

Pacific Montessori Society CONFLICT OF INTEREST POLICY

Effective Date: May 31, 2010

POLICY

A *Conflict of Interest*¹ will result in a voluntary or involuntary, temporary or permanent, removal of the affected member² from a position or role of authority.

POLICY RATIONALE

The Selkirk Montessori School Society shall ensure that it fulfills its mission with integrity and to a high ethical standard. This requires that, as a general rule, employees, directors, their agents, and other members of the Society avoid situations in which their interests are, or are perceived to be, in conflict with the interests of the Society. The Society and its agents seek to develop and implement its policies and processes with optimal openness and transparency.

POLICY STATEMENT

Declaration of a Current or Emergent Conflict of Interest

Members of the Board of Directors and staff are required to declare any *Conflict of Interest* in a timely manner to be recorded in the minutes of meetings. This declaration would include and reveal any personal, family or business relationships that they have which could introduce bias and influence their judgment.

Disclosure of a Conflict of Interest

The Board as a whole has a duty to disclose any specific *Conflict of Interest* to Society members, staff and external stakeholders where that interest may, in their judgment, affect the reputation or credibility of the organization, and to disclose the Board's procedure for operating in the presence of such conflicts.

Conflict of Interest Ruling

The Chair of the Board of the Pacific Montessori Society, in consultation with the Board of Directors, will make the final Ruling on whether or not a *Conflict of Interest* exists; will determine the appropriate or necessary course of action to be undertaken as a result of that Ruling; and, will advise the affected parties accordingly.

¹ *Conflict of Interest* means a perceived, potential or actual conflict of interest that impacts, affects, constrains, biases, or otherwise influences the actions or vote of a member of the Pacific Montessori Society Board or staff. A *Conflict of Interest* exists wherever an individual *could* benefit disproportionately from others, directly or indirectly, from access to information or from a decision over which they might have influence, or, where someone might reasonably perceive there to be such a benefit and influence.

² *Member* mean a member of the Board of Directors (including the Chair) and/or a member of the staff of the Pacific Montessori Society.

A ***Conflict of Interest***, once declared or brought to the attention of the Board, is deemed to exist until the Chair or Designated Authority has made a ***Conflict of Interest*** Ruling.

Recusal

Those with a real or perceived ***Conflict of Interest*** are expected to recuse themselves from (i.e. abstain from) voting on matters where such a conflict exists. Such recusals will be recorded in the minutes of meetings. However, at the discretion of the Chair, those members with a real or perceived ***Conflict of Interest*** may participate in any or all related discussions.

Designated Authority³ where the Chair is in Conflict of Interest

Where a ***Conflict of Interest*** involving the Chair has been brought to the attention of the Board, the Chair shall step aside for the time necessary to make a determination and the remaining members shall select from within their membership a Designated Authority who will temporarily assume the role of Chair and, in consultation with the remaining members, determine if a conflict exists and advise the Chair and Board. Upon advisement, the role, authority and obligations of the Chair may revert to the Chair and the Chair shall be bound by the terms otherwise expressed in this policy.

Approval of Unavoidable Conflict

From time to time, circumstances may arise where the best interests of the Selkirk Montessori Society will create a ***Conflict of Interest*** as an unavoidable byproduct of those best interests. Any direct or indirect business relationship between a member of the Board of Directors or a member of the staff and the Selkirk Montessori Society must be formally documented in writing and approved by the Board. The ***Conflict of Interest*** must be noted in the minutes and the policy contained herein otherwise applied.

Conflicts of interest (real and perceived) may be unavoidable and should not prevent an individual from serving as a member of the Board of Directors or a member of the staff unless, as determined by the Chair in consultation with the Board, the extent of the ***Conflict of Interest*** is so significant that the potential for divided loyalty is present in a large number of situations and/or for a protracted period.

Non-Compliance with this Policy or Protracted Conflict of Interest

Circumstances where there is failure to comply with this policy, or circumstances where the ***Conflict of Interest*** is sufficient to impede the impartiality of the affected person on an ongoing basis, shall be referred to the Chair or Designated Authority who will assess these circumstances and make a recommendation to the Board. Options for consideration while formulating the recommendation shall include (but shall not be limited to) the removal of the affected member from the Board or staff.

Terms of Reference and Examples

Examples of possible ***Conflict of Interest*** situations with respect to Pacific Montessori Society include (but are not limited to):

- a Board/staff member has direct or indirect personal or business relationship with the Society as a supplier of goods or services or as a landlord or tenant;
- a staff member has a personal/financial relationship with a client of the Society outside of the workplace; and,

³ ***Designated Authority*** refers to a temporary Chair or other appropriate authority selected by the Board as may be required in fulfilling this Policy.

- the Society employs someone who is directly related to a Board member or other staff member.

Approved

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