



Policy Name:	Conflict of Interest
Policy Family:	Governance
Section:	Board Policies
Approval Authority:	Board of Directors
Staff Lead:	Executive Director
Implementation Date:	New stand-alone policy
Amendment Dates:	2017

1.0 Policy Statement

The honesty and integrity of Canada Skateboard (CS) demands that the impartiality of our official representatives in the conduct of their duties, especially our directors and employees, be above suspicion or reproach. CS will strive to eliminate or manage any conflict of interest in our operations by being alert, vigilant, and open about any possible conflicts of interest.

2.0 Definitions and Principles

In this Policy, the following terms have these meanings:

“Conflict of Interest” may be defined as a situation in which elected, appointed or hired representatives of an organization, “may have an actual or potential private or personal interest, usually financial, that may influence or appear to influence the conduct of their official duties. Even when this conflict is not illegal, it may create doubts or suspicions concerning the integrity or fairness of decisions made by such officials.”

“Actual conflict of interest” - situation where a person’s official duties are or will be influenced by their private interests.

“Perceived conflict of interest” - A perception by an informed person that a conflict of interest exists or may exist.

“Potential conflict of interest” – exists when official duties may be influenced in the future by a person’s private interests.

“Pecuniary Interest” - An interest that an individual may have in a matter because of the reasonable likelihood or expectation of financial gain or loss for that individual, or another person or organization with whom that individual is associated.

“Non-Pecuniary Interest” - An interest that an individual may have in a matter which may involve family relationships, friendships, volunteer positions or other interests that do not involve the potential for financial gain or loss but could involve receiving preferential treatment or other personal benefit.

“Representatives” – An inclusive term referring to any individuals engaged in activities on behalf of CS including Directors and Officers, employees, contract personnel, consultants and key volunteers.

For Canada Skateboard, a conflict of interest is deemed to have occurred when a person's private affairs, financial interests or personal gains are, or are perceived to, interfere with their duties or responsibilities to Canada Skateboard.

3.0 Purpose (Reason for Policy)

Our collective conduct within CS must meet high ethical standards in order to merit the trust of our partners and clients, as well as donors, governments and the public.

The integrity of CS depends on ethical behaviour throughout the organization, and in particular, on fair, well-informed decision-making. The ability to make a decision is sometimes affected by other interests (personal or professional) of individuals in the organization. Such conflict of interest situations are a regular part of organizational and personal life and cannot simply be eliminated. The objective of this policy is to permit CS to manage conflict of interest situations successfully, resolve them fairly and avoid any behaviour which places their private interest ahead of the public interest. This will help instill confidence and trust in all those we interact with and the public at large.

Also, the consistent application of this policy will help enhance public confidence in the integrity of CS and its representatives, as well as afford legal protection to the organization, its volunteers and employees by establishing clear rules of conduct regarding any conflict of interest.

4.0 Scope and Application

This policy applies to all Canada Skateboard Representatives as defined in Section 2.0, and describes how CS Representatives will conduct themselves in matters relating to conflict of interest including clarifying how Representatives shall make decisions in situations where a conflict of interest exists or may exist. This means that CS Representatives may be required to remove themselves from decisions where they have a pecuniary interest or non-pecuniary interest.

To ensure awareness and the best opportunity for full comprehension of conflict of interest, the following steps shall be taken:

- (1) This policy must be explained to all new Board members, staff and volunteers. All such affected persons must agree in writing, at the outset of taking a position or volunteering with CS, that they will abide by this policy.
- (2) At that time, Board members and staff must disclose possible conflict situations to the Executive Director (or Board Chair if appropriate) in confidence. Subsequent material changes must be disclosed when they first emerge. Volunteers must inform their coordinator of possible conflict situations.
- (3) The Executive Director (or Board Chair if appropriate) will indicate to each individual whether any further action is necessary to manage the possible conflicts of interest disclosed.

The Executive Director (or Board Chair if appropriate) is also the final authority on resolving disputes, for example when an individual does not agree with the perception that he or she is facing a conflict of interest.

The Executive Director (or Board Chair if appropriate) is the authority on dealing with real conflicts of interest which are discovered "after the fact". A variety of serious measures, such as cancelling a contract or hiring decision, may have to be considered, case by case, in such situations. Typically, legal services may be required for the final disposition.

For the purposes of this policy, the Board Chair is the appropriate authority in all matters relating to the affairs of the Board, and to any issues involving the Executive Director's own affairs. Any issues involving the Board Chair's own affairs will be dealt with by the Board Vice-Chair and the Board. The Executive Director is the authority in all other matters.

