
Conflict of Interest Policy for CPD Employees and Volunteers

The Canadian Pacific District (CPD) has a mandate to conduct all of its affairs decently and above reproach. Such a mandate includes a commitment to operate with the highest level of integrity and to either disclose, take reasonable actions to avoid, or minimize the negative effect of conflicts of interest that either directly or indirectly result in material personal advantage or privilege.

The purposes of this policy are to protect the integrity of the CPD's decision-making process, to enable district workers, members, and the public to have confidence in our integrity, and to protect the integrity and reputations of CPD employees and volunteers.

Scope of the Policy

This policy covers the employees and volunteers¹ of the CPD.

The district, its directors, and officers have a fiduciary duty that carries with it a broad duty of honesty, loyalty, care, diligence, skill, and prudence. Since the District Executive Committee (DEXCOM) delegates the implementation of the policies and affairs of the district to its employees and volunteers under the leadership of the District Superintendent (DS), DEXCOM also requires such employees and volunteers to respect the legal duties imposed on such directors and officers.

The directors, officers, employees, and volunteers have the duty and responsibility to administer the affairs of the district in accordance with the governing documents and trust law, and to exercise their respective tasks in furthering the objectives of the district for the sole benefit of its purposes. It is recognized that the corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Employees and volunteers of the CPD must exercise good faith in all of their transactions and not use their position or knowledge gained from their position for any improper personal advantage or privilege. The phrase "advantage or privilege" received or given because of a conflict of interest has a commercial meaning in this policy signifying consideration resulting from covert or overt bartering.

There should never be a question of, or even an appearance of, an advantage or privilege being received or given without the individual concerned fully disclosing the facts that could give rise to a question of real or perceived conflict to the DS.

¹ For purposes of this policy, "volunteers" will be interpreted to mean unpaid workers who serve the District Office in a continuing, formal capacity for a period of 12 or more months.



Conflict Definition

Conflict of interest arises in a transaction or significant relationship between the CPD employees and volunteers and other persons where an individual or a person who does not deal at “arm’s length” when such an individual:

- realizes a direct or indirect gain of a commercial nature,
- receives money or property in an amount or having a value in excess of \$50, or
- receives a direct or indirect significant advantage or privilege in connection with any such transaction or significant relationship.

Persons who are not considered to deal at arm’s length with each other include an individual and:

- related persons (as defined in the *Income Tax Act*),
- an estate or trust (whether incorporated or not) of which the employee or volunteer or one of their family members is a beneficiary, personal representative, or trustee,
- a business or not-for-profit entity of which the individual or related person is an officer, director or employee, or a business in which the employee or volunteer has a significant interest, and
- a law firm, accounting firm, or other professional entity of which the individual or related person is a partner or employee.

Areas in Which Conflicts May Arise

Conflict areas may include but are not limited to:

- Acquisition or supply of goods or services
- Acquisition or granting of property and equipment leases.
- Investments made by the CPD
- Dealings with donors, affiliate organizations, and certified charities
- Dealings with any other individuals, agencies, organizations, companies, governments, or associations that affect the purpose or operation of the CPD



Application of the Policy

A conflict of interest described above will be considered to be inappropriate where such a situation would influence or would have the potential of influencing, the conduct or judgment of any employee or volunteer of the CPD.

Examples of conflicts of interest include where the individual or a person who does not deal at arm's length with such individual:

- has a significant interest² in any business which deals with the CPD or an affiliate³
- is engaged in a professional practice which provides services to the CPD, or an affiliate or an affiliate organization
- is an employee of the CPD while serving on DEXCOM or holding an office in any entity that has dealings with the CPD or an affiliate
- provides goods or services to the CPD or an affiliate for consideration, while serving as an employee or volunteer of the CPD or an affiliate
- receives any compensation, whether cash, goods or services, from any business or individual where such compensation is provided as a direct or indirect result of a relationship established through the CPD or an affiliate⁴
- uses the CPD's or an affiliate's personnel, equipment, supplies, name, publications, or other resources for non-district purposes
- receives personal gifts or loans from any third parties having dealings with the CPD or an affiliate given as a direct or indirect result of the district relationship⁵
- has an interest in real estate, securities, or other property that the CPD or an affiliate has an interest in buying or leasing
- uses employee work time during normal business hours for non-district business purposes without the prior permission of the employee's immediate supervisor

² A significant interest for the purpose of this policy means either direct or indirect control of more than 10% of the business.

³ An affiliate is any entity over which the district may exercise direction or control by means of being able to appoint 20% or more of the board members.

⁴ This policy is not intended to prohibit the payment of honoraria by the CPD to individuals who are entitled, by virtue of services performed or rendered, to receive such honoraria.

⁵ This policy is not intended to prohibit the acceptance or giving of common courtesies associated with accepted business practices, including accepting or giving gifts of nominal value which could not be construed as a bribe or other improper payment. However, cash payments in any amount must not be accepted or given as a gift or favour under any circumstances.



Interpretation of the Policy

The examples above are not exhaustive. There will be other areas and situations that could also be considered a conflict of interest. The examples are based on the basic principles stated above. It is assumed that employees and volunteers will use these principles and recognize a conflict of interest when it arises.

