

<b>Category: BOARD POLICY – ADMINISTRATIVE PARAMETERS</b>	
<b>Title: HUMAN RESOURCE POLICIES Standards of Business Conduct</b>	<b>Reference Number: AB610</b>
<b>Approved by: PHSA Board of Directors</b>	<b>Effective Date: 9 October, 2003 Revision date: June 11, 2009</b>

## 1. PURPOSE

The PHSA and its Agencies <sup>1</sup> and Programs (hereafter collectively referred to as the PHSA) are committed to honest and ethical business dealings. The highest standards of conduct are essential to maintain and enhance the public's trust and confidence in the PHSA.

When conducting business on behalf of the PHSA, any person covered by this Policy (see below) is expected to adhere to the highest codes of conduct with respect to real and perceived conflicts of interest, outside activities, the acceptance of gifts and hospitality, and in all dealings with both the business community and the public.

## 2. SCOPE

This Policy applies equally to all persons associated with the PHSA including:

- all employees of the PHSA or any of its affiliated Programs;
- executives and all other management and supervisory employees;
- volunteers of the PHSA;
- physicians with privileges at any of the PHSA's facilities;
- contractors engaged by the PHSA;
- medical staff including physicians on contract, residents, and clinical trainees;
- university faculty and support staff who work at PHSA facilities;

<sup>1</sup> "Agencies" include: BC Cancer Agency, BC Centre for Disease Control, BC Mental Health Society (Riverview), BC Provincial Renal Agency, BC Transplant Society, Children's & Women's Health Centre of BC, and the Forensic Psychiatric Services Commission.

- students working for or associated with the PHSA or any of its affiliated Programs and Agencies;
- all researchers and members of staff who conduct research at or under the auspices of any of PHSA's hospitals, health centres, agencies or their affiliated research institutes; however as such researchers and staff members are also subject to PHSA's Research Conflict of Interest Policy including its disclosure and assessment of conflict requirements, the disclosure to Human Resources requirements of this policy shall not apply to researchers and research staff members; and,
- individuals authorized to access PHSA information or information systems.

### **3. POLICY**

#### **I. Conflicts of Interest**

The PHSA expects all persons to avoid real and perceived conflicts of interest in the course of their association to the organization. A conflict of interest occurs when a person's personal affairs or financial interests are in conflict, or could result in a perception of conflict. This occurs when a person's duties and responsibilities conflict in such a way that:

- the person's ability to act in the interests of the PHSA could be impaired; and / or;
- the person's actions or conduct could undermine or compromise the public's confidence in the person's ability to discharge work responsibilities or the trust that the public places in the PHSA.

For this purpose, the "public" includes both persons and business entities living or situated in the areas served by the PHSA, including those with whom the PHSA are doing or may do business, among others.

In practice, to ensure that a person's personal interests do not conflict, or appear to conflict, with the interests of the PHSA, persons shall:

- perform their duties and arrange their private affairs in such a manner that the public's confidence and trust in the integrity, objectivity and impartiality of PHSA and persons associated with it are conserved and enhanced;
- act in a manner that will bear the closest public scrutiny, and recognize that this obligation is not fully discharged by simply adhering to the relevant provisions of legislation of general application, such as the *Criminal Code* and the *Financial Administration Act*;
- arrange their personal affairs in such a manner to prevent, real, apparent or potential conflicts of interest from arising, and if such a conflict does arise between the private interests of an person and the duties and responsibilities of that individual as an person, the conflict shall be resolved in favour of the interests of the PHSA; and,
  - comply with the standards of conduct set forth in this Policy through avoidance, discontinuance, divestment or by otherwise acting upon such reasonable directions as the PHSA may give.

