

BCDGA CONFLICTS OF INTEREST POLICY

(Adapted from PDGA and viaSport policies, 2019)



I. PLAIN LANGUAGE SUMMARY

The job of the elected members of the BCDGA (British Columbia Disc Golf Association) Board of Directors is to serve the membership and interests of the organization as identified in the Constitution and Bylaws. When a member or their family has a financial stake in a decision undertaken by the board, that conflict of interest can compromise their ability to focus on the best interests of the BCDGA. To address this concern, all members of the board must report all potential conflicts of interest as soon as they are recognized (Appendix 1) and not participate in any debate, discussion, or voting related to the conflict. Board members failing to identify a conflict of interest may be sanctioned or removed per the BCDGA bylaws, Part 7, article 40 and the BCDGA Discipline Policy.

II. INTRODUCTION

According to viaSport, a conflict of interest arises when an individual participates in a decision (including any contract, arrangement of employment, sale or provision of codes and services, receipt of gifts) which may benefit the organization but may also be seen to benefit that individual due to their direct or indirect interest surrounding the outcome of the decision.

A conflict of interest may undermine, or hold the potential to undermine, the reputation of the organization and the BCDGA's impartiality if our personal interests are at odds with professional obligations. Board members who find themselves in an actual, perceived or potential conflict of interest must disclose the matter to the Board immediately. People who fail to disclose put the BCDGA at risk and may be subject to disciplinary action by the Board.

III. PURPOSE

The Directors and Officers of the BCDGA have fiduciary duties to the Society. At all times they should act in the best interests of the BCDGA and in a manner consistent with their duties, which include care and loyalty to the BCDGA and its members. Directors and Officers should exercise particular care to conduct their affairs so as to avoid conflicts (or the appearance of conflicts) between their own interests (including the interests of their family members and other related parties) and the interests of the BCDGA.

The purpose of this Conflicts of Interest Policy is to protect the BCDGA and its members by:

- i defining Conflicts of Interest,
- ii highlighting situations likely to lead to Conflicts of Interest,
- iii providing procedures for addressing Conflicts of Interest, and
- iv implementing procedures designed to identify and protect against Conflicts of Interest

The Board of Directors of the BCDGA shall review this Conflicts Policy and the accompanying procedures periodically to determine if it should be revised or supplemented.

IV. KEY DEFINITIONS

A. Conflict of Interest.

It is not realistic to expect to define in a complete and absolute manner all actual or potential Conflicts of Interest. Virtually any situation in which a Director (or a related party) stands to benefit at the potential expense of the Society or where the interests of a Director (or a related party) and the Society are opposed can present a Conflict of Interest.

1. A Conflict of Interest may be defined to include any activity, financial interest in, or relationship with another person or entity that would (a) impair or appear to impair a Director's independent judgment in the discharge of his/her duties to the BCDGA, (b) conflict with the best interests of the BCDGA, or (c) result in a personal profit or advantage to the Director (or a related party) at the expense of the BCDGA or its interests.
2. A Conflict of Interest may involve direct and indirect interests, and may arise if a Director or Officer enters into relationships or takes action or establishes a financial interest for themselves (or a related party) which compromises his/her ability to act in the BCDGA's best interest, or is adverse to the best interests of the BCDGA.
3. A Conflict of Interest may also include any unauthorized use of any confidential or proprietary information belonging to the BCDGA, especially where this results in personal gain to the Director (or a related party).
4. A Conflict of Interest may also result in the event of a transaction with a former Director (or a related party). For this purpose former Directors include individuals who held such positions at any time during the five (5) years preceding the transaction.

B. Immediate Family; Related Parties.

- 1) Immediate family is defined to include a Director's ancestors, spouse, siblings, children, grandchildren, great-grandchildren, and their spouses.
- 2) Related Party is defined to include
 - i. a Director's immediate family,
 - ii. any entity in which a Director or a member of their family is a director, officer, general partner, or managing member, and
 - iii. any entity of which more than five percent (5%) of the stock, partnership interests, membership interests, or other ownership interest is held by a Director or a member of their Immediate Family.

II. EXAMPLES

A. Interest in Contract or Transaction

When a Director (or family member) has a financial interest in a contract or transaction to which the BCDGA is also a party, there may be a Conflict of Interest. **For example, if the BCDGA issues an RFP**

for vendors to provide prizes at an event and a Director or a member of their family is also sponsored by one of the submitting vendors.

