

Kiyooka Land Trust Foundation (KLTF) - Conflicts of Interest Policy

When the personal or professional concerns of an Insider (see definition below) creates the possibility of the Insider to put personal benefit before the welfare of KLTF, or may cause the Insider's personal benefit to clash with their KLTF duties, conflict of interest exists. Wherever the possibility of a conflict, or perceived conflict, of interest exists, the KLTF Board will carefully consider the circumstances and implement this policy.

Definition of an Insider:

Board and staff members, substantial contributors, parties related to the above, those who have an ability to influence decisions of the organization, and those with access to information not available to the general public are considered Insiders.

In addition to the requirements of this policy, all KLTF Insiders will abide by all applicable conflict of interest regulations outlined in the *BC Societies Act* and the *Government of Canada Income Tax Act* administered by the Canada Revenue Agency.

The Board will annually review, and commit to follow, this Conflict of Interest Policy.

This policy will be revised as required to reflect changes to the structure of KLTF as determined by the Board.

This Conflict of Interest Policy will be posted on KLTF's website.

All potential conflicts of interest must be considered by the Board, and a record (maintained by the Secretary of the Board) kept of all decisions. Any transactions which lead to an on-going conflict of interest must be reviewed by the Board at least annually, to ensure they are still appropriate. In addition, processes must be put in place to ensure that if there is an on-going conflict of interest (for example, if a Board or staff member owns property over which KLTF holds an easement), then the potential for Conflict must be considered every time there is a transaction or action related to that matter.

How to identify a potential Conflict of Interest:

The following are examples of potential conflict of interest situations:

1. If an Insider is doing business with KLTF, directly or through a company or other organization in which they have an interest, or of which they are an officer, there is a potential conflict of interest between that person and the KLTF. The same applies if they (or the company or organization) even proposes to do business with KLTF. By "doing business" we mean doing a transaction that would benefit the person (or close members of their family) financially, whether directly or indirectly through their company or organization. Thus contracting a family member to provide services to KLTF would be treated as a potential conflict of interest.
2. If KLTF is negotiating with a supplier for a large contract, there would be a conflict of interest if an inappropriate gift were accepted (such as an expensive dinner or tickets to an expensive sports event), or favour granted.
3. If a KLTF donor requests that the terms of an easement be changed, such that the revised terms are outside KLTF's norms, and more favourable to the donor.
4. If KLTF is entering into an arrangement to buy or sell land or acquire an interest in land, such as a Conservation agreement, with an Insider.

Payments to Board Members

1. KLTF does not financially compensate board members for board service, except for reimbursement of expenses.
2. If, in limited circumstances, KLTF compensates a board member for professional services that would otherwise be contracted out,
 - a) KLTF will document the circumstances surrounding the decision to do so
 - b) KLTF will document how KLTF uses appropriate comparability data to determine the amount to be paid and to confirm that there is no private or undue benefit
3. KLTF does not provide loans to members, directors, officers or trustee

Are Transactions with Insiders Allowed?

Yes. For example, the sale of a piece of land by a board member to KLTF may be not only advantageous to KLTF but important for the common good. The point is not to prevent conflicts but to manage them.

Avoiding Influencing Decisions or Actions:

Where there is a conflict, whether disclosed or not, the board member, a staff member or other volunteer must not take any step that would influence any decision or action relating to the subject matter of the conflict. If the Conflict of Interest concerns a board member, they must recuse themselves from all discussion and voting relating to the contract.

Real Estate Transactions with Insiders:

Sales or donations of real estate, or conservation agreements by Insiders, their relatives or companies, must be approved by the Board only after final discussions have occurred with the Insider(s) recused from both the discussion and ratification of the transaction. This includes discussion around land value and valuation of donation tax receipts.

All land and conservation agreement transactions with Insiders must include independent appraisal by a qualified appraiser to justify the purchase or sale price.

The sale by an Insider to KLTF of a Conservation Agreement causes an on-going Conflict of Interest, as the Insider must continue to comply with the terms of the CA, and KLTF must monitor to ensure that this happens. The monitoring, and the approval of the monitoring work, must reflect this.