



Fire Inspectors Association of Nova Scotia

PO Box 8566 / 6175 Almon Street / Halifax, Nova Scotia / B3K 5M3

Board of Directors Conflict of Interest Policy

It is in the best interest of the Fire Inspectors Association of Nova Scotia (FIANS) to be aware of and properly manage all conflicts of interest and appearances of a conflict of interest. This conflict of interest policy is designed to help directors, officers, employees and volunteers of FIANS identify situations that present potential conflicts of interest and to provide the Association with a procedure to appropriately manage conflicts in accordance with legal requirements and the goals of accountability and transparency in FIANS's operations.

1. Conflict of Interest defined

In this policy, a person with a conflict of interest is referred to as an "interested person." For purposes of this policy, the following circumstances shall be deemed to create a conflict of interest:

- A director, officer, employee or volunteer, including a board member (or family member of any of the foregoing) is a party to a contract, or involved in a transaction with FIANS for goods or services;
- A director, officer, employee or volunteer, (or a family member of any of the foregoing) has a material financial interest in a transaction between FIANS and an entity in which the director, officer, employee or volunteer, or a family member of the foregoing, is a director, officer, agent, partner, associate, employee, trustee, personal representative, receiver, guardian, custodian, or other legal representative;
- A director, officer, employee or volunteer, (or a family member of the foregoing) is engaged in some capacity or has a material financial interest in a business or enterprise that competes with FIANS.

Situations or transactions arising out of conflict of interest can result in either inappropriate financial gain or the appearance of a lack of integrity in FIANS's decision-making process. Both results are damaging to FIANS and are to be avoided.

Other situations may create the *appearance of a conflict*, or present a *duality of interests* in connection with a person who has influence over the activities or finances of the association. All such circumstances should be disclosed to the board or staff, as appropriate, and a decision

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made as to what course of action the organization or individuals should take so that the best interests of the association are not compromised by the personal interests of stakeholders in the association. This would include involvement in zones throughout the association's system where one individual might serve both the association at large through their involvement in various boards and/or committees and are involved in the administration of the zone activities.

Gifts, Gratuities and Entertainment.

Accepting gifts, entertainment or other favours from individuals or entities can also result in a conflict or duality of interest when the party providing the gift/entertainment/favour does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the interested person in the performance of his/her duties.

2. Definitions

Conflict of interest is any circumstance described in Part 1 of this policy.

An "interested person" is any person serving as an officer, employee or member of the Board of Directors of FIANS. It should be noted that under this circumstance, employee refers to employees involved at the board and/or zone level of the association.

A "family member" is a spouse, parent, child or spouse of a child, brother, sister or spouse of a brother or sister, of an interested person.

A "material financial interest" in an entity is a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect an interested person's or family member's judgement with respect to transactions to which the entity is a party.

A "contract or transaction" is any agreement or relationship involving the sale or purchase of goods or services, the establishment of any other type of financial relationship, the exercise of contract over another organization and/or any specific pursuit that a zone undertakes that has a direct benefit to membership of the said chapter.

3. Procedures

- a. Prior to board or committee action on a contract or transaction involving a conflict of interest, a director or committee member having a conflict of interest and who is in attendance at the meeting shall disclose all facts material to the conflict of interest. Such disclosure shall be reflected in the minutes of the meeting. If board members are aware that staff or other volunteers have a conflict of interest, relevant facts should be disclosed by the board member or by the interested person him/herself if invited to the board meeting as a guest for purposes of disclosure.

- b. A director or committee member who plans not to attend a meeting at this he or she has reason to believe that the board or committee will act on a matter in which the person has a conflict of interest shall disclose to the chair of the meeting all facts material to the conflict of interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
- c. A person who has a conflict of interest shall not participate in or be permitted to hear the board's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- d. A person who has a conflict of interest with respect to a contract or transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote.
- e. The person having a conflict of interest may not vote on the contract or transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.

In the event it is not entirely clear that a conflict of interest exists, the individual with the potential conflict shall disclose the circumstances to his/her supervisor or the chair or the chair's designee, who shall determine whether full board discussion is warranted or whether there exists a conflict of interest that is subject to this policy.

4. Confidentiality

Each director, officer, employee and volunteer shall exercise care not to disclose confidential information acquired in connection with disclosures of conflicts of interest or potential conflicts, which might be adverse to the interests of FIANS. Furthermore, directors, officers, employees and volunteers shall not disclose or use information relating to the business of FIANS for their personal profit or advantage or the personal profit or advantage of their family member(s).

5. Review of policy

Each director, officer, employee and volunteer shall be provided with and asked to review a copy of this policy and to acknowledge in writing that he/she has done so.

This policy shall be reviewed every three years by the board of directors for update and/or changes are required. Any changes to the policy shall be communicated to all stakeholders.

I have read and understand this policy as it relates to my activities with the Fire Inspectors Association of Nova Scotia.

Prepared March 2013

Approved by the Board of Directors April 5, 2013