B. Directors, Officers, or Directors in Common with Other Organizations

When the Society enters into a contract or transaction with a Related Party or any entity in which a Director (or family member) simultaneously serves as a director, officer, member or partner, there may be a Conflict of Interest. For example, if the BCDGA is reviewing a request for funding from a member club and a Director is also a member or officer of that disc golf club.

C. Certain Relationships

Certain relationships may result in Conflicts of Interest, including where a Director (or family member)

- i provides services, goods or facilities to the BCDGA,
- ii receives grants, services or other benefits from the BCDGA, or
- iii otherwise does business with the BCDGA.

For example, if the BCDGA purchases goods from a company run by a Director, or where the Director is employed.

D. Corporate Opportunity

A corporate opportunity issue arises and may result in a Conflict of Interest when a Director, (or family member) pursues an investment opportunity or transaction in which the BCDGA may also have an interest in a manner which is adverse to the BCDGA. For example, if a Director (or family member) owns shares of stock in a disc golf equipment manufacturer.

E. Gifts, Gratuities, Excessive Entertainment

A Conflict of Interest may arise if a Director (or a related party) receives gifts, gratuities, or excessive entertainment from any person or entity with which the BCDGA has, or is contemplating business dealings with, or to which BCDGA is providing grants or other support. Excessive is defined as any gift valued at more than \$25. For example, a disc vendor gives a disc golf shirt valued at \$27 to a Director.

F. Certain Prohibited Transactions

To better serve the best interests of the BCDGA,

- i. the BCDGA shall not loan money to, or guaranty the obligations of any Director nor shall any such person or entity seek such a loan or guaranty from the BCDGA,
- ii. no Director shall take any action which, results in the involvement or the appearance of the involvement of the BCDGA in any political campaign, including but not limited to, the endorsement of any candidate for public office, and
- iii. no Director or Officer shall attempt to influence legislation in any manner on behalf of the BCDGA without prior consultation with the Society's President.

III. ANNUAL DISCLOSURE

A. All Directors annually must complete a "Conflict of Interest Disclosure and Compliance" form. This disclosure form includes information on all actual or potential Conflicts of Interest involving a Director or Officer.

B. As new Directors join the Board and new Officers are elected, he/she must complete the "Conflict of Interest Disclosure and Compliance" form.

C. Completed "Conflict of Interest Disclosure and Compliance" forms shall be retained by the BCDGA and made publicly available on the BCDGA web site.

IV. PROCEDURES TO ADDRESS CONFLICTS OF INTEREST

Directors and Officers must avoid any potential or actual Conflicts of Interest. The following guidelines and procedures shall be applied in that regard.

A. Recusal

1. Directors will not bring forward motions, vote on, or discuss any proposal before the Board in which a conflict of interest exists or may be perceived to exist. See examples above. Such potential conflicts of interest should be reflected on the annual reporting form or added to the reporting form as soon as they are identified.
2. Recusal from decisions in which a conflict of interest can be perceived to exist is interpreted to mean that there has been no conflict of interest.

B. Conflict of Interest and Resolution of Conflict

1. Directors and Officers must disclose all actual or potential Conflicts of Interest as soon as they are discovered or perceived to exist. Disclosures may also be brought forward by members of the Society or other community members. Disclosures shall be directed to the Board of Directors via the President or the Board Executive, and shall include an understandable description of all relevant facts.
2. After disclosure of the Conflict of Interest, or potential Conflict of Interest, and all relevant facts related thereto, the Director or Officer with the conflict shall not participate in any discussions relevant to determining if a Conflict of Interest exists and, if so, how it will be addressed. Such person may, however, disclose the conflict and answer any relevant questions but shall leave the meeting during the discussion of and the vote on whether the transaction or arrangement results in the Conflict of Interest and during any discussion and vote on how to address such Conflict of Interest.
3. If it appears that a Conflict of Interest exists, the Board of Directors or the Chair of the relevant Board committee shall, if appropriate, appoint a disinterested person or a Board Committee to investigate alternatives to the proposed transaction or arrangement. After exercise of such due diligence, the Board or a committee thereof shall determine whether the BCDGA can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a Conflict of Interest. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a Conflict of Interest, the Board or committee thereof shall determine by a vote of not less than a majority vote of the disinterested Board or committee members whether the transaction or arrangement is in the BCDGA's best interests for its own benefit and fair and reasonable to the BCDGA, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determinations. To be "fair and reasonable", the consideration and terms of the contract or transaction must be at least as favorable to the Society as it would have been, in the judgment of the disinterested Board or committee members, in an arm's-length transaction with an unrelated third-party.
4. The Board, or committee thereof, shall take all actions necessary and appropriate to

demonstrate and document the fairness and reasonableness of the transaction. Such action shall include, but not be limited to, taking the steps necessary to establish rebuttable presumption of reasonableness.