Examples of conflicts of interest include, but are not limited to, the following:

- a person uses PHSA property or his / her position, office or affiliation to pursue personal interests, i.e., providing consulting services to third parties using PHSA intellectual property;
- a person using PHSA resources, such as network and other electronic media and storage devices, transcription services, and other administrative staff, to support their private interests without reimbursement to the PHSA;
- a person is in a situation where he /she is under obligation to another person who might benefit from or seek to gain special consideration or favour;
- a person, in the performance of official duties, gives preferential treatment to an individual, corporation or organization, including a non-profit organization, in which the person, or a relative or friend of the employee, has an interest, financial or otherwise;
- a person benefits from, or is reasonably perceived by the public to have benefited from, the use of information acquired solely by reason of the person's position, office or affiliation;
- a person benefits from, or is reasonably perceived by the public to have benefited from, a PHSA transaction over which the person can influence decisions (for example, investments, purchases, borrowing, grants, contracts, appointments, etc.);
- a person requests or accepts from an individual, corporation or organization, directly or indirectly, a personal gift or benefit in violation of this Policy (see below).

### **Disclosure and Approvals**

A person shall disclose to the PHSA Human Resources department any involvement in outside employment or other activities, assets\* and liabilities if such involvement:

- may give rise to a real, apparent or potential conflict of interest between the person's duties and responsibilities hereunder and his or her personal interests, or
- may affect that person's capacity to perform his/her duties and responsibilities objectively and impartially.

\* Assets for the private use of a person and their families and assets that are not of a commercial character do not fall within the scope of this policy and need not be disclosed<sup>2</sup>.

\* As noted under Scope, all researchers and members of staff who conduct research at or under the auspices of any of PHSA's hospitals, health centres, agencies or their affiliated research institutes are also subject to PHSA's Research Conflict of Interest Policy and must disclose and assess conflict in accordance with that policy rather than to Human Resources.

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<sup>2</sup> Such assets include: residences, recreational property and farms used or intended for use by employees or their families; household goods and personal effects; works of art, antiques and collectibles; automobiles and other personal means of transportation; Registered Retirement Savings Plans that are not self-administered; investments in open-ended mutual funds; guaranteed investment certificates and similar financial instruments; cash and deposits; Canada Savings Bonds and other similar investments in securities of fixed value issued or guaranteed by any level of government in Canada or agencies of those governments; annuities and life insurance policies; pension rights; and money owed by a previous employer, client or partnership.

## **Recusal**

Where it is determined by the PHSA that a real, apparent or potential conflict of interest exists or that the person's capacity to perform his/her duties and responsibilities is potentially compromised by the person's involvement in outside employment or other activities, the person must:

- immediately discontinue, curtail or modify his/her involvement, or
- divest the assets and terminate the liabilities in question in a timely and orderly basis.

## ***Gifts, Hospitality and other Benefits***

Acceptance by an person of offers of incidental gifts, hospitality or other benefits for his/her own personal gain, which arise out of activities associated with the performance of his/her duties and responsibilities or offered by persons, groups or organizations having dealings with PHSA is permitted only where:

- the gift has no more than nominal value (such as lunch, box of chocolates, corporate logo memorabilia such as coffee cups, etc);
- the gift is a normal exchange of hospitality or customary gesture of courtesy between persons doing business together;
- the gift is a normal presentation of gifts to persons participating in a public function, presentation, workshop or conference;
- the gift has no more than a nominal value and is offered consistently to a wide group of persons, such as a departmental lunch or a shared gift basket; or
- the gift is a normal exchange of gifts between friends.

The solicitation of any gifts, hospitality or other benefits for personal gain is not permitted. Where a person receives gifts, hospitality or other benefits, which do not fall within the above permitted categories, the person must advise the PHSA Human Resources department, which will determine in its sole discretion the disposal of the gift, hospitality or other benefit. Acceptance of gifts will be evaluated on a case-by-case basis.

Fees or Honorariums received when participating in a function held or sponsored by an entity with whom the PHSA and/or its Agencies do business must be reported to the PHSA Human Resources department, which may require either return of such fee or honorarium to the giver or remittance to the PHSA and/or its Agency if in the PHSA's sole discretion, retention of the fee or honorarium by the employee would present a conflict of interest, real or perceived.

