

THE CANADIAN RACE RELATIONS FOUNDATION

CONFLICT OF INTEREST GUIDELINES

BY-LAW No.2

APPLICATION: TO DIRECTORS AND MEMBERS OF ANY DULY CONSTITUTED COMMITTEE AND ADVISORY COMMITTEE OF THE CANADIAN RACE RELATIONS FOUNDATION

FOREWORD: These guidelines are based on the *Conflict of Interest Act* and are solely administered by the Canadian Race Relations Foundation. The Conflict of Interest and Ethics Commissioner's Office is responsible for providing advice and guidance with respect to the *Conflict of Interest Act*.

I. PRINCIPLES

In addition to the *Conflict of Interest Act*, all members of the Board, including the Chair, and all members of duly constituted committees and advisory committees are subject to the principles as set out below:

(1) **Ethical Standards**

Members shall act with honesty and uphold the highest ethical standards so that public confidence and trust in the integrity, objectivity and impartiality of the Foundation are conserved and enhanced.

(2) **Public Scrutiny**

Members have an obligation to perform their official duties and arrange their private affairs in a manner that will bear the closest public scrutiny, an obligation that is not fully discharged by simply acting within the law.

(3) **Decision-Making**

Members, in fulfilling their official duties and responsibilities, shall make decisions in the public interest and with regard to the merits of each case.

(4) **Private Interests**

Members shall not have private interests, other than those permitted pursuant to the Conflict of Interest Code, that would be affected particularly or significantly by Foundation actions in which they participate.

(5) **Public Interest**

On appointment to office, and thereafter, members shall arrange their private affairs in a manner that will prevent real, potential or apparent conflicts of interest from arising, but if such a conflict does arise between the private interests of a member and the official duties and responsibilities of that member, the conflict shall be resolved in favour of the public interest.

(6) **Gifts and Benefits**

Members shall not solicit or accept transfers of economic benefit, other than incidental gifts, customary hospitality, or other benefits of nominal value, unless the transfer is pursuant to an enforceable contract or property right of the member.

(7) **Preferential Treatment**

Members shall not step out of their official roles to assist private entities or persons in their dealings with the Foundation where this would result in preferential treatment to any person.

(8) **Insider Information**

Members shall not knowingly take advantage of, or benefit from, information that is obtained in the course of their official duties and responsibilities and that is not generally available to the public.

(9) **Foundation Property**

Members shall not directly or indirectly use, or allow the use of, Foundation property of any kind, including property leased from the Foundation, for anything other than officially approved activities.

(10) **Post-Appointment**

Members shall not act, after they leave public office, in such a manner as to take improper advantage of their previous office.

(11) **Paid Employment**

Current Directors of the Board and members of the constituted committees and advisory committees of the Foundation are not eligible to apply for the position of Executive Director or other staff positions of the Foundation without first resigning from the Board and the committees.

II. **APPLICATION**

In the application of these By-laws, it must be recognized that members have been appointed because of their professional involvement in activities closely related to the mandate of the Foundation.

(A) Confidential Report

As soon as practicable after appointment, all members must make a confidential report in writing to the Corporate Secretary setting out any private interests that they consider might place them in a real, potential or apparent conflict of interest. The reports should include any corporate interests that members consider might place them in a conflict situation.

Members must update their confidential reports whenever changes in their circumstances warrant it and review them annually.

In keeping with the duty of Board members and committee members to disclose conflicts of interest, any Board member or committee member who receives compensation either directly or indirectly from the Minister responsible for reporting on the affairs of the Foundation must disclose such conflict to the Board for the Board's consideration. The Board will consider the appropriate course of action in such circumstances on a case-by-case basis.

The Chair should also seek the advice of the Conflict of Interest and Ethics Commissioner on the application of the rules of the *Conflict of Interest Act* to his or her situation.

Definitions: A member's private interests include but are not limited to assets, income, and liabilities, as well as activities other than work for the Foundation and regular employment. A member's corporate interests are based on the activities and objectives of the corporation, association or other type of entity in which the member is employed, including any organizations closely related to it, such as subsidiaries.

(B) Secretary's Role

The Chairperson or the Executive Director or any other Board member or qualified individual designated by them to carry out these duties, is responsible for advising members concerning appropriate measures to resolve situations where a real, potential or apparent conflict of interest may arise with respect to their private and corporate interests. The Conflict of Interest and Ethics Commissioner may be consulted if need be.

The Chairperson or the Executive Director or any other Board member or qualified individual designated by them to carry out these duties will work with

the Chairperson to organize meetings and the flow of information to ensure that conflicting situations are avoided.

(C) Implementation Measures

Making Decisions

When the Board or any constituted committee is making decisions, which could provide a benefit to a member's private interests (other than a benefit enjoyed by a broad class of individuals), the member should withdraw from deliberations altogether.

The same rule applies when the Board or any constituted committee is considering making decisions that could provide a direct benefit for the member's corporate interests.

However, when the Board or any constituted committee is making decisions that could provide some benefit to a member's corporate interests, but broad sectorial issues are also at stake, the member may declare the interest to the other participants, contribute to the discussion, but withdraw from final decision-making and voting.

