



Type:	Operational	Created:	April 2023
Adopted By:	Board of Directors	Last Amended:	
Executive Responsibility:	Executive Director	Procedure:	

Section 1. Preamble

The Society Act of BC outlines conflicts of interest in Part 5, Division 4, Section 56. The purpose of this policy is to describe conflicts of interest and outline the process by which the Students' Union will determine if the interests of a member of the Board of Directors are conflicted. This policy will also make clear the prohibitions that arise from a conflict, outline the way in which an undeclared conflict is investigated and resolved, and identify the types of penalties which may be applied to members of the Board of Directors who breach conflict of interest laws, bylaws and policies.

Section 2. Conflict of Interest

Conflict of interest exists where:

- i. A member of the Board of Directors has a direct or indirect interest in a contract or transaction of the society;
- ii. a matter being considered by the Board of Directors creates a conflict between a director's duties and obligations to the Students' Union and some other duty or interest;
- iii. 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 their duties is limited due to a conflict outlined in Article 1 (a) or (b) of this policy.

Notwithstanding the foregoing, a conflict of interest does not apply to directors in considering directors' remuneration, directors' liability insurance, and indemnification of directors.

Section 3. Identification of a Conflict of Interest

A director in conflict must:

- a) promptly and fully disclose their conflict to their fellow Board of Directors members;
- b) abstain from voting on matters in which their interest is conflicted;
- c) leave any meeting for the duration of the discussion and vote on matters in which their interest is conflicted, unless allowed to remain in the meeting by the consent of the Board of Directors;
- d) refrain from using their position, or undertake any action, to influence a discussion or decision on a matter in which they are conflicted; and,
- e) ensure that their disclosure of interest is duly noted in Board of Directors minutes or through correspondence to other members of the Board of Directors as outlined in Society Act Article 56 (3)

Section 4. Failure to Acknowledge a Conflict and Investigation

The failure of any member of the Board of Directors to disclose and resolve a conflict of interest may give rise to an investigation to enable the Board of Directors to make a determination as to whether a conflict exists.

- a) A request to investigate a possible conflict of interest must be initiated by a member in good standing. If the request comes forward due to a resolution of the Board of Directors, a member of the Board of Directors must initiate the request on behalf of those Board of Directors members seeking an investigation.

Requests for an investigation shall be subject to the following conditions:

- i. The request must arise from the existence of reasonable and probable grounds that a member of the Board of Directors is in contravention of this policy.
- ii. The request must be submitted in writing, and include:

- The name, student identification number, telephone number, and email address of the member making the request;
 - A clear articulation of who is alleged to be in contravention of this policy, and grounds for, and nature of, the contravention alleged; and
 - The date submitted, along with the signature of the complainant.
- b) The investigation will 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:
 - The attendance of the member of the Board of Directors under investigation to give evidence on oath, affirmation, or in any other manner; and
 - The submission of records in the possession of the member of the Board of Directors under investigation.
 - iii. Provide a copy of the request for investigation, including the details of the alleged contravention of the policy, to the Board of Directors member under investigation.
 - iv. Inform the member of the Board of Directors under investigation of any adverse effect that may result from the investigation and provide that member the opportunity to make representations before recommendations are made as a result of the investigation.
 - v. Make a report following the investigation to the Board of Directors, which:
 - Shall indicate an opinion on the nature of the alleged contravention of this policy; and
 - May recommend a penalty to the member of the Board of Directors under investigation, or to the member requesting the investigation.

Section 5. Penalties

- a) Penalties shall be authorized if, following an investigation:
 - i. A member of the Board of Directors is found to have contravened Section II. or III., or failed to comply under Section IV; or
 - ii. The member requesting the investigation is found to have had no reasonable and probable grounds for the request.

- b) The nature of the penalty applied shall be recommended to the Board of Directors by the Executive Director, and such penalties shall include:
- i. That the member of the Board of Directors:
 - Be reprimanded;
 - Be suspended for specified period; or
 - Be removed from office; and
 - ii. That the member requesting the investigation be held in bad standing.
- c) The Board of Directors shall determine the penalty applied for breach of this policy within thirty (30) days of receipt of a recommendation from the Executive Director.