policy applies to directors, Officers, agents or employees, or a person related to any one of them.

## Definitions

### **Conflict of Interest**

A situation where the personal or business interests of a director, officer, agent, or employee of a housing provider are in conflict with the interests of the housing provider; or

A personal gain, benefit, advantage, or privilege is directly or indirectly given 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

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

A director, Officer, agent or employee, or a person related to any one of 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;

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 tenants who are not directors.

### **Declaration**

A declaration in the form attached as SCHEDULE "B" to this Policy.

### **Director**

A member of the board of directors of the Non-Profit.

### **Officer**

The president, vice-president, secretary, treasurer, and any one else designated as an Officer in the by-laws of the Non-profit

### **Person related to any one of them**

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.

### **Service Manager**

A Service Manager as defined in Section 2 of *The Housing Services Act*, and includes any person exercising the powers of the Service Manager under Section 16 of *The Housing Services Act*.

### **Threshold**

More than an amount, accepted as such by the Service Manager, which is lesser of:

\$14,999.00; and

\$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 Procedure

### **Avoiding Conflict of Interest**

**Exceptions** - Housing Cambridge shall not enter into a relationship, arrangement, contract, or agreement with any person in a way that creates a Conflict of Interest, except that:

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, Housing Cambridge may enter into a relationship, arrangement, contract, or agreement that normally would be the conflict of interest;

A director who lives in a Housing Cambridge unit may be employed by Housing Cambridge on a part-time basis to perform routine tasks such as administrative, maintenance or operational tasks with respect to the Non-Profit's project/portfolio;

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 Housing Cambridge's portfolio, where the project/portfolio exists specifically so that residents can live in the community with the support services provided.

**Duty to Monitor and Avoid Conflict of Interest** – Housing Cambridge 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.

**Termination** – Subject to employment law in force in Ontario and any collective-

bargaining agreements to which Housing Cambridge is party, all relationships, arrangements, contracts, or agreements of Housing Cambridge, which exceed the Threshold in any one fiscal year of Housing Cambridge, shall include a clause permitting Housing Cambridge to terminate the relationship, arrangement, contract, or agreement if the Service Manager requires such termination in order to resolve a Conflict of Interest.

**Directors Must Resign** – Except as set out in subsection 3.1, a Director shall resign from her/his position before Housing Cambridge’s board of directors deliberates, issues a tender, or votes on a contract or employment position for which the Director intends to compete.

**Former Directors and Officer** – Except in the circumstances set out in Exceptions, no former Director or Officer may apply for employment with Housing Cambridge or seek to enter into a contract to supply services to Housing Cambridge directly or indirectly for a period of six months following the date she/he ceases to be a Director or Officer.

**Purchase or Lease of Land** – Where Housing Cambridge purchases or leases land, it shall not purchase or lease such land from:

an individual; or

a corporation which has a shareholder, director or Officer;

who is a director, Officer, agent, employee, development consultant/resource group, architect, or other technical consultant, real estate agent, or environmental consultant of Housing Cambridge or any person related to one of them.

## Board Procedures

### **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.

**Declaration of Conflict of Interest** – Directors, Officers, agents, and employees of Housing Cambridge must notify the chair of the Board of Directors of Housing Cambridge 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 agreement that results in or may result in a conflict of interest. The form of such declaration is attached as Schedule "B".

**Potential Conflict of Interest** – When a potential Conflict of Interest is raised before or during a board meeting, then:

the party to the potential conflict must leave the meeting; and

the board shall decide if there is a Conflict of Interest.

**Consideration of Notice** – The Board of Directors shall consider any declaration given 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. If a person filed a declaration of a potential Conflict of Interest and the board decided there was in fact no such Conflict, a declaration to that effect will be recorded and attached to the board meeting minutes.

