



## **CONFLICT OF INTEREST BYLAW**

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### Introduction

1. Alberta Health Services (“AHS”) is committed to promoting a standard of conduct that preserves and enhances public confidence in the integrity, objectivity, and impartiality of its clinical and business activities. Alberta Health Services relies on the AHS Representatives to uphold these standards by ensuring outside activities or financial interests do not interfere with or influence their decision-making processes. Recognizing that AHS Representatives have interests outside of AHS, they are expected to fulfill their responsibilities in a manner that avoids involvement in any potential, perceived or real conflict of interest situations, and to promptly disclose and address any conflicts should they arise.

### Definitions

2. In this bylaw, the following terms when capitalized have the meaning ascribed to them below unless a different meaning is expressly stated:
  - a) “**Agent**” means a person, other than an AHS employee, Senior Officer or member of the Alberta Health Services Board, who is authorized to bind or purports to bind AHS, or who, directly or indirectly, controls AHS funds;
  - b) “**AHS Representative**” means AHS employees, Senior Officers, Agents and members of the Alberta Health Services Board;
  - c) “**Private Interest**” is any matter, including without limitation a financial, personal and/or private affiliation, relationship or other involvement, where the matter at issue is related to the exercise of any power on behalf of Alberta Health Services such that a reasonably well-informed person would conclude that the matter might influence the exercise of that power;
  - d) “**Related Person**” means any person or entity associated with an AHS Representative, including a family member, interdependent adult, close personal friend, business associate or partner, or any corporation, joint venture, partnership or business entity;
  - e) “**Senior Officer**” includes the chief executive officer, president or vice president of AHS, any other executive accountable directly to the chief executive officer or president of AHS, and any other person so designated by the chief executive officer or the Alberta Health Services Board; and
  - f) “**Supervisor**” means the person who is responsible for directing or overseeing an AHS Representative (other than a member of the Alberta Health Services Board), or the person to whom that AHS Representative reports.

## **General Principles**

3. AHS Representatives shall act honestly, in good faith, leaving aside personal interests to advance the public interest, and in accordance with the mandate of Alberta Health Services.
4. AHS Representatives are required to take steps to ensure that conflicts of interest are avoided and that any conflicts of interest to which they may be unavoidably subjected are disclosed and appropriately managed and do not affect, or reasonably appear to affect, a decision taken by Alberta Health Services.
5. AHS Representatives have an obligation to disclose all interests which could conflict, appear to conflict or do conflict with their duties and responsibilities to Alberta Health Services. It is the responsibility of all AHS Representatives to bring potential, perceived or real conflicts of interest to the attention of their Supervisor as soon as they become aware of them.
6. AHS Representatives shall not exploit, or reasonably appear to exploit, to their personal advantage:
  - a) any confidential information obtained as a result of their relationship with Alberta Health Services; or
  - b) any relationship that Alberta Health Services has with an individual or organization (or an elected official, officer or employee of such an organization).

## **Application**

7. This bylaw binds all AHS Representatives to the same extent as if each had signed, sealed and delivered a promise to comply with and be bound by this bylaw.

## **Conflict of Interest**

8. A conflict of interest arises when an action taken for, or on behalf of, Alberta Health Services by an AHS Representative is affected because of a Private Interest of that AHS Representative. A conflict of interest also arises when an action taken for, or on behalf of, Alberta Health Services by an AHS Representative is affected because of his or her relationship with a Related Person.
9. A conflict of interest may be potential, perceived or real. A potential conflict of interest occurs when an AHS Representative has knowledge that the performance of a duty or function or exercise of power may result in a personal

gain, but has not yet performed that duty or function. A perceived conflict of interest exists when there is a perception formed by a reasonably informed person that a conflict of interest exists. A real conflict of interest occurs when an AHS Representative exercises a power or performs a function or duty with the knowledge that there may be a personal gain, including a gain for his or her Private Interests and/or for Related Persons.

10. A conflict of interest must be addressed if an independent third party might reasonably take the view that there is a risk of Alberta Health Services' actions being affected as a result of the Private Interests of an AHS Representative or his or her relationship with a Related Person, regardless of whether or not they are actually affected.
11. A conflict of interest may arise in various ways. For example, it could be a potential, perceived or real conflict of interest for an AHS Representative to:
  - a) Use or exercise his or her position, duty, discretion, power or authority with Alberta Health Services to influence or seek to influence a decision made, or to be made, on behalf of Alberta Health Services that would have the potential of benefiting his or her Private Interests and/or Related Persons;
  - b) Grant preferential treatment or assistance in the exercise of any position, duty, discretion, power or authority with Alberta Health Services to benefit his or her Private Interests and/or Related Persons;
  - c) Use or communicate knowledge or information not available to the general public and gained in the course of acting in the scope of his or her duties to Alberta Health Services that would have the potential of benefiting his or her Private Interests and/or Related Persons;
  - d) Use equipment, supplies, facilities, staff and other resources of Alberta Health Services to benefit his or her Private Interests and/or Related Persons;
  - e) Pursue certain activities outside of Alberta Health Services, including outside employment, self employment, acting as a paid advisor, consultant or board member to any individual, organization or corporation, or volunteering (collectively referred to as the "Outside Activities"), if the Outside Activities:
    - i. interfere or conflict with the AHS Representative's duties and responsibilities to Alberta Health Services;
    - ii. are contrary to the best interests of Alberta Health Services; or
    - iii. are performed in such a way as to appear to be done on behalf of Alberta Health Services;

