

# Aboriginal Healing Foundation

Conflict of Interest



Policy for Directors of the Aboriginal Healing Foundation

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## Conflict of Interest Policy for Directors of the Aboriginal Healing Foundation

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1. The purpose of this Policy is to establish rules of conduct governing the responsibilities of the directors of the Aboriginal Healing Foundation to the Foundation with regard to possible conflicts of interest. This Policy has been developed in recognition of the fundamental responsibility of directors to act honestly and in good faith with a view to the best interests of the Foundation. This policy recognizes the importance of enhancing confidence in the integrity and activities of the Foundation and establishes rules for the appropriate standards of conduct.
2. It is expected that directors will arrange their official duties for the Foundation and arrange their private affairs in such a manner that confidence and trust in the integrity, objectivity and impartiality of the Foundation are conserved and enhanced. Any conflict between the private interests of a director and his or her official duties and responsibilities to the Foundation shall be resolved in favour of the Foundation.
3. To provide direction to the special needs and goals of the Foundation this Conflict of Interest Policy was prepared. It must be kept in mind that while a director must disclose the nature and extent of any interest, there is no precise formula that will determine the extent of detail that is called for when a director declares his or her interest.

### *Conflict of Interest Defined*

1. A conflict of interest arises when a Director's interests, whether personal, business or professional, conflict with their obligations to the Foundation. This could arise as a result of an Apparent, Potential or Real Conflict of Interest for a Director, whether personal or professional, and may be financial or otherwise. By way of example only, conflicts of interest include not only the receipt of financial remuneration by a director, members of his or her family, relatives and close friends, but also the receipt of services or other non pecuniary benefits by such individuals when the party providing the remuneration or benefits is or will be transacting business of any kind with the Aboriginal Healing Foundation. For this purpose:
  - (a) An "Apparent Conflict of Interest" exists when there is a reasonable apprehension, which reasonably well informed persons could properly have, that a Real Conflict of Interest or Potential Conflict of Interest exists on the part of a Director.
  - (b) A "Potential Conflict of Interest" occurs when there exists some private, personal or pecuniary interest that could influence the performance of a Director's duty, decisions, functions or the exercise of power provided that the Director has not yet exercised that duty or function or made that decision.
  - (c) A "Real Conflict of Interest" occurs when a Director exercises an official power, makes an official decision or performs an official duty or function and at the same time knows that in the performance of this duty or function or in the exercise of power there is a furtherance of a private, personal or pecuniary interest.

## *Principles*

1. Every director shall conform to the following principles:
  - (a) Directors shall perform their official duties and arrange their private affairs in such a manner that public confidence and trust in the integrity, objectivity and impartiality of the Foundation are conserved and enhanced;
  - (b) Directors have an obligation to act in a manner that will bear the closest public scrutiny, an obligation that is not fully discharged by simply acting within the law;
  - (c) Directors shall not knowingly take advantage of, or benefit from, information that is obtained in the course of their official duties and responsibilities with the Foundation and that is not generally available to the public.
  - (d) Directors shall not directly or indirectly use, or allow the use of, Foundation property of any kind, including property leased to the Foundation, for anything other than officially approved activities;
  - (e) Directors may not apply directly or indirectly for funding of any kind from the Aboriginal Healing Foundation or receive remuneration in any form from any Foundation-funded project(s) while serving as Directors. As well, Directors may not be involved in the management or control, directly or indirectly, or be involved in the day-to-day operations of any Foundation-funded project(s) or applicants for funding while serving as Directors.
    - (i) Notwithstanding the foregoing, it is acknowledged that a Director may, on an irregular basis, provide volunteer services to a funded project, so long as such volunteer services are performed without any form of remuneration. Under no circumstances shall Directors make representations to the Foundation on behalf of applicants or projects while providing such volunteer services.
    - (ii) A Director may apply to the Board of Directors for a determination and interpretation of this provision so as to determine whether or not his or her activities constitute a breach of this policy.

## *Disclosure of Conflict*

1. Any director of the Foundation who has an interest, directly or indirectly, in a material or significant contract or proposed material or significant contract with the Foundation, whether personally or through another entity (corporation, partnership, community, trust, organization) shall disclose in writing to the Foundation or request to have entered in the minutes of meetings of directors the nature and extent of his or her interest, whether the contract requires the approval of the Board or not. In addition, directors must disclose in writing to the Chair all firm offers of employment that could place the director in a conflict of interest situation and must disclose immediately the acceptance of any offer.

Any director who perceives another director to be in a conflict of interest of any kind must disclose the perceived conflict to the Board of Directors of the Foundation as soon as it comes to his or her attention.

