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## EXHIBITION PLACE

February 17, 2011

To: The Board of Governors of Exhibition Place

**ACTION REQUIRED**

From: Dianne Young, Chief Executive Officer

Subject: **Conflict of Interest – Employment of Relatives, Former Employees & Elected Officials**

Summary:

This report recommends that a policy relating to the Employment of Relatives, Former Employees & Elected Officials be implemented for all employees in any capacity engaged by Exhibition Place. The specific language is in substance identical to the policy adopted by City Council, but modified to address the particular nature of Exhibition Place.

**Recommendations:**

**It is recommended that the Board approve of the attached policy relating to the Employment of Relatives, Former Employees and Elected Officials.**

Financial Implications and Impact Statement:

There are no financial implications arising from the recommendations in this report.

Decision History:

At its meeting of November 3, 2006, the Board approved the previous policy related to the employment of relatives related to the Code of Conduct for employees of Exhibition Place, which was one of the policies included within the revised Human Resources Policy and Procedure Manual

Issue Background:

In November 2006, a policy was approved by the Board, about the hiring of relatives as part of the employee Code of Conduct. City of Toronto has since updated its policy related to this matter which is more detailed and understandable and the proposed policy attached to this report mimics the City's new policy.

Comments:

The Policy attached replicates most of the directions found within the City of Toronto policy of the same name and intent and is more helpful to managers and staff with respect to the responsibilities of the Board employees in relation to use of the engagement of relatives, former employees and former elected officials.

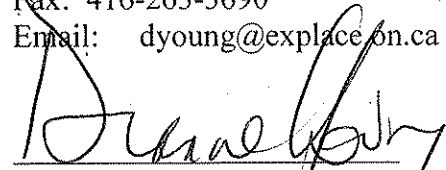
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Dianne Young  
Chief Executive Officer



# Exhibition Place

<b>FORMERLY CALLED:</b>	<b>Employment of Relatives, Former Employees &amp; Elected Officials – Appendix "A"</b>
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DATE OF ISSUANCE		
March	4	2011

SUPERCEDES POLICY DATED		
October	16	2006

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The Conflict of Interest / Code of Conduct policy states that "Employees of Exhibition Place are expected to conduct themselves with personal integrity, ethics, honesty and diligence in performing their duties for the organization". Exhibition Place recognizes that conflict and bias can arise from situations where relatives work together and discourages the appointment of a relative of a current employee where such conflict and bias could result. This policy provides direction to divisions / departments so these situations can be avoided.

This policy applies to all employees – permanent, contract, part-time, unionized and non-unionized. For the purpose of this policy, relative is defined as:

- Spouse, any person to whom the person is married or with whom the person is living in a conjugal relationship outside marriage
- Parent, including step-parent and legal guardian
- Child, including step-child
- Sibling and children of siblings
- Father / mother-in-law, brother / sister-in-law, son / daughter-in-law
- Any family member who lives with the employee on a permanent basis

No relatives are permitted to work together if this places them in a supervisory relationship, either in a subordinate or supervisory role to each other.

A supervisory relationship is an employment relationship where one relative has direct or indirect authority over a relative's employment through decisions, recommendations or judgments related or influence to:

- The approval / denial of increments / performance pay
- The assignment and approval of overtime
- The negotiation of salary level
- The conduct of performance appraisals discipline
- The assignment or direction of work assignments
- The approval of leaves of absence
- The approval of promotions / superior duties

A supervisory relationship exists even though there are levels of supervision in between two employees who are relatives.

Employees must declare a conflict to the division / department head when a family relationship develops that puts them in a supervisory relationship.

A situation may arise through external recruitment or internal promotion / transfer / acting assignment / superior duties where the successful candidate could be a relative of an employee:

- Already within the same work unit / division / department
- Or within a work area where any form of direct or indirect supervision would exist over a relative

Candidates / employees must tell the hiring panel if placement in the position they have applied for would put them in a direct or indirect supervisory relationship with a relative.

If such a situation arises, the human resources representative and the hiring manager must inform the division / department head in order to determine if the appointment of an employee could be perceived as a potential conflict of interest.

Examples of situations which may lead to conflicts of interest related to the employment of relatives include one employee having direct or indirect authority concerning:

- Hiring decisions
- Promotions
- Renewal of contracts
- Performance evaluation
- Disciplinary procedures
- Salary considerations
- Access to leave
- Approval of expenses

This list describes several situations but is not all encompassing. There may be other situations where a conflict may potentially exist.

If the division / department head decides the hiring / transfer / promotion would result in or has the potential to result in a conflict of interest or a more direct conflict of interest, a candidate will not be hired or be permitted to transfer into work areas in which a relative is employed.

An employee must not participate in any part of the selection process where a relative is an applicant. The selection process includes screening applications, interviews and reference checking.

When employees who are related are aware that they are working in positions that put them in a supervisory relationship with each other they must declare this situation to their division / department head in writing.

When a situation arises where an employee is in a supervisory relationship to a relative, the division / department head along with human resources must discuss reassignment options with the employees involved recognizing that there will be limitations with respect to unionized personnel because of the terms of the collective agreements and skill sets of the employee.

Possible solutions include:

- Offering one employee a permanent alternate position in another section of the same division / department
- Placing one employee on a temporary assignment
- Transferring one employee to a comparable position in another division, for example, a lateral transfer

The preferences of the employees should be taken into account when considering any of these options. If the employee rejects all of the above options, the division / department head should make the final decision. Although these situations are sometimes difficult to resolve the division / department head should address this issue as soon as possible after it arises and see to remedy the situation promptly.

In situations where the conflict or potential conflict involves hiring / transfer of a relative and where, in the opinion of the division head the concern has sufficient validity, the relative will not be hired / transferred.

It is important to note also that close personal relationships can also cause problems in the selection process and in reporting relationships. Employees who find themselves in this situation should be sensitive to perceptions and guide themselves according to rules set out in the Conflict of Interest / Code of Conduct policy.

Employment of Former Employees: Applications received from former employees will be evaluated against the same criteria as those received from all other individuals. Former employees may then be rehired provided they are within the terms & conditions of their termination of employment.

Employment of Former Employees and Elected Officials as Consultants: Former employees and elected or appointed officials of the City or any of its agencies, boards and commissions may be hired to work as consultants, provided there has been a two year waiting period immediately following the last date of employment or appointment.

If the services of a former employee or elected official or appointee are required prior to the end of the two year waiting period, a report providing full justification and all pertinent cost details must be submitted to the Board of Governors of Exhibition Place for approval. This type of request would normally be limited to situations where it is crucial to maintain the continuity of a special project and / or services.