

## **Supplementary Guidelines on the Conflict of Interest policy:**

- **Receiving Fees or Gifts (including Attendance at Events)**
- **Reporting Requirements**

**The policy states: “Employees may not accept gifts, money, discounts or favours including a benefit to family members, friends or business associates for doing work that the city pays them to do. The exceptions to this are promotional gifts or those of nominal value e.g., coffee mug or letter opener with the company's logo or the occasional lunch.”**

**Under the heading: Reporting a Conflict of Interest, the policy states:**

**“When an employee reports a conflict of interest to his/her executive director/general manager or designate in writing, a copy is forwarded to the chief administrative officer.”**

Further to the requirement for employees to report any potential conflict or bias, in connection with their duties, employees are also required to document and report (to their general manager, executive director or the chief administrative officer, as appropriate) any and all situations that involve attending events, receipt of gifts or meals from any vendors or potential vendors or their agents or representatives. The reporting and documentation must include the purpose of the meeting, meal, gift, event etc, and those in attendance.

### ***1. Gifts***

#### ***a) Process for reporting***

If a city employee receives a gift of more than a nominal or promotional value (e.g., over \$25 in value) he/she shall return it to the sender with a written acknowledgement of the return and reference to the Conflict of Interest policy.

All reasonable attempts shall be made to return the gift; however any gifts that are not returned should be reported to the general manager/executive director. In these limited cases, staff should dispose of this gift for charitable purposes. For example, the department can forward the gift to a local charity or the department/division shall hold a draw for the gift and forward all proceeds from the draw to the United Way. A letter shall be forwarded to the individual or business that sent the gift advising them a) of the action being taken i.e. return of the gift or donation to charity and b) of the city's policy with reference to gifts. A copy of this letter shall be kept on file in the general manager/executive director's files.

A standard template letter is available on HR Web. (See below)

*b) Questions and Answers*

**Question** I and my colleagues are currently working with an outside consultant who sometimes offers us tickets to sporting events. I don't think it is proper to accept but don't wish to appear impolite.

**Answer** This practice is common in the private sector but you need to explain to the consultant that offering such favours is inappropriate in our environment and that we have a Conflict of Interest policy that prohibits employees from accepting tickets or other favours. It would also be helpful to give the consultant the Conflict of Interest brochure.

## **2. Meals**

*a) Process for reporting*

Employees should be encouraged to conduct the business of the city during business hours in the office. There are circumstances where city employees conduct business over lunch or dinner with colleagues in other organizations. In these circumstances employees should not accept complimentary meals from any person or organization that has a business interest with the City of Toronto and should pay their own expenses and discuss reimbursement with their managers.

*b) Questions and Answers*

**Question:** I am a city lawyer and periodically have lunch with lawyers from private legal firms with whom the city does business. There have been no concerns expressed about this long established practice to date. Are my colleagues and I now being asked to discontinue this practice?

**Answer:** You are not being asked to discontinue any practice that would bear public scrutiny. However city employees should pay their own lunch expenses to avoid any possible perception of conflict of interest. You should discuss the reimbursement of these expenses with your senior management.

## **3. Attendance at events**

*a) Process for reporting*

Employees should not attend cultural, social, charitable, political, recreational, or sporting events at the expense of a person who has a business relationship with the City of Toronto. However, there may be some exceptions in certain circumstances. If a person who has a business relationship with the City of Toronto, invites a city employee to attend an event and the employee believes it would be beneficial to the City of Toronto, to attend that event, the employee shall submit a written request to his/her general manager/executive director. The general manager/executive director or designate shall decide whether or not attendance would be beneficial for corporate purposes. (For example, it may be appropriate to send representatives from the city to a Board of Trade event or a charitable event.)

If the general manager/executive director or designate determines that attendance would be beneficial for the city and approves attendance on that basis, the city pays for the cost of the ticket or entry fee to this event.

If a company that is doing business with the City of Toronto invites a city employee to an event at the company's expense and a) the company representative who invited the employee is not attending the event or b) it is clear that business will not be carried out at this event, the employee should refuse the invitation with reference to the Conflict of Interest policy.

*b) Questions and Answers*

**Question:** I organise a department's sponsorship of an annual golf tournament for employees in aid of charity. In the past it has been the city's practice to ask companies to sponsor a hole or subsidise food and beverage costs. Each company that donates is invited to send a couple of its employees to the tournament. These tournaments have raised substantial amounts for the United Way. Should we continue to hold these tournaments or are there concerns about conflict of interest?

**Answer:** In the future if a department sponsors a golf tournament, the department and employees who attend must pay the total cost of the tournament. Employees who attend the tournament must do so on their own time. If the department decides that the cost of such tournaments would not meet its objectives i.e. raising money for the United Way, it should discontinue such events.

*Department Letterhead*

Address of recipient

Date

Dear (Name of Supplier/Developer/Vendor/Consultant)

Thank you for the (description of gift). It was very thoughtful of you. However, it is the City of Toronto's policy not to accept gifts. I appreciate that you may not be aware of the city's Conflict of Interest policy and I enclose a copy for future reference.

*Either:*

As your gift cannot be accepted I am returning it with this letter.

*Or:*

I have donated the (Name of Gift), in your name, to (Name of Charity)

We look forward to a continued business relationship with your organization.

Yours truly,

Executive Director/General Manager