

## Article IX of the Code of Conduct (Business Relations)

### Purpose of the Bulletin

1. This Bulletin is intended to assist members of local boards ("members") understand and comply with a recent amendment to Article IX of the Code of Conduct for Members of Local Boards (Restricted Definition) (the "Code of Conduct").

### Article IX (Business Relations)

2. Effective February 1, 2018, City Council approved changes to the Code of Conduct. Amended Article IX states:

No member shall act as a paid agent before the local board or provide goods, consulting or other services to the local board directly or through a partnership, professional or closely-held corporation.

If a member becomes aware that an entity, for which the member has a material interest, is a director, employee or agent, may offer or provide goods, consulting or other services to the local board, the member will disclose these circumstances to the Chair and seek advice from the Integrity Commissioner about the application of the *Municipal Conflict of Interest Act* and whether, in consideration of the circumstances, ongoing board membership is in the best interests of the local board. In providing this advice, the Integrity Commissioner will consider the risk of harm to the reputation of the local board.

### Services for payment

3. Article IX prohibits board members from providing goods, consulting or other services *for payment* to the local board—either directly, or through a partnership or professional or closely-held corporation.
4. Services includes the rental of space.

5. Article IX does not prohibit board members from volunteering time to support events or similar activities, in addition to the time required to fulfill their duties as board members.

## Transition Period

6. The amendment is a significant change. There may be board members who are currently providing goods or services to the board, and who would therefore be in breach of amended Article IX by virtue of the amendment.
7. It is the Integrity Commissioner's view that an appropriate period of time is warranted to allow board members to become familiar with the change, and to take steps to bring their conduct into compliance with amended Article IX.
8. To facilitate an orderly transition, the Integrity Commissioner has determined that no board member will be found to have contravened amended Article IX where an agreement to provide goods, consulting, or other services was in place prior to February 1, 2018—unless the complaint is made after January 1, 2019.
9. Between now and the end of 2018, boards and their members should review their business relationships and seek necessary advice from City staff and the Integrity Commissioner to ensure that all board members are in compliance with Article IX on January 1, 2019.

## Further Information

This interpretation bulletin is intended to provide general information. To rely on the Integrity Commissioner's advice respecting specific situations, members must seek written advice consistent with Article XVII of the Code of Conduct.

If you have any questions, please contact:

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