- f) Participate in the following political activities while holding a position as an Alberta Health Services Board member or Senior Officer:
  - i. directly soliciting monetary funds or other campaign contributions for any provincial political party or candidate in an Alberta provincial election, whether declared or not; or
  - ii. seeking nomination as a candidate in a provincial election, or holding an executive office in a political party without having sought and been granted a leave of absence from his or her AHS duties;
- g) Enter into a business arrangement or acquire a financial interest in an entity, including trading in securities, if the business arrangement or financial interest is something known to the AHS Representative as a result of his or her employment or other affiliation with Alberta Health Services;
- h) Accept any gift in the form of securities or money from any persons or entities, other than AHS, given as a result of the AHS Representative's services, role or position with Alberta Health Services; or
- i) Accept any gift, benefit or perquisite of more than a nominal value from any persons or entities given as a result of the AHS Representative's services, role or position with Alberta Health Services, unless prior written approval is obtained from the compliance officer. Gifts, benefits or perquisites of a nominal value are:
  - i. those that are of a value and frequency to be deemed not excessive given prevailing business and social standards;
  - ii. of a nature that one could and would reciprocate; and
  - iii. those that, should the receipt of such a gift become public, would not reasonably jeopardize the reputation of the AHS Representative or Alberta Health Services.

This list of examples of conflicts of interest is not exhaustive, nor will all of the examples necessarily give rise to conflicts of interest that cannot be managed by Alberta Health Services. AHS Representatives must exercise good judgment in determining whether a conflict of interest exists and should consult the compliance officer if in doubt about whether a conflict of interest has arisen.

### **Duty to Disclose**

- 12. An AHS Representative has an ongoing duty to recognize and make full, written disclosure to his or her Supervisor of any potential, perceived or real conflicts of interest in accordance with this bylaw in advance of taking the action that gives

rise to the conflict of interest or, if it could not be foreseen, immediately upon becoming aware of the potential conflict of interest. Failure to comply with this duty may result in legal action and disciplinary action up to and including termination of employment, cancellation of contractual relations and other legal remedies available to Alberta Health Services.

13. An AHS Representative also has an ongoing duty to report to his or her Supervisor, in writing if possible, any circumstance affecting another AHS Representative that appears to give rise to a conflict of interest. If the circumstance cannot be reported to his or her Supervisor, or if that Supervisor does not take appropriate action, an AHS Representative may report the circumstance to the compliance officer. If an AHS Representative is unable to report the circumstance to either his or her Supervisor or the compliance officer, or if the AHS Representative wishes to remain anonymous, an AHS Representative may report the circumstance to the external confidential reporting and disclosure service that has been retained by Alberta Health Services.

### **Conflict of Interest Declarations**

14. An AHS Representative may be directed at any time to complete and submit a Conflict of Interest Declaration by his or her Supervisor or the compliance officer, and if so directed, must comply.
15. An AHS Representative must immediately notify his or her Supervisor and the compliance officer of any and all relevant and material changes in the information previously disclosed in their completed Declaration by completing and delivering an updated Conflict of Interest Declaration.
16. Subject to section 18 below, all AHS Representatives' Supervisors shall provide any and all completed Conflict of Interest Declarations received to the compliance officer.
17. Each Senior Officer (except the chief executive officer) shall submit a completed Conflict of Interest Declaration to the compliance officer annually, or as otherwise directed, for his or her review and further handling.
18. A person who is appointed as a member of the Alberta Health Services Board or as the chief executive officer of AHS is required to provide a completed Conflict of Interest Declaration annually and an additional Conflict of Interest Declaration should there be any relevant and material changes to the information previously submitted. The members of the Alberta Health Services Board and the chief executive officer shall submit their Conflict of Interest Declaration to the chair of the Alberta Health Services Board, with a copy to the general counsel of Alberta Health Services, for the chair's review and further handling. The chair of the Alberta Health Services Board shall submit his or her completed Conflict of Interest Declaration to the Minister of Health and Wellness of Alberta, with a copy

to the general counsel of Alberta Health Services, for the Minister's review. The Conflict of Interest Declarations of the chief executive officer and the members of the Alberta Health Services Board, including the chair, will be provided to Governance Committee instead of the compliance officer.

