

Conflict of Interest

 <p>Saskatchewan Health Authority</p>	<p>Title: Conflict of Interest</p> <p>Role performing Activity: Board Members</p>
	<p>Location: Saskatoon City Hospital</p> <p>Department/Unit: SHA Board Office</p>
	<p>Document Owner: Governance & Policy Portfolio</p> <p>Date Prepared: December 4, 2017</p>
<p>WORK STANDARD</p>	<p>Date Approved: December 4, 2017</p> <p>Related Policies/Documentation</p>

Work Standard Summary:

The purpose of this governance process is to establish a consistent process for Board members faced with an actual, potential or perceived conflict of interest situation.

Definitions:

Associate means a relationship including:

- A corporate body of which that person beneficially owns, directly or indirectly, more than 10% of any class of voting equity securities of the corporate body that are outstanding at that time;
- A partner, other than a limited partner, of that person;
- A trust or estate in which that person has a beneficial interest or serves as a trustee or in a capacity similar to a trustee; or
- Any other person who has the same residence as that person.¹

Conflict of Interest means any situation (actual, potential or perceived) in which a member of the Board uses their position on the Board to benefit themselves, their related persons (such as families or relatives) or their friends.

Material Interest (Financial Conflict) means a direct or indirect financial interest or benefit from any entity while in a position to influence a decision (related to the other entity). Examples include, but are not limited to:

- Influencing the Board to lease equipment from a business owned by the member's family;
- Influencing the Board to allocate funds to an affiliate or hospital where the member's family or relative works or is involved;
- Influencing the Board to make all its travel arrangements through a travel agency owned by a family member or relative of the member; and
- Influencing or participating in a decision of the Board that will directly or indirectly result in the member's own financial gain.

Representation interest means when Board members act for their representation or interest group even though such action conflicts with their duties to the Board as a whole. Board members will take steps to avoid outside business activities or interests which could conflict with their duties to the corporation. A member will not use his/her position with the Board to pursue or advance the member's personal interests, the interests of his/her

¹ *The Interpretation Act, 1995 s.17(1)*

family member or relatives, the member's associate, corporation, union or partnership, or the interests of a person to whom the member owes an obligation.²

1. Principles

- 1.1 The Board is committed to preserving public trust. The integrity of the Board depends on the avoidance of bias arising from actual, potential or perceived conflicts of interest by members of the Board.
- 1.2 Actual, potential or perceived conflict of interest lies in the mind of the beholder, not in the conduct of the member.
- 1.3 The atmosphere the Board desires is one where members are comfortable asking questions relating to conflict of interest without feeling awkward or accusatorial and where recusing oneself from participation in discussions that might be perceived as constituting a conflict is the norm rather than the exception.
- 1.4 All members of the Board have a responsibility to disclose and raise questions related to actual, potential and/or perceived conflicts of interest without reprisal.

2. Disclosure Requirements

- 2.1 Conflicts of interest (both material interest and representation interest conflicts) must be disclosed in writing³ by annual written submission and as situations arise.
- 2.2 Disclosure for all actual, potential or perceived conflict of interest situations is required as follows:
 - For the Chairperson of the Board, Vice-Chairperson;
 - For Board members, the Chairperson⁴; and
 - For the Chief Executive Officer, the Chairperson.

Essential Tasks:	
ANNUAL DISCLOSURE to the Saskatchewan Health Authority (SHA)	
1.	All members complete the attached <i>SHA General Disclosure of Conflict of Interest</i> form annually.
2.	Members submit form pursuant to the disclosure requirements above. <ul style="list-style-type: none">• Disclosure forms are compiled and stored in the SHA Board office and are made available upon request.• Completed forms are sent to the Board Chairperson.
SELF-DISCLOSURE (actual, potential or perceived)	
1.	Members review meeting packages prior to meetings and consider if there is an actual, potential or perceived conflict of interest.
2.	If there is a conflict, the member completes the attached <i>SHA Conflict of Interest Declaration</i> form.
3.	Chairperson asks members if there are any conflicts of interest at the onset of each meeting (non-public and public).
4.	Member makes verbal declaration at Board meeting ⁵ (e.g. "I declare a conflict of interest with agenda item X.")
5.	Member submits Conflict of Interest Declaration Form to Chairperson.

² General Bylaws, Appendix A

³ *The Interpretation Act*, s. 17(2)

⁴ General Bylaws, Appendix A, Code of Conduct

⁵ *The Interpretation Act*, s. 17(3)(a)

6.	Chairperson/Member requests to have entered into the minutes that a conflict of interest exists. ⁶
7.	If a conflict or potential conflict situation exists, it is required that the conflicted member absent themselves from the meeting while the Board discusses the matter (agenda item) and not vote on the matter.
8.	If circumstances warrant, the conflict can be discussed with Board members in-camera.
9.	The <i>SHA Conflict of Interest Declaration</i> form is retained by the SHA Board office.