5.0 Related Documents

The following documents are related to this Conflict of Interest Policy:

- Statement of Integrity – Code of Ethics and Personal Conduct (All)
- Human Resources Policy Manual (Staff)

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- Employment Agreements - Confidentiality clause (Staff)
 - Contracts - Confidentiality clause; and Proprietary Rights and Intellectual Property clauses (Consultants/ Contractors)
 - Agreement of Undertaking (*To be developed*)

6.0 Responsibilities:

6.1 Overall Responsibility:

Members of the CS Board, staff and volunteers are responsible for managing conflict of interest situations in order to ensure that workplace behaviour and decision-making throughout CS are not influenced by conflicting interests.

6.2 Responsibility for Prevention:

CS supports an organizational culture in which people freely take responsibility for both “self-declaring” possible conflicts of interest, and respectfully raising possible conflicts faced by others in the organization. This culture makes it possible to avoid many such situations from arising in the first place. Managers, staff, volunteers and Board members have the responsibility to implement practical preventive measures, such as:

- Providing education about what to do when gifts and hospitality are offered;
- Providing meeting agendas in advance to enable participants to foresee possible conflicts;
- Ensuring that people are clearly told when information must be protected from improper use; and
- Declining involvement in an action such as supporting a questionable outside activity.

6.3 Responsibility for Managing:

Where prevention is not the solution, conflict of interest situations must be managed. Here are the steps to be taken by those involved in such situations, working together and supporting one another’s ethical responsibilities.

- **Declare it.** Ensure transparency by self-declaration, and by making sure that a record of the declaration is made.
- **Discuss it.** In a doubtful situation, take a moment for a quick word with the chair of your meeting, or undertake a full dialogue with the group, if the situation warrants it.
- **Deal with it.** Measures to mitigate or eliminate a conflict of interest will depend on what is appropriate to the severity of the situation.
- **Document it.** Board minutes, correspondence to interested parties, or other documentation will provide a record of steps taken.

7.0 The Policy and Procedures

Neither benefits received, nor the private affairs nor the financial interests of individuals should influence or be perceived to influence the objectivity and impartiality of the individual’s performance of duties and responsibilities related to Canada Skateboard.

7.1 Obligations for Compliance:

CS was incorporated under *Canada Corporations Act* and with granted Continuance under the *Canada Not-for-profit Corporations Act* (NFP Act). Therefore CS is governed under the NFP which includes clauses on disclosure of interest that means there are statutory obligations that must be complied with by the Directors of CS.

In addition to the statutory obligations, CS Representatives:

- 7.1.1 Shall perform their designated duties in a manner that will conserve and enhance public confidence and trust in the integrity, objectivity and impartiality of Canada Skateboard.

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- 7.1.2 Shall not engage in activities or situations that would place them in a conflict of interest relative to their official duties and responsibilities, that is, avoiding activities that are incompatible with their official duties as a CS Representative.
 - 7.1.3 Shall refuse gifts, favours or other benefits of more than nominal value that could be construed as being given in anticipation of, or in recognition for, any special consideration.
 - 7.1.4 Should not place themselves in positions where they could, by virtue of being a CS Representative, influence decisions or contracts from which they could derive any direct or indirect benefit, or where they are under obligation to any person or organization that might profit from special consideration on the part of Canada Skateboard, its volunteers and employees.
 - 7.1.5 Shall not derive personal benefit from information that they have acquired during the course of fulfilling their official duties with CS, if such information is confidential or not generally available to the public.
 - 7.1.6 Shall not solicit or accept transfers of economic benefit, other than incidental gifts, customary hospitality, or other benefits of nominal value, from persons or organizations having dealings with CS unless the transfer is pursuant to an enforceable contract or property right of the volunteer or employee when such benefits may be accepted with the written consent of CS.
 - 7.1.7 Will provide to CS a written statement indicating ownership of an asset, or receipt of a gift, hospitality or other benefit where conflict of interest may or be perceived to be an issue, and where the continued ownership would constitute a conflict of interest, thereby divesting themselves of an asset or placing it in trust.
 - 7.1.8 Shall not engage in any outside work, activity, or business or professional undertaking that conflicts or appears to conflict with their official duties as a representative of CS, or in which they have an advantage or appear to have an advantage on the basis of their association with CS.
 - 7.1.9 Shall not use CS's property, equipment, supplies, or services for activities not associated with the performance of their official duties with CS without permission of CS.