It is the continuing responsibility of all employees and volunteers to scrutinize their transactions and outside business interests and relationships for potential conflicts of interest and to immediately make such disclosures to the DS. Even if an employee or volunteer is invited to enter into a transaction which may be a conflict, but refuses, the individual involved should notify the DS of the offer.

The fact that a conflict exists does not necessarily mean that the conflict is objectionable, material enough to be of practical importance, or that it is necessarily adverse to the interests of the district or its charitable purposes.

However, the existence of any conflict as defined above and described above must be disclosed, if possible, before any transaction is consummated. If an employee or volunteer has any doubt or has questions of interpretation, the DS should be consulted.

Procedure

Disclosure of any conflicts should be made at the earliest date possible to the DS and should be in writing. The DS shall examine any disclosures to determine whether a conflict exists, whether it is material, and where, in their opinion, a material conflict exists. The DS will decide whether the contemplated transaction may be authorized as just, fair, and reasonable having regard to the fiduciary and trustee-like duties of the CPD, its directors, and officers.

The primary concern must always be the welfare of the CPD and the advancement of its purposes. In all cases of conflict of interest or perceived conflict of interest, DEXCOM must be advised of the outcome.

Consequences of Violation

Violations of this policy by an employee or volunteer may constitute grounds for dismissal at the exclusive discretion of the DS.



Appeal Process

If the employee or volunteer is removed from their position and wishes to appeal the decision, a written request for appeal stating grounds must be submitted to DEXCOM in accordance with the Appeal Process outlined in Annex A.

Periodic Reviews

To ensure that the CPD operates in a manner consistent with its charitable purposes, periodic reviews may be conducted. The periodic reviews may include the following subjects:

- whether compensation arrangements and benefits are reasonable and are the result of arm's length bargaining
- whether acquisitions of property and services from any person result in inurement or impermissible private benefit
- whether partnership and joint venture arrangements and arrangements with management service organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the corporation's charitable purposes, and do not result in inurement or impermissible private benefit

In conducting the reviews, the DS may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the DS of their responsibility for ensuring that the review is conducted appropriately.

Employees should read this policy carefully and then complete, sign, and return the declaration in Annex B to the DS. Employees should also keep a copy of the policy and signed declaration for their records.

Amendments

March 2016

December 2017

February 2021

April 2021

April 2023



Conflict of Interest Policy for CPD Employees and Volunteers Appeal Process

In accordance with the *Conflict of Interest Policy for CPD Employees and Volunteers*, violations of the policy by an employee or volunteer may constitute grounds for dismissal at the exclusive discretion of the District Superintendent. Should an employee or volunteer who is removed from their position wish to appeal such a decision, the following process applies:

- A written request for appeal must be submitted to the Associate Governance Officer (AGO) of the District Executive Committee (DEXCOM) within 30 days of the employee or volunteer's dismissal.
- The written request must state the grounds for an appeal. The basis on which appeals may be made include penalties that may seem too severe, the violation of the rights of the employee or volunteer to a fair hearing, or a faulty designation of the offence(s) committed.
- An appeal hearing shall be held within 30 days of the request for the appeal.
- The appeal will be heard by DEXCOM or a subcommittee struck by DEXCOM.
- The AGO of DEXCOM shall chair the appeal hearing.
- A full right of hearing shall be given to both the employee or volunteer and the District Superintendent. Both parties may have a representative present their case at the appeal hearing.
- DEXCOM shall make a final determination of all questions and issues related to the dismissal of the employee or volunteer in question within ten (10) days after the completion of the appeal hearing. The decision shall be final and binding on the employee or volunteer, the District Superintendent, and DEXCOM.
- When an appeal is granted and results in the dismissal being annulled, the employee or volunteer may be restored to their former position.

In situations where the employee is also an Official Worker of The Christian and Missionary Alliance in Canada and the violation is related to a disciplinary situation, the *Policy on Discipline, Restoration and Appeal for Official Workers* will take precedence.



CPD Employees and Volunteers Declaration of Conflict of Interest

Distribution of this statement does not imply a lack of confidence, rather it serves as a reminder of the duty to reveal any conflict of interest issues in advance, and of the fiduciary standards that must guide everyone who is an employee, or volunteer of the Canadian Pacific District (CPD) Office to protect its integrity and the reputation of the organization, its directors, officers, members, employees, and volunteers. This declaration will be requested annually.

Declaration

I have carefully read and understood the *Conflict of Interest Policy for CPD Employees and Volunteers* and by signing this declaration I have considered not only the literal expression of the policy but also its intent.

I hereby declare that except as hereinafter stated, to the best of my knowledge and belief, I was not nor am I in, any conflicts of interest which have not been disclosed as required. This includes conflicts that resulted, may result, or could result, in any direct or indirect gain or advantage to myself. Furthermore, I currently have no plans that would place me in such a conflict of interest. I also do not have any relationships that may appear to lead to a conflict, except as provided.

I understand and agree that if any situation arises that I believe may involve a conflict of interest, I will promptly and fully disclose the circumstances to the District Superintendent.

Disclosure of Conflict(s) of Interest

Name

Signature

Date

Witness Name

Witness Signature

Date

