

FANSHAWE COLLEGE FOUNDATION BOARD OF DIRECTORS' POLICY MANUAL

CATEGORY B - BOARD PROCESS

TITLE: DIRECTOR'S CODE OF CONDUCT

POLICY NUMBER: B-40
EFFECTIVE DATE: February 22, 2016
REFERENCE: 3704

DEFINITIONS:

- Conflict of Interest* – a situation where a Director has a private or personal interest that is sufficiently connected to his or her duties and responsibilities as a Director that it influences the exercise of these duties and responsibilities
- Duty of Care* – is the degree of skill, care and diligence required of a Director in exercising his/her duties that may reasonably be expected from a person of his/her knowledge and experience. This is a subjective standard and will be different for different Directors. For example, a lawyer or accountant would be held to a higher standard than a person with no legal or accounting training. To discharge their Duty of Care, Directors should ask themselves whether they have the information required to make the decision and, provided that they believe they do, they should consider the information critically.
- Duty of Loyalty* – is the fiduciary obligation that each Director has to act honestly, in good faith, and with a view that is in the best interest of the Foundation.

THE POLICY:

1. General

- 1.1 All Directors owe a *Duty of Care* and a *Duty of Loyalty* to the Fanshawe College Foundation.
- 1.2 Directors shall participate in, support, and contribute to the Foundation's endeavours to support the College, its students, and its community.
- 1.3 Directors shall avoid behaviours unbecoming of a Board Member including but not limited to activities that are illegal, that are in breach of established Board policies, that demonstrate a lack of respect for Board Members or Board decisions, or that constitute or demonstrate harassment, violence, or discrimination.
- 1.4 Directors shall comply with policies set by the Board from time to time, including but not limited to policy statements regarding attendance, *conflict of interest* and policy statements designed to maintain the confidentiality of any and all information,

discussions or proceedings at in-camera sessions of the Board, or other information, discussions or proceedings determined by the Board, or the Chair of the Board, to be confidential.

- 1.5 Directors shall comply with policies set by the College from time to time that have application to Directors, including:

- P104 – Sexual Violence and Sexual Assault
- P207 – Employee Ethics
- P208 – Respectful College Community and Prevention of Harassment and Discrimination
- C202 – Acceptable Use of College Technology
- C304 – Freedom of Information and Protection of Privacy

- 1.6 This Code of Conduct applies to all meetings of the Board of Directors and its sub-committees including, but not limited to regular Board meetings, Task Force meetings, and Planning Workshops.
- 1.7 The Chair is responsible for enforcing the policy and procedures pertaining to the Director's Code of Conduct, which pertains to general conduct, *conflict of interest*, confidentiality, Board business, attendance, and the day-to-day operation of the Foundation.
- 1.8 In cases where a Director alleges a breach of Foundation policy by a non-Director, the Director shall follow the procedure specified in the Foundation policy.

2. Conflict of Interest

- 2.1 Directors must avoid *conflict of interest* with respect to their fiduciary responsibility in representing the community.
- 2.2 Directors who find themselves in a *conflict of interest* with respect to an issue shall abstain from the vote and from the deliberation, whenever the Board is to decide or discuss the issue in conflict. If a *conflict of interest* situation arises during an in-camera session of the Board, the Director shall excuse himself/ herself from the room for that part of the discussion and the vote, if applicable. The Director is expected to return for remaining agenda items.
- 2.3 At the beginning of each meeting of the Board of Directors, each Director shall disclose all agenda items posing a *conflict of interest*, if any.
- 2.4 In cases where a *conflict of interest* exists, Directors shall declare the *conflict of interest* at the earliest opportunity.
- 2.5 If a Director is uncertain about a *conflict of interest*, then the Director is to raise the uncertainty with the Board and the Board is to determine by majority vote whether a *conflict of interest* exists. The affected Director shall refrain from voting on whether or not a *conflict of interest* exists.
- 2.6 Any Director who perceives another member to be in a *conflict of interest* is to raise the concern with the Chair of the Board of Directors. The Chair shall discuss the matter with the Director who is perceived to be in conflict and, as appropriate, hold a further discussion with the reporting Director. If the discussions do not lead to a resolution, the

matter shall be brought to the Board and the Board is to determine by majority vote whether or not a *conflict of interest* exists. The affected Director shall refrain from voting on whether or not a *conflict of interest* exists.

- 2.7 Directors may not conduct private business with the Foundation unless it follows an open, fair and transparent tendering process. Directors who wish to engage in commercial or professional business with the Foundation must:

- 2.7.1 follow the proper procedure for submitting bids or proposals to the Foundation.
- 2.7.2 disclose the potential engagement to the Board Chair.
- 2.7.3 not use their position on the Board to influence the decision.
- 2.7.4 avoid using any in-camera information for personal or professional gain.

