

# Association of Visual Language Interpreters of Canada

## CONFLICTS OF INTEREST RULES, POLICIES AND PROCEDURES

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## **Purpose**

The purpose of these *Conflicts of Interest Rules, Policies and Procedures* is to establish a standard of conduct to ensure that AVLIC employees<sup>1</sup>, contractors and volunteers<sup>2</sup> act in the best interests of the Association, its members and other stakeholders and, in pursuing this goal, they also uphold the highest standards in relation to avoiding, reporting and dealing with conflicts of interest.

Generally speaking, a conflict of interest exists when someone has an outside interest that can be reasonably expected to influence how that individual might conduct the business or activities of an organization, or impact on a decision. A conflict of interest can exist whether or not that person is actually swayed by the competing interest.

An employee or volunteer must always be impartial and act with integrity. In situations when an employee or voluntary may derive a personal benefit from a decision, action, contract, etc. facing the AVLIC, such conflict of interest situation can undermine the importance of Association employees and volunteers being impartial and acting with integrity in all of their dealings for or on behalf of the membership.

These Rules, Policies and Procedures are intended to enhance public confidence in the integrity of AVLIC and its employees, contractors and volunteers. The Association and its membership benefit from the expertise of individuals with a multiplicity of interests; however, those interests must not conflict with the interests of the Association, nor should they impair the public support and respect necessary for the effective operation of the Association.

## **Conflicts of Interest**

### ***General rule***

- 1) No AVLIC employee or volunteer may be in a possible conflict of interest<sup>3</sup> or an actual conflict of interest<sup>4</sup> with respect to their work for or activities within the Association.
- 2) Notwithstanding the previous rule or the following specific rules, the Board may approve an arrangement that provides sufficient safeguards to minimize or eliminate the negative impact on the AVLIC or the membership of an employee's or volunteer's possible or actual conflict of interest.

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<sup>1</sup> For the purposes of these P&Ps, "employee" means any person who is employed by the AVLIC, and herein this term is deemed to include a reference to any person or company that is providing contract services to the Association (i.e. "contractor").

<sup>2</sup> For the purposes of these P&Ps, "volunteer" means any person who is a member of the AVLIC in any applicable class of membership, and includes a "director" or "officer" as per the *Canada Not-For-Profit Corporations Act*. Herein, this term is also deemed to include a reference to any person who is not a member but is otherwise providing volunteer services to the Association.

<sup>3</sup> A "possible conflict of interest" is a situation where, if certain events take place in the future, an actual conflict of interest would then most likely result. In turn, someone may perceive or believe that a conflict exists – or could exist – but that perceived conflict of interest must first be carefully assessed to determine if the situation constitutes an actual conflict of interest or not.

<sup>4</sup> An "actual conflict of interest" is a situation where the circumstances clearly constitute a conflict of interest.

## ***Rules in specific situations***

### ***Holding an interest in a contracting company***

- 3) If an employee or volunteer holds an interest in a company that is providing a service to the AVLIC under contract, that employee or volunteer must not have any direct involvement with that company while it is providing the contracted service to the Association.
- 4) An employee or volunteer must not vote on, or participate in any discussion about, a Board resolution to approve a contract in which that employee or volunteer has an interest, nor will such an employee or volunteer approve or sign an approved contract in such circumstances, unless the Board expressly approves such involvement in advance.

*COMMENTARY: In situations where the AVLIC may be purchasing goods or services from a volunteer or a relative of an employee, the Board is responsible for determining whether the correct process was undertaken in assessing the risks of such an arrangement and the impact of the purchase. Where there is doubt, the Board may refer to the proposal to legal counsel for advice.*

### ***Assisting private interests***

- 5) An employee or volunteer must not assist (for personal profit or otherwise) a person or private entity in their dealings with AVLIC, in particular where such assistance could result in preferential treatment to that person or entity, unless such assistance is expressly authorized within the Bylaws<sup>5</sup> or has been approved in advance by the Board.

*COMMENTARY: Examples of situations when an employee, contractor, director or volunteer may be in a conflict of interest, and therefore must exercise care and make the required disclosures, include but are not limited to the following:*

- *If the employee, contractor, director or volunteer is a party to a contract<sup>6</sup> with AVLIC or otherwise has a close business relationship with that party or an interest in the contract, be it a competing interest or not;*
- *If the employee, contractor, director or volunteer is related to or has a close relationship with a person who is party to a contract with AVLIC, whether or not any benefit flows to the employee, etc. through that relationship;*
- *If the director or volunteer receives payment by the AVLIC for services rendered to Association, other than reimbursement for reasonable out-of-pocket expenses measured according to the Association's policies on expense reimbursement.*

### ***A director's or officer's interest in a contract or transaction***

- 6) Section 141 of the *Canada Not-For-Profit Corporations Act* establish specific rules that apply to an elected or appointed director (or an officer) who may have an interest in a material contract or transaction with AVLIC (see Appendix "A"), and – in such situations – those statutory requirements supersede any rule, policy or procedure set out herein that may otherwise apply.

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<sup>5</sup> For example, an employee may provide guidance and assistance to a Person with a Concern to help them resolve their concern about a Member informally, as permitted under Section 6 of the Bylaws.

<sup>6</sup> A "party to a contract" may include a corporation or another non-profit organization that is a party to a contract with the AVLIC.