Proposals

Proposals received by the Foundation from organizations identified with member of the Board and any constituted committee are acceptable; however, members must not be personally involved in developing or supporting proposals from their organizations.

(D) Further Documentation

Members must, as soon as practicable after appointment, certify to the Board Secretary that they agree to comply with the provisions of these guidelines as a condition of holding office.

Declarations of private or corporate interests at meetings, as well as subsequent withdrawals, will be recorded in minutes of meetings.

*Approved by Board of Directors' resolution 2.3 on April 18, 1997
Amended by Board of Directors' resolution 2.17 on April 19, 1997
Amended by Board of Directors' resolution 37.13 on May 4, 2008
Amended by Board of Directors' resolution 61.10 & 61.11 on September 20, 2015*

APPENDIX TO BY-LAW NO. 2

RULES

All members of the Board, including the Chair, and all members of duly constituted committees and advisory committees, are subject to the rules as set in Part 1 & 2 as well as the Post-Employment rules as set out in Part 3 of the *Conflict of Interest Act*:

- Every public office holder shall arrange his or her private affairs in a manner that will prevent the public office holder from being in a conflict of interest (section 5);
- No public office holder shall make a decision or participate in making a decision related to the exercise of an official power, duty or function if the public officer holder knows or reasonably should know that, in the making of the decision, he or she would be in a conflict of interest (subsection 6(1));
- No public office holder shall, in the exercise of an official power, duty or function, give preferential treatment to any person or organization based on the identity of the person or organization that represents the first-mentioned person or organization (section 7);
- No public office holder shall use information that is obtained in his or her position as a public office holder and that is not available to the public to further or seek to further the public office holder's private interests or those of the public office holder's relatives or friends or to improperly further or seek to improperly further another person's private interest (section 8);
- No public office holder shall use his or her position as a public office holder to seek to influence a decision of another person so as to further the public office holder's private interest or those of the public office holder's relatives or friends or to improperly further another person's private interests (section 9);
- No public office holder shall allow himself or herself to be influenced in the exercise of an official power, duty or function by plans for, or offers of, outside employment (section 10);
- No public office holder or member of his or her family shall accept any gift or other advantage, including from a trust, that might reasonably be seen to have been given to influence the public office holder in the exercise of an official power, duty or function (section 11);
- No public officer holder who otherwise has the authority shall, in the exercise of his or her official powers, duties and functions, enter into a contract or employment relationship with his or her spouse, common-law partner, child, sibling or parent (section 14);
- No public office holder shall personally solicit funds from any person or organization if it would place the public office holder in a conflict of interest (section 16);
- No public office holder shall take any action that has as its purpose the circumvention of the public office holder's obligations under the *Act* (section 18);
- A public office holder shall recuse himself or herself from any discussions, decision, debate or vote on any matter in respect of which he or she would be in a conflict of interest (section 21).

POST-EMPLOYMENT

- No former public office holder shall act in such a manner as to take improper advantage of his or her previous office (section 33);
- No former public office holder shall act for or on behalf of any person or organization in connection with any specific proceeding, transaction, negotiation or case to which the Crown is a party and with respect to which the former public office holder had acted for, or provided advice to, the Crown (subsection 34(1));
- No former public office holder shall give advice to his or her client, business associate or employer using information that was obtained in his or her capacity as a public office holder and is not available to the public (subsection 34(2)).

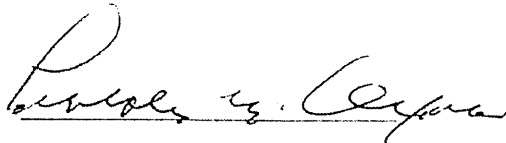
**Addendum to
The Canadian Race Relations Foundation Bylaw No. 2
Conflict of Interest Guidelines**

When any application for any grant or recommendation for an award is under consideration by the Foundation or any panel or committee of the Foundation, any member of the Foundation's board (or of such panel or committee) who is in a material way associated with the application or the organization or individual interested in such grant, shall:

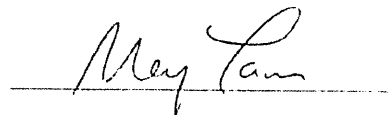
1. In the Foundation where he/she was appointed by the Governor in Council:
 - a. disclose his/her interest and not vote upon such application or award;
 - b. refrain from attempting directly or indirectly to influence the decision of the granting institution, panel or committee; and
 - c. withdraw from any meeting during discussion of the application or award.
 - d. ensure that the minutes of the meeting where the application was discussed reflect the above.

2. In the organization to which he/she is associated that is submitting an application:
 - a. Ensure that his/her name is not on the written request.
 - b. Withdraw from any meeting during discussion of the application.
 - c. Ensure that the minutes of the meeting where the application was discussed reflect the above.
 - d. Act in the same manner for any meeting where funding from the federal government is discussed.
 - e. Ensure that he/she does not knowingly take advantage of, or benefit from, information that is obtained in the course of his official duties and responsibilities as Governor in Council appointee, and that is not generally available to the public.

Approved November 5, 1998 by the Board of Directors.



Hon. Lincoln Alexander, Chair



Moy Tam, Executive Director