3. Confidentiality

- 3.1 Directors will respect the confidentiality appropriate to issues of a sensitive nature, and all information in-camera is to be kept confidential. Subsequent discussions of confidential issues may only involve those participants who attended or were eligible to attend the original confidential discussions.
- 3.2 The Chair (of the Board, or applicable task force) has the sole authority to determine the confidentiality of an agenda item.
- 3.3 Issues determined to be confidential shall remain confidential until released publicly through appropriate means.

4. Board Business

- 4.1 Directors will comply with relevant Board policies and support Board decisions. Once a decision is made, the Board will speak with one voice with respect to the decision taken.
- 4.2 Directors will only speak on behalf of the Board when requested to act on behalf of the Chair.
- 4.3 Directors will not be personally compensated for their time or commitment spent on Board business because they are volunteers who serve the Foundation without privilege or remuneration. However, Directors will be reimbursed for expenses incurred while traveling or conducting authorized Board business.

5. Attendance

- 5.1 Directors are expected to attend all of the regularly scheduled Board meetings and planning workshops. Apologies and reasons for absence should be tendered to the Chair through the Board Office in advance of the meeting.
- 5.2 The Chair is responsible for addressing attendance problems. Unacceptable attendance will result in the Chair requesting the Director's resignation. The following attendance patterns are not acceptable and constitute a breach of the Director's Code of Conduct:

- 5.2.1 missing any two regular Board meetings in a year without an acceptable reason.
- 5.2.2 missing three Board meetings in a year with or without a reason or without the permission of the Board,
- 5.2.3 frequent late attendance at the meetings or leaving early.

6. Day-to-Day Operation of the Foundation

- 6.1 Directors do not have individual authority within the Foundation.
- 6.2 Director interaction with the Executive Director or with staff must be in accordance with the Role of the Director. Any request by an individual Director for information where the response could be disruptive or require a material amount of staff time or funds must be brought forward to the whole Board for consideration.
- 6.3 Director interaction with the public, press or other entities must recognize the limitation and the inability of an individual Director to speak for the Board.
- 6.4 Directors shall not give consequence or voice to individual judgements of the Executive Director or staff performance.
- 6.5 Directors who are approached about operational issues should refer the person/issue to the Executive Director.

7. Breaching the Director's Code of Conduct

- 7.1 A possible breach of the Director's Code of Conduct shall be reported to the Board Chair, who shall investigate the allegation. The Board Chair shall use his/her discretion in determining what other resources may be required to complete an investigation. The conclusion drawn by the Board Chair from the investigation regarding whether breach has occurred shall be final.
- 7.2 The Board Chair shall comply with the following principles in situations where an allegation of a breach has occurred:
 - 7.2.1 the Director should be treated in a fair and respectful manner.
 - 7.2.2 the Director should be given an opportunity to respond.
 - 7.2.3 the Director should be clearly notified in writing of the Board Chair's decision regarding the alleged breach, its reasons, and the consequences, if any.
 - 7.2.4 in cases where it is alleged that a Director has breached a Foundation policy that applies to Directors, the Chair shall follow the procedure specified in that policy. The Chair may adapt such procedure to suit the circumstances, provided that the above principles are maintained.
- 7.3 Any breach to the Director's Code of Conduct Policy shall carry one of the following consequences:

- 7.3.1 The Board Chair may issue one or more warnings to the Board Member. The Board Chair may choose to consult with members of the Board Process Committee or other Board members as appropriate. Warnings shall not be disclosed to the Board.

8. Agreement

- 8.1 Each Board member will be required to sign a compliance statement annually (see Appendix 1) to acknowledge their agreement to the terms of this Board policy.

MONITORING:

A Director's conduct may be monitored by any one, or both, of the following approaches:

1. Self Assessment – Directors shall assess their own conduct at least annually, and are encouraged to seek feedback from other Board Members in this process.
2. Board Assessment – The Chair, and/or designates, may discuss with an individual Director his/her conduct at any time.

APPENDIX 1
(To Policy B-40)



**FANSHAWE COLLEGE FOUNDATION
BOARD of DIRECTORS
CODE of CONDUCT COMPLIANCE STATEMENT
AND CONFIDENTIALITY AGREEMENT**

I, _____, hereby undertake as part of my responsibility as a Director on the Fanshawe College Foundation Board of Directors (the "Foundation") to comply with all provisions of the Director's Code of Conduct Policy (Board Policy B-40) and explicitly agree to keep all confidential information, whether verbal, written, electronic, or otherwise (the "Confidential Information"), regarding the business of the Foundation, in strictest confidence.

I undertake that I will not remove any Confidential Information from the Foundation's premises or from off-site meeting locations, unless appropriately approved. I also agree to safeguard any Confidential Information in an appropriate location within my home or office and use it only when required for the Foundation's business. I also agree to safely dispose of all Confidential Information in a safe and secure manner, which may include returning the Confidential Information to the Board Office.

I further commit to continue to respect and maintain the confidentiality of the Confidential Information of the Foundation even after my position on the Board of Directors of the Foundation has ended.

Signature

Date