**Resolution of a Conflict of Interest** – The board shall notify the Service Manager of any declaration of any conflict that has been confirmed by the board. The notification to the Service Manager shall include one of the following:

if a Conflict of Interest exists which may be resolved in accordance with this policy and Ontario Regulation 339/01, notification of how Housing Cambridge has resolved the Conflict of Interest and a request that the Service Manager ratify such resolution, or

if a Conflict of Interest exists which the board is unable to resolve in accordance with this policy and Ontario Regulation 339/01, a request that the Service Manager issue instructions for resolving the Conflict of Interest.

These requests are part of the attached Schedule "B".

**Conflict to be Resolved to the Service Manager's Satisfaction** – If the Service Manager issues instructions regarding an alternative to a decision made by the board or a resolution, Housing Cambridge will act in accordance with the Service Manager's instructions.

**Record-keeping** – Housing Cambridge shall maintain a Conflict of Interest file containing all declarations, reports, and minutes pertaining to Conflict of Interest and Perceived Conflict situations.

## Promoting Fair and Objective Business Practices

**Tenders** – Housing Cambridge shall invite at least three qualification tenders, or publicly tender all contracts costing over \$14,999.99.

**Considering Tenders** – In considering tenders, Housing Cambridge shall:

consider the quality of goods and services to be provided; and

base its decision on written specifications outlining resources, timing, cost and fees.

### **Not Choosing Low Bid**

Where the lowest bid is not chosen by the person ordinarily responsible for making this decision, that person's supervisor or, where applicable, the Board of Directors, shall review her/his decision, and ensure that the reasons are documented.

Where the lowest bid is not chosen by the Board of Directors, Housing Cambridge shall ensure that the reasons are documented.

**Contracts Under \$15,000** – Housing Cambridge shall obtain a minimum of three written quotes for any contract costing between \$2,000.00 and \$14,999.99 in any fiscal year, and adopt clear, fair and written procedures for the awarding of contracts under \$2,000.00.

**Participation in Cooperative Purchasing Programs** – Where Housing Cambridge participates in cooperative purchasing programs, the procedures of the cooperative purchasing program shall replace Housing Cambridge's internal procedures for competitive acquisition of goods and services for the duration of Housing Cambridge's participation in the cooperative purchasing program.

**Purchase of Professional Services** – Where Housing Cambridge is purchasing professional services:

For contracts with an estimated value up to \$4,999.00, Housing Cambridge shall seek an appropriate supplier and negotiate a contract in accordance with its Spending Policy.

For contracts with an estimated value of between \$5,000.00 and \$14,999.00, related to a specific project with a limited time-frame and which can be clearly defined, Housing Cambridge shall:

- i. prepare terms of reference,
- ii. seek 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.

For contracts with an estimated value of between \$5,000.00 and \$14,999.00, where the requirements cannot be clearly defined and where a fixed price approach is not feasible, Housing Cambridge shall negotiate a contract with a suitably qualified supplier using standard negotiating procedures that employ ethical practices.

For contracts with an estimated value exceeding \$15,000.00, or which require ongoing provision of professional advice to Housing Cambridge, requiring knowledge of matters specific to Housing Cambridge (such as legal advice relating to labour relations or specialized financial advice), Housing Cambridge shall:

- i. establish the Terms of Reference;
- ii. invite offers of service by:  
giving notice by public advertisement of the requirement to engage the services;  
or  
inviting submissions from those individuals or firms who appear best qualified to meet the requirement of the engagement or to pre-qualified firms;
- iii. rate the 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.

Housing Cambridge shall keep records of the appointment of suppliers meeting these criteria, together with their fees.

**Emergencies** – Where an emergency prevents Housing Cambridge from following other provisions of this Policy, Housing Cambridge shall:

- i. employ without a call for proposals the individual or firm in Housing Cambridge has the greatest confidence in regard to a particular requirement of Housing Cambridge in dealing with this emergency;

- ii. ensure the employment of the individual or firm lasts no longer than necessary to deal with the emergency; and
- iii. keep records of the appointment of the employment and remuneration of the individual or firm.

