



## West Carleton Skating Club

**Policy:** **WCSC Executive and Committee Members  
Conflict of Interest and Dispute Resolution Policy**

**Revised:** **January 25, 2018**

This Policy applies to executive and committee members of the West Carleton Skating Club (as based on Skate Canada's Conflict of Interest policy <https://info.skatecanada.ca/index.php/en-ca/policies/96-conflict-of-interest-for-directors-committee-members-trustees-policy.html>) with respect to conflicts of interest.

### **1. APPLICATION OF THE POLICY**

This Policy applies to:

- every member of the Club Executive (sometimes referred as the "Board").
- every member of any committee of the Club.

### **2. GENERAL OBLIGATIONS**

Understanding conflict of interest requires some understanding of the general duties of executive and committee members.

Directors and trustees are fiduciaries, meaning that they owe a duty of good faith, skill, and care. Generally, directors and trustees must, at all times:

- act honestly and in good faith, in the best interests of the Club
- exercise their powers properly, and their discretion reasonably
- exercise their powers and discretion for the purpose for which they are conferred
- avoid conflict of interest.

While committee members are not always fiduciaries, the organization still requires that its committee members, at all times:

- act honestly and in good faith, in the best interests of the Club
- exercise their powers properly, and their discretion reasonably
- exercise their powers and discretion for the purpose for which they are conferred
- avoid conflict of interest.

**The Duty to Act Honestly and in Good Faith** - Acting honestly and in good faith means that the executive member or committee member is not seeking to gain an advantage for him or herself, or for someone else; is not intending to deceive anyone, and is not blindly following the lead of others on the Executive or the committee.

**The Duty to Properly Exercise Powers** - Properly exercising powers conferred on the executive or committee member, means the person is not acting upon some personal “hidden agenda”, but is exercising his or her powers for legitimate purposes which serves the best interests of the Club.

**The Duty to Avoid Conflicts of Interest** - Conflict of interest arises when a person has (or could have) divided loyalties. Directors, committee members and trustees owe the organization their undivided loyalty. Therefore, they need to be conscious of the potential for conflict of interest, and they need to act with candour and care in those situations.

“Avoiding” conflict of interest does not mean that a director, committee member or trustee will never be in a conflict of interest position - it means that when the person is (or could be) in a conflict of interest position, the situation is recognized and properly handled.

### **3. AWARENESS**

All directors, committee members and trustees must be vigilant to identify:

- whether they have any material interest in the contract or transaction which is being considered by the Board or the committee (“legal conflict of interest”)
- whether, even if there is no legal conflict of interest, there is some other factor which does, or could, prevent them from exercising objective judgment (“potential conflict of interest”)
- whether, even if there is no potential conflict of interest, there is some other factor which might give an objective outside observer a reasonable basis to perceive that the director, committee member or trustee might not exercise objective judgment (“reasonably perceived conflict of interest”).

### **4. DISCLOSURE**

**Generally** – An executive or committee member who is employed by, performing services for or has a financial interest in any business enterprise doing business with or seeking to do business with Skate Canada, or with a Section, Region or Club, has a general and ongoing duty to disclose that interest in writing to the Club.

**Legal Conflict of Interest** - Where an executive or committee member has a legal conflict of interest, the person must disclose that interest as soon as possible to the Club in question by completing a Declaration of Conflict of Interest in the form set out by Skate Canada and submitting it to:

- the President of the Club or his/her designate
- the Committee Chair (in the case of committee members)
- the Executive Committee (in the case of a President of the Club).

The nature of the interest must be disclosed in sufficient detail to allow the other directors, committee members or trustees to understand what the interest is and how far it goes.

In some cases, an executive member may have a legal conflict of interest but be unable, because of duties to others, to disclose the full nature of the interest. In that case, the person must still complete and submit the Declaration of Interest form, and at least disclose that an unidentified interest exists.

**Potential or Perceived Conflict of Interest** – Where an executive or committee member has a potential conflict of interest, or there is some basis for a perceived conflict of interest, the person

must at least disclose that interest to the Club or the committee, in sufficient detail to allow the other committee members to understand what the interest is and how far it goes.

The President of the Club or the committee may then require the executive or committee member to complete a Declaration of Conflict of Interest form and submit it to the President of the Club or his/her designate, to the Committee Chair (in the case of committee members), or to the Executive (in the case of a President of the Club).

## **5. OBJECTIVE REVIEW**

Objective review means that only those directors, committee members or trustees who are objective and disinterested can participate in a decision being made by the Board or committee.

When an executive or committee member:

- has disclosed a conflict of interest in a matter
- is found, as a result of the Resolution Process, to have a legal, potential or reasonably perceived conflict of interest in a matter
- then that executive or committee member is not “disinterested” and must not participate in or influence the discussion, debate, or vote relating to the matter.

Where a decision/directions regarding the conflict of interest is obtained under the Resolution Process, the decision/directions must be implemented.

In many circumstances, it will be appropriate that the executive or committee member who has the conflict of interest physically removes him or herself from the room, while the particular matter is being discussed, debated and voted upon.

The minutes of the executive meeting should record the executive member’s absence from the discussion and debate, and his or her abstention from any related votes (or compliance with the decision/directions obtained under the Resolution Process, as the case may be).

## **6. RESOLUTION OF DISPUTES**

The awareness and disclosure rules must always be followed. However, Skate Canada recognizes that it is not always clear whether a particular fact situation does or does not amount to a legal, potential, or a reasonably perceived conflict of interest. In addition, it is not always clear what steps should be taken to deal with the conflict of interest.

In such cases, once a dispute about a possible conflict of interest arises, the applicable Resolution Process should be initiated as soon as possible to determine what actions should be taken to address the possible conflict. The time frames to be followed must be reasonable, in all the circumstances.

For disputes which arise at the Club level, the executive or committee member must first seek the assistance of the Club President or his or her designate to resolve the dispute. If a resolution is not possible, then Skate Canada’s Resolution Process will apply.

## **7. BREACH OF THIS POLICY**

Any breach of this policy (including the failure to abide by any final decision/directions obtained under the Resolution Process) is a disciplinary matter to be dealt with by Skate Canada.