2. The disclosure required shall be made:
  - (a) at the meeting at which a proposed contract is first considered;
  - (b) if the director was not then interested in a proposed contract, at the first meeting after he or she becomes so interested;
  - (c) if the director becomes interested after a contract is made, at the first meeting after he or she becomes so interested; or
  - (d) if a person who is interested in a contract later becomes a director, at the first meeting after he or she becomes a director.
1. A director who discloses a Real Conflict of Interest or is found to be in a Real Conflict of Interest which results in a pecuniary or personal benefit shall not vote on any resolution to approve the contract or participate in any way in the approval process relating to a contract, unless the contract is one for directors' indemnity or directors' insurance.
2. Upon becoming a director of the Foundation, each director shall provide to the Board, if applicable, a general notice declaring that he or she is a director or officer of or has a material or significant interest in an entity (corporation, partnership, community, trust, organization) and is to be regarded as interested in any contract made with that entity. Such notice shall be a sufficient declaration of the director's interest in relation to any contract entered into by the Foundation with that entity.
3. A director has a continuing obligation to disclose the nature and extent of any advice or assistance that the director has provided or is providing, in any form, to applicants for funding from the Foundation. The provision of such advice or assistance shall constitute an interest under this Policy if performed for remuneration or benefit or in anticipation of future remuneration or benefit.
4. A director who has made a declaration of his or her interest in a contract or proposed contract or of his or her having provided advice or assistance to an applicant for funding, in compliance with this Policy, and has not voted in respect of such contract or application is not accountable to the Foundation for any such remuneration or benefit realized by the director.

## *Enforcement*

1. Upon receiving a report of an alleged breach of this Policy or a declaration by a Director of an Apparent Conflict of Interest or a Potential Conflict of Interest, the Executive Director or Chair of the Foundation shall table the report at the next meeting of the directors of the Board, for the purposes of determining whether or not there has been a breach of this Policy or whether the Director should be bound by the provisions of paragraph 8 hereof and, if so, what measures should be taken in relation thereto. The Board shall take into account:
  - (a) The director's responsibilities;
  - (b) The seriousness or sensitivity of the conflict;
  - (c) The value and type of assets involved (if applicable);
  - (d) The amount of the profit or remuneration involved; and
  - (e) Such other factors as the Board may deem relevant.

## *Consequences of Breach of Conflict of Interest Policy*

1. Upon a finding that a Director has breached the provisions of this Conflict of Interest Policy, the Board may impose appropriate disciplinary action, in addition to any other sanctions required by law, up to and including removal.
2. Any director who fails to disclose a conflict of interest or otherwise breaches this Conflict of Interest Policy, shall not be entitled to any indemnification or compensation from the Foundation in the event of any action of any kind related to such failure or breach being successfully brought against any one or more directors or the Foundation, or all of them, by a third party; and such director shall further indemnify the Foundation for any and all damages, costs, expenses, and other losses which may be incurred by the Foundation as a result of a successful action having been brought for the failure of the director to declare the conflict or as a result of any breach of this Conflict of Interest Policy by the director.

## *Activities of Directors after Ceasing to be Directors*

1. Without unduly restricting the professional or business opportunities of former directors after their withdrawal from the Foundation, it is recognized that certain restrictions are necessary. These restrictions are required for the following reasons:
  - (a) To avoid subsequent employment from creating an Apparent, Potential or Real Conflict of Interest for directors;
  - (b) To avoid obtaining preferential treatment or privileged access to the Foundation after withdrawing as a director;
  - (c) To avoid taking personal advantage of information obtained in the course of official duties and responsibilities on behalf of the Foundation until such information has become generally available to the public; and
  - (d) To avoid using the position as a director of the Foundation to unfair advantage in obtaining opportunities for outside employment.
2. Prior to leaving office, directors should not allow themselves to be influenced in the pursuit of their duties and responsibilities on behalf of the Foundation by plans for, or offers of, outside employment. Directors must disclose in writing to the Chair all firm offers of employment that could place the director in a conflict of interest situation and must disclose immediately the acceptance of any offer.
3. Former directors shall not, for a period of 6 months after withdrawal from the Foundation:
  - (a) Accept appointment to a board of directors or employment or contract for pecuniary or personal gain with a person or entity with which he or she had significant official dealings while a director of the Foundation or which received a grant from the Foundation during his or her term as a director unless the said director did not vote in relation to such grant as a result of a conflict of interest;

- (b) Make representations for pecuniary or personal gain for or on behalf of any other person or entity with which he or she had significant official dealings while a director of the Foundation or which received a grant from the Foundation during his or her term as a director unless the said director did not vote in relation to such grant as a result of a conflict of interest; or
  - (c) Give counsel, for pecuniary or personal gain, for the benefit of the recipient of the counsel, concerning the programs or policies of the Foundation to any person or entity with which he or she had significant official dealings while a director of the Foundation or which received a grant from the Foundation during his or her term as a director unless the said director did not vote in relation to such grant as a result of a conflict of interest.
4. A former director may request that the Board of Directors reduce the six (6) month waiting period hereinbefore referred to and any decision to reduce the said period will be made taking into consideration the following factors:
- (a) The circumstances under which the director left the Foundation;
  - (b) The general employment prospects of the former director making the application;
  - (c) The significance to the Foundation of information possessed by the former director;
  - (d) The degree to which the new employer might gain unfair advantage by hiring the former director;
  - (e) Any other factors which the Board may deem relevant.

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