**CONFLICT OF INTEREST – DISCUSSION GUIDE AND WORKSHEETS**

**Disclaimer:**

This template/document/framework is not intended to be comprehensive or exhaustive - rather, it seeks to provide a framework, be a reference, stimulate discussions, generate ideas, and facilitate further analysis to encourage additional exploration, research and/or policy development for your organization or group.

This document, referred to as “Conflict of Interest – Discussion Guide and Worksheets,” is free for use and has been developed to suit the Confederacy of Treaty Six First Nations’ business/operational needs. Should you elect to use it for your own use, we recommend caution before using it to replace any documents that you or your organization currently have in place. The Confederacy of Treaty Six First Nations is not liable for the use of this document in the event you choose to use it voluntarily. This document is not to be sold. The Confederacy of Treaty Six First Nations holds the rights to alter or amend this document at any time without notice. 2021-09-03 V1.

**Purpose:**

This document is intended for emergency management and recovery board members’ onboarding process development.

**Preamble:**

The descriptors, questions, and subsequent worksheets in this document may help members determine if individuals pose a potential conflict of interest through their participation as a board member. When using this document, apply the questions to each member and assess the potential level of risk to gauge the level of harm that has happened or could happen (i.e. high, medium, low) before identifying potential mitigation strategies to prevent or reduce conflict of interest risk levels.

This document supports and enhances pre-existing operational documents and should not replace existing policies and procedures.

**CONFLICT OF INTEREST – DISCUSSION GUIDE AND WORKSHEETS**

**What is a Conflict of Interest?**

A conflict of interest is when a situation influences or appears to influence an individual’s ability to demonstrate objectivity or compromises the person’s ability to conduct their required responsibilities in the best interest of the organization. No wrongdoing, harm, or benefit needs to have occurred for a conflict of interest to exist. In general, there are three types of conflicts of interest:

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| Real | when the private interest of the board member negatively impacts the organization or when the individual uses their position on the board to advance their own interests for their benefit |
| Perceived | any situation or circumstance where an individual may reasonably believe that a conflict of interest exists, regardless of it being real or not |
| Potential | when an individual situation could result in a real conflict of interest in the future |

**Conflict of Interest Mitigation**

* Prevention is always the preferred action. Best practice in managing conflicts of interest involves disclosing the conflict (no matter which type) and then removing or mitigating it before any negative impacts occur. The organization and its board members should always err on the side of caution and be thoughtful about any private interests or activities that may be, or may appear to be, a conflict of interest to uphold the integrity of the board.

**Discussion Questions and Worksheets**

* For each board member, use the following to help guide your discussions and determine whether a conflict of interest exists.

**ENTITY INFORMATION**

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| --- | --- |
| **Governance Entity Type** |  |
| **Governance Entity Approved Name** |  |

**MEMBER INFORMATION**

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| --- | --- |
| **Name (First, Last)** |  |
| **Qualifications** |  |
| **Area(s) of Expertise** |  |
| **Member Role** | ☐ Chair ☐ Youth Member  ☐ Co-Chair ☐ Secretary  ☐ Elder ☐ Treasurer |
| **Appointment Method** | ☐ Direct Appointment  ☐ Reappointment  ☐ Nomination |
| **Additional Comments** |  |

**Conflict of Interest Questions – Elected Political Person**

| **Questions** | **Yes / No** | **Conflict of Interest Type** | **Current Risk**  **Level** | **Mitigation and Possible Outcome or Not Applicable** | **Risk Level if**  **Mitigation Applied** | **Comments** |
| --- | --- | --- | --- | --- | --- | --- |
| Is this person an elected official? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| If the person is an elected official, will the person remain an active voting member if they are no longer an active member? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| If the person is an elected official, will this individual be able to use their authority to influence the entity to further their private interest? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| If this person is  currently *not* an elected official, does this individual have plans to engage in political activity in the near future? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Are there current board members who made donations to this person’s political campaign? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |

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| **Additional Notes** |
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**Conflict of Interest – Elected Political Person – Tips for Mitigation**

* Obtain legal advice to define the entity’s overall position and policy view concerning a member’s political activity
* Update and enhance existing policies and resources to negate any benefits gained (e.g. requiring board members to disclose any political affiliations through a disclosure form etc.)
* Communicate with and educate board members on the entity’s policies concerning members’ political activity. This includes ensuring board members understand the terms and conditions of board membership, duration of their service, their accountabilities/responsibilities, and the potential consequences for not complying with policies.