19. Conflict of Interest Declarations shall be made in a form approved by the Alberta Health Services Board.
20. The compliance officer shall keep a record of all disclosures and Conflict of Interest Declarations received from AHS Representatives in accordance with AHS records management policies and any applicable legislation. The record shall be kept confidential and shall not be disclosed except where:
  - a) there is a requirement for disclosure for the purposes of managing potential, perceived or real conflicts;
  - b) there is a legitimate reason for disclosure to an AHS Representative's new Supervisor following his or her move to another position within Alberta Health Services;
  - c) there is a requirement for disclosure for the purposes of disciplinary proceedings;
  - d) it will form part of a report as discussed in section 26 below; or
  - e) there is any legal or regulatory obligation to disclose the information.

### **Ongoing Disclosure Duty**

21. In addition to disclosures made as required above, AHS Representatives shall disclose to their Supervisor in writing, and others as appropriate (which may include the compliance officer), any potential conflict of interest that arises in the course of their work, for example, at meetings or during discussions. A general disclosure of interests under the provisions of this bylaw is not a substitute for this.

### **Managing Conflicts of Interest**

22. Upon receipt of a disclosure in accordance with sections 12, 14, 15 and/or section 21 of this bylaw, the Supervisor shall review the disclosure. The Supervisor may consult with the compliance officer regarding the disclosure. Upon concluding his or her review of the disclosure, the Supervisor may either approve the matter as not being a conflict of interest or advise the AHS Representative that the matter is being referred to the compliance officer, in which case the Supervisor must then provide the disclosure to the compliance officer for further handling.

23. Upon receipt of a disclosure in accordance with section 13 of this bylaw, the Supervisor shall review the disclosure. The Supervisor may consult with the compliance officer regarding the disclosure. Upon concluding his or her review of the disclosure, the Supervisor may either approve the matter as not being a conflict of interest or refer the disclosure to the compliance officer for further handling.
24. Where any matter or resolution comes before a meeting which includes one or more AHS Representatives, including a meeting of the Alberta Health Services Board or one of its committees, or AHS Senior Officers, for discussion, action or a vote, any AHS Representative with a potential, perceived or real conflict of interest relative to the matter, who is participating in the meeting, shall declare the potential, perceived or real conflict of interest to the meeting participants and shall not participate in any discussion, decision or vote on the matter. The chair of the meeting may require the AHS Representative to leave the meeting during the discussion of the matter. The chair may also direct that those materials or other documents being provided to the meeting participants relative to the matter not be provided to the AHS Representative affected by the conflict of interest. The minutes of any such meeting shall record the conflict of interest and the fact that the AHS Representative did not participate in discussion, action or vote on the matter.
25. Disclosures made pursuant to this bylaw may require a change to the AHS Representative's position with Alberta Health Services.
26. The compliance officer shall provide to the Governance Committee such reports as are requested from him or her.

### **Post Termination Obligations**

27. Upon termination of his or her relationship with Alberta Health Services, including through termination of an employment, contractual, consulting or other relationship with Alberta Health Services, an AHS Representative will become a former AHS Representative. In addition to other legal obligations owed to Alberta Health Services by the former AHS Representative at common law or in contract, the following activities will continue to constitute a conflict of interest for the former AHS Representative for the period of one (1) year, and the former AHS Representative must continue to refrain from:
  - a) using or exercising his or her former position, duty, discretion, power or authority with Alberta Health Services to influence or seek to influence a decision made, or to be made, on behalf of Alberta Health Services that would have the potential of benefiting his or her Private Interests and/or Related Persons; and

- b) using or communicating knowledge or information not available to the general public and gained in the course of acting in the scope of his or her duties to Alberta Health Services that would have the potential of benefiting his or her Private Interests and/or Related Persons.

In the event of a breach of this section of the bylaw by a former AHS Representative, Alberta Health Services may initiate legal proceedings against the former AHS Representative seeking all remedies available to Alberta Health Services including injunctive relief, and monetary compensatory and non-compensatory damages.

- 28. AHS will not enter into a contractual or business relationship with a former member of the Alberta Health Services Board for a period of six (6) months from the time that they cease to be a member, except as specifically approved by the Alberta Health Services Board.

This bylaw is effective as of April 1, 2009.

Adopted by the members of the Alberta Health Services Board this 14th day of January, 2009.

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Ken Hughes, Chair  
Alberta Health Services Board

Approved in accordance with the *Regional Health Authorities Act*, R.S.A. 2000, c. R-10, the *Cancer Programs Act*, RSA 2000, c.C-2 and all regulations thereunder, as each may be amended from time to time this 4th day of March, 2009.

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Ron Liepert  
Minister of Health and Wellness