**Employment Contracts** – Housing Cambridge shall implement documented, open and competitive practices for employment opportunities which are not inconsistent with:

any collective bargaining agreement of Housing Cambridge; and

other fair labour practices as set out in the Personnel Policy of the Non-Profit.

**Management Contracts** – The property manager/management or operational services company/development consultant of Housing Cambridge shall not have a direct or indirect interest in any other business that provides advice, goods or services to Housing Cambridge.

## SCHEDULE “A”

### Summary of Obligations

This is a summary of the conflict-of-interest rules set out in Ontario Regulation 339/01, for all non-profit housing providers subject to the *Housing Services Act*.

A conflict of interest is defined as a situation where:

- a) the personal or business interests of a Director, Officer agent or employee of a housing provider are in conflict with the interests of the housing provider; or
- b) a personal gain, benefit, advantage or privilege is directly or indirectly given to or received by a director, Officer, agent or employee or a person related to them as a result of a decision by the housing provider.

“A person related to a Director, Officer, agent or employee” includes 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, or a person with whom the director, Officer, agent or employees has a business relationship.

A Director, Officer, agent or employee of the housing provider shall not enter into any situation, arrangement or agreement that results in a 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 agreement that results in or may result in a conflict of interest.

The Board of Directors shall consider any notice given under paragraph 4 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.

The chair of the Board of Directors shall notify the Service Manager in writing of the receipt of every notice under paragraph 4, and the Board of Directors shall resolve every conflict of interest or potential conflict of interest to the satisfaction of the Service Manager.

Despite paragraph 3, a director, Officer, agent or employee or a person related to one of them may directly or indirectly receive a gain, benefit, advantage, privilege or remuneration from the housing provider if both the following conditions are satisfied:

- a notice of the conflict of interest or potential conflict of interest is given in accordance with paragraph 4; and
- the Service Manager agrees that there is no reasonable alternative for the housing provider other than entering into the situation, arrangement or agreement that results in or may result in the conflict of interest.

The conflict-of-interest provisions set out above may be replaced for a housing provider by rules agreed to by the housing provider and the Service Managers for all areas in which its housing projects that are subject to the *Housing Services Act* are located.

**SCHEDULE "B"**

**Notification of Conflict of Interest or Potential Conflict of Interest and Record of Resolution of Conflict of Interest**

**Part 1**

Name of Non-Profit:

Contact Person:

Address:

**Part 2 (to be completed by the director, Officer, agent, or employee with the conflict)**

Name:

Address:

Briefly describe the conflict or potential conflict (add any relevant supporting documentation)

Signature

Date

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**Part 3 (to be completed by the chair of the board or designate)**

Date of Receipt of Notice

Date of Meeting at which the conflict was considered.

Did the Board decide a Conflict of Interest existed as set out in Part 2 above?

**No**

**Yes**

(go to part a)

(go to part b)

4.1 Conflict of Interest

a) If no, complete the following declaration:

"I certify that the board of directors of [insert name of non-profit], after considering the potential conflict of interest described above, decided that in fact no Conflict of Interest exists. I request ratification by the Service Manager (name of Service Manager) of this decision of the Non-Profit."

Signature

Date

b) Was the conflict resolved in accordance with the Non-Profit's policies and O. Reg 339/01? Complete only one of the two boxes below.

**Yes**

**Briefly describe the resolution of the conflict (add any relevant supporting documentation)**

"I certify this is a true record of the Conflict of Interest and its resolution. I request ratification by the Service Manager (name of Service Manager) of the decision of the Non-Profit."

Signature

Date

**No**

"I certify this is a true record of the conflict of interest and that the Non-Profit was unable to bring about a resolution. I hereby request instruction from the Service Manager (name of Service Manager) regarding resolution of this Conflict of Interest.

Signature

Date