7.2 Identification and Disclosure of Conflict of Interest:

Individuals in an actual, perceived or potential conflict of interest must disclose the matter immediately to their Senior Manager, to the Executive Director, or to the Board Chair. Employees, contractors and officials who fail to do so may be subject to disciplinary action up to and including dismissal.

- 7.2.1 CS Representatives should abstain from decisions from which they or their family, friends or organizations where family or friends have an interest may derive a benefit, *either directly or indirectly*. Where discussions related to such decisions take place, volunteers and employees must identify their potential conflict(s) of interest and refrain from participating. A record of the nature and extent of the conflict of interest and the participation or abstention of the concerned individual in the discussion should be entered into the record of the minutes.
- 7.2.2 Where a conflict of interest is likely to arise due to the supply of goods or services by a volunteer or employee, proper and open tendering procedures must be followed. In such situations, negotiation of contracts for goods, services or employment should be reviewed by the Board of Directors to ensure that all potential conflicts are identified and resolved. A volunteer or employee may still receive a contract as long as all those involved in making the decision are aware of the potential conflict and the decision is impartial.

7.3 Minimizing Disclosed Conflicts of Interest in Decision-Making

Decisions or transactions that involve a conflict of interest that has been disclosed by a CS Representative will be considered and decided with the following additional provisions:

- The nature and extent of the Representative's interest has been fully disclosed to the body that is considering or making the decision, with the disclosure duly noted;
- The Representative does not participate in discussion on the matter; and
- The decision is confirmed to be in the best interests of CS.

7.3.1 **Employees:**

Reports of potential conflicts of interest involving CS Employees will be directed to the CS's Executive Director who will determine whether there is a conflict and, if one exists, the employee will resolve the conflict by ceasing the activity giving rise to the conflict. The CS will not restrict employees from accepting other employment contracts or volunteer appointments provided these activities do not diminish the employee's ability to perform the work described in the employee's job agreement with CS or give rise to a conflict of interest.

7.3.2 **Directors:**

Reports of potential conflicts of interest involving CS Directors will be directed to CS's Board of Directors who will determine, in the absence of the conflicted Director/Officer, whether there is a conflict and decide the appropriate measures to eliminate the conflict. The Board of Directors may apply the following actions singly or in combination for real or perceived conflicts of interest:

- Removal or temporary suspension of certain responsibilities or decision-making authority;
- Removal or temporary suspension from a designated position;
- Removal or temporary suspension from certain teams, events or activities;
- Expulsion from Canada Skateboard; or
- Other actions as may be considered appropriate for the real or perceived conflict of interest.

7.4 Conflict of Interest Complaints

Any person who believes that a Representative has breached this policy or made a decision that was influenced by real or perceived conflict of interest, may submit a written formal Complaint, to CS's Executive Director, to be handled in accordance with CS's "*Discipline and Complaints Policy*". The CS may determine that an alleged real or perceived conflict of interest is of such seriousness as to warrant suspension of designated activities pending the outcome of the complaint process.

Any real or perceived conflict of interest, whether pecuniary or non-pecuniary, between a Representative's personal interest and the interests of CS, shall always be resolved in favour of the CS.

7.5 Confidentiality, Proprietary Rights and Intellectual Property:

All contracts will include clauses on Confidentiality, and Proprietary Rights and Intellectual Property that Contractors must sign before commencing employment. The Executive Director must approve any exceptions or changes to contracts regarding Proprietary Rights and Intellectual Property.

For staff, the Employment Agreements will include clauses on Confidentiality while the HR Policy Manual shall make provisions to address areas in which conflicts of interest may arise for staff of Canada Skateboard, including:

- Proprietary Rights and Intellectual Property
- Public Comments
- Political Activity
- Disclosure of Conflict of Interest
- Allegations of Wrongdoing

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- Working Relationships
 - Personnel Decisions
 - Outside Remunerative and Volunteer work.

7.6 Enforcement

Failure to adhere to this Policy may permit discipline in accordance with CS's "*Discipline and Complaints Policy*". A Representative who is a CS Employee may be subject to appropriate disciplinary action per CS's *Human Resources Policy*, as well as the *employee's Employment Agreement*, if applicable.

8.0 Guidance

For interpretation or guidance on the application of this policy, please contact the Executive Director. Any recommended changes or formal application of this policy resides under the authority of the Board of Directors.

9.0 Review and Approval

This policy will be reviewed every even numbered year by the Governance Committee and then brought forward to the Board of Directors for approval.

This policy was approved by Canada Skateboard's Board of Directors on: TBC