**Conflict of Interest Questions – Affiliations with Special Interest Groups**

| **Questions** | **Yes / No** | **Conflict of Interest Type** | **Current Risk**  **Level** | **Mitigation and Possible Outcome or Not Applicable** | **Risk Level if**  **Mitigation Applied** | **Comments** |
| --- | --- | --- | --- | --- | --- | --- |
| Is this person affiliated with any special  interest and/or lobby groups? | ☐ Yes – indicate which group(s) and in what capacity in comments section  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| If affiliated, will the person be able to use the entity’s  confidential  information to further personal gain or  interest? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| If affiliated, could this person use the  connection they have with their group to  influence board  decisions? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Is this person affiliated with other entity board members? | ☐ Yes – indicate with whom and their role on the board  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| If affiliated, could this person’s connection with their group compromise the ability to fulfill the  accountabilities and responsibilities of being a board member? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |

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| **Additional Notes** |
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**Conflict of Interest – Affiliations with Special Interest Groups – Tips for Mitigation**

* Obtain legal advice to define the entity’s overall position and policy view concerning a member’s affiliation with special interest or lobby groups
* Update and enhance existing policies and resources to negate any benefits gained (e.g. requiring board members to relinquish voting rights on an issue that involves a group they are affiliated with, etc.)
* Communicate with and educate board members on the entity’s policies concerning members’ affiliations outside of the entity and require them to disclose any affiliations they have.

**Conflict of Interest Questions – Employment Affiliations**

| **Questions** | **Yes / No** | **Conflict of Interest Type** | **Current Risk**  **Level** | **Mitigation and Possible Outcome or Not Applicable** | **Risk Level if**  **Mitigation Applied** | **Comments** |
| --- | --- | --- | --- | --- | --- | --- |
| Is this person  currently employed? | ☐ Yes – if known, indicate employer and  person’s job title in comments section  ☐ No | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Will the person be able to use the entity’s  confidential  information to benefit the person’s  employer and/or  further personal gain? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Could this person use the authorities they have as a result of their  employment  to influence board  decisions? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Are there other board members who are coworkers with this  person? | ☐ Yes – indicate with whom and their role on the board  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Could working at this employer compromise the person’s ability to fulfill the  accountabilities and responsibilities of being a board member? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |

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| **Additional Notes** |
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**Conflict of Interest – Employment Affiliations – Tips for Mitigation**

* Obtain legal advice to define the entity’s overall position and policy view concerning a member’s business and employment affiliations
* Update and enhance existing policies and resources to negate any benefits gained (e.g. requiring board members to relinquish voting rights on an issue that involves their employer, etc.)
* Communicate with and educate board members on the entity’s policies concerning members’ affiliations outside of the entity and require them to disclose any affiliations they have that may be a conflict of interest – perceived or otherwise.

**Conflict of Interest Questions – Business Ownership**

| **Questions** | **Yes / No** | **Conflict of Interest Type** | **Current Risk**  **Level** | **Mitigation and Possible Outcome or Not Applicable** | **Risk Level if**  **Mitigation Applied** | **Comments** |
| --- | --- | --- | --- | --- | --- | --- |
| Does this person  currently own a  business? | ☐ Yes – if known, indicate business name in comments section  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Will the person be able to use the entity’s  confidential  information to benefit the person’s  business to  further personal gain? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Could this person  leverage the influence their business has on the community to in turn influence board  decisions? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Are there other board members who are employed by this  person? | ☐ Yes – indicate with whom and their role on the board in comments section  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Could owning the business compromise the person’s ability to fulfill the  accountabilities and responsibilities of being a board member? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity  ☐ Not Applicable | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Does this person have family members who own businesses that may compromise the  person’s ability to  fulfill the  accountabilities and responsibilities of being a board member? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |

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| **Additional Notes** |
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**Conflict of Interest – Business Ownership – Tips for Mitigation**

* Obtain legal advice to define the entity’s overall position and policy view concerning members owning a business outside of the entity.
* Update and enhance existing policies and resources to negate any benefits gained (e.g. requiring board members to relinquish voting rights on an issue that involves their business, etc.)
* Communicate with and educate board members on the entity’s policies and require them to disclose businesses they own.