C. Violations of the Conflicts of Interest Policy

If the Board or committee thereof has reasonable cause to believe that a Director or Officer has failed to disclose actual or possible Conflicts of Interest, it shall inform such person of the basis for such belief and afford such person an opportunity to explain the alleged failure to disclose. If, after hearing the response of the Director or Officer, and making such further investigation as may be warranted under the circumstances, the Board or committee thereof determines that the Director or Officer has in fact failed to disclose an actual or possible Conflict of Interest, it shall take appropriate disciplinary and corrective action which may include removal from the Board.

V. RECORDS

The minutes of the Board and all committees thereof addressing Conflict of Interest issues shall contain at a minimum:

- i. the names of the persons who disclosed or otherwise were found to have a potential or actual Conflict of Interest, and the nature of the Conflict of Interest,
- ii. the content of the discussion including any alternatives to the proposed transaction or arrangement and the comparables reviewed with respect thereto and how such data was obtained,
- iii. the names of the persons who were present for discussions and votes relating to the transaction or arrangement, including the actions of any person with a Conflict of Interest, and
- iv. the terms of the transaction and the date approved. Such documentation shall be prepared and approved not later than the later of sixty days after the final action of the decision-making body or the following Board or relevant committee meeting.

APENDIX 1: BCDGA

DIRECTOR AND OFFICER CONFLICT OF INTEREST DISCLOSURE AND COMPLIANCE FORM

Part V of the Conflicts of Interest Policy for the BCDGA (the "Conflicts Policy"), requires that all Directors and Officers annually complete a disclosure form that includes information on all actual or potential Conflicts of Interest involving the Director or Officer, or Related Parties of which he/she has actual knowledge, including an itemization of all existing directorships and officer positions held by the Director or Officer in any entity, whether for profit or nonprofit, and ownership positions in excess of 5% in any entity.

I have received, read and reviewed the Conflicts Policy, including the important definitional provisions defining Conflicts, Immediate Family and Related Parties. I fully understand the Conflicts Policy and agree to fully comply with the Conflicts Policy. In compliance with the Conflicts Policy, I make the following disclosures and representations as of the date hereof:

- A. All actual and potential Conflicts of Interest, as defined in the Conflicts Policy, which involve the undersigned or any Related Party (as defined in the Conflicts Policy) are described on the attached page.
- B. All existing directorships, trusteeships, offices, held by the undersigned in any entity, whether for profit or nonprofit, or ownership interests in excess of 5% of any entity, are listed on the attached page.
- C. To the best of my knowledge, (i) the BCDGA has not entered into any transactions with me or a Related Party, except such as are fully and fairly disclosed on the attached page(s); (ii) any such transactions were made for full and fair consideration as if the affiliation or interest did not exist, and only after full disclosure by me to the Board of Directors of the material facts of the affiliation, interest or relationship; and (iii) I did not participate or assist in or influence in any manner the negotiation, presentation, and decision-making concerning the transaction and its circumstances.

I agree that if any situations arise of which I am aware, that in any way contradict the representations made above, I will immediately notify the Board Executive or President of the BCDGA thereof and make full disclosure. I agree to answer any questions the Board may have with respect to any actual or potential Conflict of Interest, but I understand all such information will be held in confidence unless, as provided in the Conflicts Policy, disclosure is in the best interests of the BCDGA and approved by a majority of the Board of Directors or required by a valid legal order.

I declare no conflicts of interest See attached declaration

Signature _____ Date _____

Print Name _____

DIRECTOR AND OFFICER CONFLICT OF INTEREST DISCLOSURE

Sponsorship agreements: _____

Directorships, trusteeships, offices or ownership in any profit or non-profit entities: _____

Family/spousal relationships involving sponsorships or business arrangements: _____

Tournament / Event Directorships: _____

Other potentially perceived conflicts of interest: _____
