

CBC PNA FINANCIAL CONFLICT OF INTEREST POLICY

Members of the Association's Board of Directors and staff are expected to operate according to high ethical standards. This includes recognizing that conflicts of interest exist, have the potential to inhibit the wisdom of particular decisions, and possibly damage the Association's reputation.

Financial conflicts of interest may be real, potential, or perceived. Board members shall avoid conflict of interest with respect to their fiduciary responsibility. The underlying purpose of this policy is to create transparency in the decision-making process.

Financial conflicts of interest should be declared to the Board whenever they occur.

What is a Financial Conflict of Interest?

A conflict of interest occurs when a PNA Board member (National, Region or Chapter) attempts to promote a personal financial interest which may be in conflict with their responsibilities with the PNA, or promotes a financial gain or advantage to another person or organization by virtue of the Board member's position within the PNA.

Financial conflicts of interest exist where a Board member:

- Has, or is perceived to have, a personal, family or business interest, involvement, or connection that might benefit financially from a decision in which he/she is involved in making, or is able to influence those making it.
- Is involved with another organization that may result in a divided loyalty in the context of making a decision.

Conflict of Interest Rules

1. Members of CBC PNA Boards and staff have a duty to disclose any personal, family, or business interests or other community involvements, that may, in the eyes of another PNA member, influence their judgment. Board members shall disclose financial conflicts of interest to the Board, and staff members to the National Executive Committee.
2. There must be no self-dealing or any conduct of private business or personal services between any Board member and the Association, except as procedurally controlled, to assure openness, competitive opportunity, and equal access to otherwise “inside” information.
3. If a Board member cannot act in the interests of the PNA without acting against the interests of another organization of which they are a director, then they should resign from one of the organizations.
4. Board members must not use their position to obtain employment in the Association for themselves, family members, or close associates. Should a Board member desire employment with the PNA, he or she must first resign their position on the Board.
5. No Board member shall accept any gift or service which could be viewed as payment for services rendered through their position. Gifts which are the normal exchange between friends or the normal exchange of hospitality between people doing business together are acceptable.
6. Board members must not give or appear to give preferential treatment that results in a financial benefit to family members, friends, current or former business associates or any organization that they are currently or formally associated with.
7. Board members shall not also hold leadership positions in other organizations that receive payment or compensation from the PNA for providing goods or services.

Procedure for Handling a Conflict of Interest

The National Board of Directors will have the responsibility to assess the presence of a financial conflict of interest, or the perception of one, and determine what actions, if any, are appropriate to address the situation.

1. Any complaint of a financial conflict of interest must be clearly identified and supported with evidence, and submitted to a member of the National Executive of the PNA.
2. The Executive member will inform the Executive Committee that a complaint has been received, being mindful not to share details at this stage until an investigation is completed.
3. The Executive will engage a neutral third party to conduct an investigation and report back within 30 days of receipt of the complaint.
4. The investigator will review the complaint and will seek a response from the member who is the subject of the complaint.
5. The investigator will submit a summary of findings and a recommendation for remedy.
6. The Executive will share the complaint and the results of the investigation with the National Board for a final decision.
7. If the complaint is upheld, remedy may include a commitment from the member to take steps to resolve the financial conflict of interest, or the forced resignation of the member from any governance position, or expulsion from membership.

When the Board is to decide upon an issue about which a Board member has a financial conflict of interest, that member shall absent themselves without comment from not only the vote, but also from the deliberation. Voting for or against, or arguing for or against, a particular outcome may influence a decision. Limiting the options being considered may also influence it.

In situations where a financial conflict is perceived to exist by other members but the individual Board member does not agree, the National Board shall be the final arbiter. This applies to perceived financial conflicts at all levels of PNA governance.

The minutes must record all declarations of financial conflict of interest, and any decisions made by the Board concerning financial conflict of interest. Deliberations may, however, be held in camera.

Frivolous complaints will not be tolerated. Any member who is deemed to have made a frivolous complaint can be suspended or expelled from the CBC PNA under Articles 2.10 and 2.11 of the CBC PNA Bylaws.

The Board has agreed to the following definition of family:

"Any person who is a spouse, child, sibling, parent, grandparent, or other close relative (by blood or marriage) of a board member, including in-laws, former spouses, and individuals currently or previously married to the board member. The term also extends to those with whom the board member shares a relationship similar to that of a family member, such as foster parents, wards, individuals with whom the board member permanently cohabits, or those in a significant intimate relationship with the board member."

Approved by the National Board of Directors – October 2024