Potential or Perceived Conflict of Interest of Another Member	
Consideration	
<i>Would you be comfortable seeing the interest revealed on the front page of the newspaper?</i>	
1.	<p>Disclose</p> <p>The member shall immediately bring his or her concern to the other members' attention and request that the conflict be declared.</p> <ul style="list-style-type: none"> • If the other member refuses to declare the conflict, the member shall immediately bring his or her concern to the attention of the Chairperson (by completing and forwarding the attached <i>Conflict of Interest – Potential Concern</i> form). • If there is a concern with the Chairperson, the issue is referred to the Vice-Chairperson (by completing and forwarding the attached <i>Conflict of Interest – Potential Concern</i> form).
2.	<p>Assess</p> <p>Disclosure recipient assesses the severity of the situation (risk assessment) and may discuss the matter with either member.</p> <p>Consider likelihood of undue influence:</p> <ul style="list-style-type: none"> • What is the value of the interest? • What is the scope of the interest? • What is the extent of discretion? <p>Seriousness of possible harm:</p> <ul style="list-style-type: none"> • What is the value of the interest? • What is the scope of the consequences? • What is the extent of accountability? <p>Disclosure recipient may seek advice from legal counsel and/or the Governance & Policy portfolio for input into the review and assessment, however, the Board determines if a conflict of interest situation exists.</p>
3.	<p>Disclosure Recipient Decision</p> <p>Disclosure recipient advises member in writing to:</p> <ul style="list-style-type: none"> • Recuse – advise member not to participate in and/or influence any decisions for the SHA related to the conflict; or • Divest – advise member to remove the conflict.

⁶ *The Interpretation Act*, 17(2)

4.	<p>Reporting</p> <ul style="list-style-type: none">• Disclosure recipient reviews the potential concern received and provides a written decision.• The disclosure and the written decision are forwarded to the members involved and the Board Associate for storage at the SHA Board office.• Conflict of interest decisions for the Chairperson are forwarded to the Vice-chairperson/member and the Governance & Policy portfolio.• After the Governance & Policy portfolio reviews, these are forwarded to the Board Associate for storage at the SHA Board office.
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General Disclosure of Conflict of Interest – Annual Disclosure

**Re: General Disclosure of Conflict of Interest –
Annual Disclosure for the period of [INSERT FISCAL YEAR]**

I hereby disclose:

Material Interest (Financial Conflict)

1. I am an employee, officer or director of, or have a direct or indirect interest in:

2. I have the following 'Associate', as defined in *The Legislation Act*:

3. My 'Associate', _____, is an employee, officer or director of, or has a direct or indirect interest in _____

4. I am to be regarded as having a financial conflict in any contract the Saskatchewan Health Authority may have with _____

Representation Interest (Conflict)

5. I am, have or am currently experiencing a representation interest conflict (*please provide details*):

OR

There are currently no conflicts of interest for me.

Dated this _____ day of _____, [INSERT YEAR].

Member Name (please print)

Member Signature

Completed forms are to be forwarded to the Board Associate to be shared with the Board Chairperson and maintained on the Corporate Record.

Conflict of Interest Declaration – at a Meeting

The Saskatchewan Health Authority (SHA) aspires to the highest ethical and professional standards and therefore, all business of the SHA, shall be conducted in accordance with *The Interpretation Act, 1995*, the SHA Bylaws (Appendix A, Code of Conduct) and the SHA Conflict of Interest Principles and Governance Process.

Please include all relevant information. If you need more space or if the following do not cover your situation, please attach additional pages as necessary.

I, _____, a member of the SHA Board of Directors, declare to the best of my current knowledge:

1. Situations where I or a member of my immediate family provide any products or services to the SHA.

2. Situations where a member of my immediate family is employed by the SHA.

3. Any other issues that are or may be perceived to be a conflict of interest for the SHA.

The information disclosed in this questionnaire is accurate and complete to the best of my knowledge. (If any conflict becomes apparent during the meeting, the Board Member is required to excuse themselves from that item's discussion.)

Board Member _____

Agenda Item _____

Date _____

Completed forms are to be forwarded to the Board Associate to be shared with the Board Chairperson and maintained on the Corporate Record.

Conflict of Interest – Potential Concern

Material Interest (Financial Conflict) or Representation Interest (Conflict)

Date submitted: _____

To: (Insert disclosure recipient)

I, _____, a member of the Saskatchewan Health Authority (SHA), see/foresee a potential or perceived conflict of interest situation concerning:

_____ (insert member's name) as it relates to

_____ (reference the issue/matter/agenda item)
and hereby respectfully request a review of the situation. I am providing the following information for your consideration.

Details of potential/perceived conflict of interest:

Review and Response (see conflict of interest governance process):

Decision:

- Recuse – I advise the member not to participate in and/or influence any decisions for the Saskatchewan Health Authority related to the above conflict.
- Divest – I advise the member to remove the conflict.
- I have determined this is not a conflict of interest situation for the above member.

Date signed: _____

Name

Signature

Please note: If the decision is for a Board Member or the Chief Executive Officer, the Board Chairperson forwards completed form to members involved. If the decision is for the Chairperson, the Vice-Chairperson forwards completed form to the Board Chairperson, member involved and the Governance and Human Resources Committee Chairperson. Completed forms are to be forwarded to the Board Associate to be maintained on the Corporate Record.