



## REPORT OF THE ACTIVITIES OF THE ETHICS COMMISSIONER

JUNE 14, 2001

The Vancouver Whistler 2010 Bid Corporation (the “Bid Corporation”) has adopted a Code of Conduct and Conflict of Interest Guidelines (“the Code of Conduct” or “the Code”) which establishes standards of conduct expected and required of all Directors of the Corporation. The Code of Conduct includes the appointment of an Ethics Commissioner to help enforce and provide guidance in matters related to the Code.

Among other things, the Ethics Commissioner is authorized to conduct investigations where he/she perceives a contravention or appearance of contravention of the Code or where a member of the Board has reported an alleged breach of the Code. As well, the Ethics Commissioner can be requested to consider whether the Corporation should enter into a contract involving pecuniary gain with a former member of the Board of Directors.

On April 15, 2001, the Corporation adopted a policy to prepare, on a semi-annual basis, a report for the public record summarizing these activities of the Ethics’ Commissioner. This is the first such report, in satisfaction of that policy.

1. On October 6, 2000, the Ethics Commissioner was asked to consider certain questions arising from a complaint filed with the Ethics Committee on September 6, 2001 by Sandra Stevenson, a member of the Board of Directors of the Corporation. The complaint alleged conflict of interest of Marion Lay, Chair of the Bid Corporation, related to the LegaciesNow program.

Marion Lay is not only Chair of the Bid Corporation but also Chair of several sports organizations which were designated to receive funds from the Bid Corporation under the LegaciesNow program. One of the issues raised in the complaint was that Ms. Lay had not declared her interest in these organizations at the Board meeting when the LegaciesNow program was being discussed and voted upon.

**While Ms. Lay had no pecuniary interest in the allocation of the funds, the Ethics Commissioner concluded in his report dated October 20, 2000 that she did have a potential conflict and an appearance of bias which could be resolved by Ms. Lay declaring her interest and withdrawing from discussion and voting on the matter upon re-presentation of the LegaciesNow program to the Board.**

The Board reconsidered the LegaciesNow program at its next regularly scheduled meeting on November 3<sup>rd</sup>, 2001, Ms. Lay declared her conflict and withdrew from the meeting. The Board unanimously approved the program, including the allocation of funds to the sports organizations chaired by Ms. Lay.

The complaint also raised a concern regarding the LegaciesNow Work Group, which was to assist the Bid Corporation in the assessment of requests for assistance in eligible funding areas under the program. Specifically, the complaint expressed concern that the terms of reference and the composition of the Work Group could be sources of a conflict.

In his report, **the Ethics Commissioner concluded that the Work Group could continue.** He noted that: “from a practical perspective key resource people in the sport field, because of their background, will from time to time, have a conflict with regard to organizations where they continue to be active and in fact are chairpersons. To absent such people absolutely from the working group would, I think, handicap the effectiveness of the LegaciesNow program. So here a doctrine of necessity could alleviate a perception of bias.”

**The Ethics Commissioner suggested that the Work Group membership be expanded to no less than five persons as a means of trying to avoid the public perception of potential bias.**

2. On November 22, 2000, the Ethics Commissioner was asked to determine whether it would be in the best interests of the Bid Corporation to enter into a contract with Mr. Steve Podborski, given that Mr. Podborski was previously a member of the Board of Directors of the Bid Corporation. Mr. Podborski resigned as a Director on October 25, 2000. Management proposed that the Bid Corporation contract with Mr. Podborski to become a senior manager with responsibility to develop the Corporation’s overall international relations strategy. The Ethics Committee had concurred with the proposal.

**The Ethics Commissioner had no hesitation in agreeing with the position of management and accordingly concluded that the contract would be in the best interest of the Corporation.**

**THIS SUMMARY WAS PREPARED BY THE BID CORPORATION BASED ON THE REPORTS OF THE ETHICS COMMISSIONER.**