**Conflict of Interest Questions – Investments**

| **Questions** | **Yes / No** | **Conflict of Interest Type** | **Current Risk**  **Level** | **Mitigation and Possible Outcome or Not Applicable** | **Risk Level if**  **Mitigation Applied** | **Comments** |
| --- | --- | --- | --- | --- | --- | --- |
| Does this person hold **publicly traded**  **securities** that may compromise the  person’s ability to  fulfill the  accountabilities and responsibilities of being a board member? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Does this person hold **stock options** that may compromise the  person’s ability to  fulfill the  accountabilities and responsibilities of being a board member? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Is this person a share holder of a  business venture or other entity? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Does this person hold **other investments (e.g. real estate)** that may compromise the  person’s ability to  fulfill the  accountabilities and responsibilities of being a board member? | ☐ Yes  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |
| Does this person have family members who hold investments that may compromise the  person’s ability to  fulfill the  accountabilities and responsibilities of being a board member? | ☐ Yes – indicate whom in comments section, if known  ☐ No – if no, include in comments section whether there could still be potential risk to the entity | ☐ Real  ☐ Perceived  ☐ Potential  ☐ Not Applicable | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  | ☐ High  ☐ Medium  ☐ Low  ☐ Not Applicable |  |

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| **Additional Notes** |
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**Conflict of Interest – Investments – Tips for Mitigation**

* Obtain legal advice to define the entity’s overall position and policy view concerning members’ investment interests
* Update and enhance existing policies and resources to negate any benefits gained (e.g. requiring board members to relinquish voting rights on an issue that would impact their investment portfolio, etc.)
* Communicate with and educate board members on the entity’s policies and require them to disclose investments that would cause a conflict of interest – perceived or otherwise.

**Definitions**

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| --- | --- | --- | --- |
| **#** | **Term** | **Definition** | **Source/Reference** |
| **1** | Elder | A very important member of indigenous communities. Elders have earned the right to pass on knowledge to others related to traditional teachings, ceremonies, and  healing practices. Elders also give advice and guidance on personal issues and on issues affecting their communities and  nations. | <https://www.oise.utoronto.ca/deepeningknowledge/Teacher_Resources/Curriculum_Resources_(by_subjects)/Social_Sciences_and_Humanities/Elders.html> |
| **2** | Issues Management | Process of identifying and solving issues | <https://www.mindtools.com/pages/article/newPPM_69.htm> |
| **3** | Mitigation | Reducing risk of loss from the occurrence of any undesirable event. | <https://economictimes.indiatimes.com/definition/mitigation> |
| **4** | Nomination | Part of the process to recommend and select an individual to participate on an entity’s board. | <https://www.merriam-webster.com/dictionary/nominate> |
| **5** | Non-Conflict | Not having or showing apparent conflict. | https://www.merriam-webster.com/dictionary/nonconflicting |
| **6** | Reappointment | To be appointed as a board member for a  second time in a way other than by promotion or transfer of a person already in the service of the entity. | <https://www.merriam-webster.com/dictionary/reappoint> |
| **7** | Resolved | For a board to be “resolved” is a legally binding action or decision taken by directors at a board meeting. | <https://www.qualitycompanyformations.co.uk/blog/difference-between-board-resolutions-and-board-minutes/> |
| **8** | Risk Management | Logical and systematic method in establishing context, identifying, analyzing, evaluating, treating, monitoring, and communicating risks associated with any activity, function, or process in a way that will enable the entity to minimize loss and maximize opportunities. | <https://www.dmp.wa.gov.au/Safety/Why-is-risk-management-important-4715.aspx> |
| **9** | Secretary | A role on the board that ensures board members are provided sufficient notice of meetings and proactively records board meeting notes. Specific duties vary  between boards. | <https://boardable.com/blog/board-member-responsibilities/> |
| **10** | Treasurer | Handles the board’s finances and makes important decisions on spending and  investing. | <https://boardable.com/blog/board-member-responsibilities/> |
| **11** | Youth Member | A youth (6 years to 18 years of age) who has parental permission to engage with and actively participate on the entity’s board. | <https://www.lawinsider.com/dictionary/youth-member> |