## ***Dealings with Business Community and the Public in General***

A person shall not accord preferential treatment in relation to any official matter involving PHSA to family members or friends or to organizations in which the person, and his / her family members or friends have an interest.

A person shall take care to avoid being placed, or the appearance of being placed, under an obligation to any person or organization that might profit or appear to profit from special consideration on the part of the person.

## **II. Confidential and Private Information**

It is essential that confidential information relating to third parties provided to PHSA is handled with integrity and discretion in accordance with applicable legislation relating to freedom of information and protection of privacy.

Except with the consent of the party that is the subject of the information, confidential information must not be communicated to anyone other than those who are authorized to receive it. Depending on the circumstances, those who are authorized to receive it may include other persons, representatives of PHSA and/or its Agencies (Board of Directors, outside lawyers, consultants and other external advisors) when those persons have a legitimate need to know the information in connection with their duties.

When confidential information is legitimately communicated to someone, he or she should be clearly informed that the information is confidential, and be given instructions about the limitations on further dissemination and use of the information.

Care must be taken when discussing confidential information or when handling or storing confidential materials. If information is the subject of a confidentiality agreement, care must be exercised to be sure the terms of the agreement are followed.

Confidential information persons receive through their association must not be used by a person for the purpose of furthering any private interest, or as a means of making personal gains (see Conflict of Interest in this Policy and the PHSA's Research Conflict of Interest Policy).

## **III. Compliance with Laws, Rules and Regulations**

The PHSA and persons associated with the organization shall maintain knowledge and must comply at all times with the letter and intent of all applicable laws, rules and regulations of any government, governmental agency and regulatory organization governing professional activities as well as the Code of Ethics and all policies governing conduct, such as the Human Rights and Theft, Fraud, Corruption and Non-compliant Activities Policies.

The PHSA and persons associated with it shall not knowingly participate in, or assist, any acts of violation of any statute or regulation governing the PHSA and/or its Agencies, nor any act that would violate any provision of the Code of Ethics and all policies governing conduct.

### ***Extortion and Bribery***

Basic criminal statutes prohibit extortion and bribery. Under no circumstances shall persons, directly or indirectly, offer or accept a bribe.

### ***Insider Trading***

Persons who have received material, non-public information relating to a company that has issued securities

- must never use such material non-public information for personal gain or for the advantage of others associated with them, such as friends or relatives, and
- will be subject to the “abstain or disclose” concept provided in securities laws. This concept stipulates that the insider may be required to:
  - refrain from passing such information on to others and from trading in or recommending the purchase or sale of the issuer’s securities; or
  - disclose such information to the investing public.

These prohibitions remain in effect until such information has been fully disclosed to the public.

#### **IV. Reporting and Failure to Comply**

##### ***Reporting of Violations***

Conflicts related to researchers and staff members who conduct research should be reported according to the requirements of the Research Conflict of Interest Policy. Persons should report any other violation of this policy of which they become aware to Human Resources who, depending on nature and materiality of the violation, will report to the Internal Assurance Office under the Theft, Fraud, Corruption and Non-Compliant Activities Policy. Alternatively, persons may choose to report a matter directly to Internal Assurance under the Theft, Fraud, Corruption and Non-Compliant Activities Policy, or, if all other processes are insufficient, the Whistleblower Policy.

In any case where such a report has been made, the report will be treated confidentially to the extent possible and consistent with PHSA’s responsibility to address the issue raised. No person will be subject to retaliation for reporting in good faith a violation of this policy.

##### ***Failure to Comply***

Persons who fail to comply with any provision of this policy may be subject to disciplinary action, such as the possibility of actions leading up to termination of employment, severance of the contractual relationship, or termination of admission privileges. A violation of certain provisions of this policy may also be a violation of law and may subject the persons(s) involved and/or PHSA to criminal prosecution or civil liability. Such violations are subject to the Theft, Fraud, Corruption and Non-Compliant Activities Policy.