### ***Conflict of Interest Agreement Form***

- 7) Before assuming their official duties, employees and volunteers must sign the *Conflict of Interest Agreement Form* (see Appendix “B”) certifying that they have read and agree to abide by these Rules, Policies and Procedures.
- 8) Employees must review and renew their obligations under the Agreement on an annual basis, as set by the Executive Director.
- 9) Volunteers must review and renew the Agreement when appropriate or subject to a change in their assignment, or as may be directed by the President.

### **Reporting a conflict of interest**

#### ***Self-reporting a conflict of interest***

- 10) If an employee believes that he or she may be in a possible conflict of interest or is in an actual conflict of interest with respect to their work for or activities within the Association, that employee must promptly report that belief to the Executive Director.
- 11) If a volunteer believes that he or she may be in a possible conflict of interest or is in an actual conflict of interest with respect to their work for or activities within the Association, that volunteer must promptly report that belief to the President.

#### ***Reporting a conflict of interest involving others***

- 12) If an employee believes that another employee or a volunteer may be in a possible conflict of interest or is in an actual conflict of interest with respect to their work for or activities within the Association, that employee must promptly report that belief to the Executive Director.
- 13) If a volunteer believes that another volunteer or an employee may be in a possible conflict of interest or are in an actual conflict of interest with respect to their work for or activities within the Association, that volunteer must promptly report that belief to the President.
- 14) If a possible or actual conflict of interest involves the Executive Director, the reporting employee may then report that belief to the President.
- 15) If a possible or actual conflict of interest involves the President, the reporting volunteer may then report that belief to the Vice-President.

### ***Conflict of Interest Disclosure Form***

- 16) In acting under the above reporting policies, an employee or volunteer may use the *Conflict of Interest Disclosure Form* (see Appendix “C”), or report the conflict orally.

### **Assessing an alleged conflict of interest**

- 17) After receiving a report of an alleged conflict of interest, the Executive Director or the President, as the case may be,<sup>7</sup> should consider and apply the following questions as a way to help assess whether or not there is an actual conflict of interest
  - a) What is the primary interest for the AVLIC in the matter under consideration?

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<sup>7</sup> If it alleged that the Executive Director may be in a conflict of interest, any reference to the Executive Director in this part is deemed to be a reference to the President. And, if alleged that the President may be in a conflict of interest, any reference to the President in this part is deemed to be a reference to the Vice-President.

- b) What is the secondary interest that may benefit the employee or volunteer who is involved in the matter under consideration?
- c) What is the nature of the possible conflict between these two sets of interests?
- d) What is the likelihood of there being undue influence flowing from the conflict?
- e) How serious is the possible harm to the Association? What losses might occur?
- f) What is the extent of accountability of the involved employee or volunteer within the Association?<sup>8</sup>

18) In undertaking an assessment of an alleged conflict of interest, the Executive Director or the President may consult with legal counsel.

### **Dealing with a confirmed conflict of interest**

19) After confirming that an actual conflict exists or existed, the Executive Director or the President (as the case may be)<sup>9</sup> may recommend or direct that one or more of the following steps be taken:

- a) that specific steps be taken to minimize or eliminate the negative impact on the AVLIC or the membership of the employee's or volunteer's possible or actual conflict of interest;
- b) that the employee or volunteer be issued a letter of reprimand to be placed in that employee's or volunteer's file;
- c) that the employee's employment (or a contractor's relationship) with the AVLIC be terminated;
- d) that the employee or volunteer account to the AVLIC and remit to the Association any profit that employee or volunteer may have realized from the contract or transaction;
- e) that the volunteer be removed from the Board or Committee pursuant to section ## of the Bylaws;
- f) that the volunteer's membership in the AVLIC be terminated pursuant to section ## of the Bylaws;
- g) that, notwithstanding a confirmed conflict of interest, that no further steps or actions be taken in the particular circumstances.

20) Notwithstanding the above policy, the Executive Director or the President (as the case may be) must

- a) report to the Board concerning the matter, and
- b) obtain the approval of the Board to implement a particular step, if Board approval is required to implement that step.

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<sup>8</sup> More specifically, what mechanisms does the AVLIC have in place that are intended to or have the effect of eliminating a conflict of interest or reducing the effect of a conflict?

<sup>9</sup> If it alleged that the Executive Director may be in a conflict of interest, any reference to the Executive Director in this part is deemed to be a reference to the President. And, if alleged that the President may be in a conflict of interest, any reference to the President in this part is deemed to be a reference to the Vice-President.

### **Administrative responsibilities**

21) The Board is responsible for the following:

- a) advising stakeholders about these Rules, Policies and Procedures;
- b) reviewing and revising these Rules, Policies and Procedures, as required;
- c) authorizing exceptions to any of the rules set out herein.

22) The Executive Director or delegate is responsible for the following:

- a) applying and implementing these Rules, Policies and Procedures as they apply to employees, or as otherwise directed herein;
- b) keeping a record of all signed Conflict of Interest Agreement Forms and Declaration to Disclose Conflict of Interest Forms;
- c) bringing requests for exceptions to any of the rules set out herein to the Board for consideration.

## **Appendix A – A director’s or officer’s interest in a contract or transaction**

The following is an extract from section 141 of the *Canada Not-For-Profit Corporations Act* which set out legal requirements that supersede any rule, policy or procedure set out in these Policies and Procedures that may apply to a director or officer.

### *Disclosure of interest*

141 (1) A director or an officer of a corporation shall disclose to the corporation, in writing or by requesting have it entered in the minutes of meetings of directors or of committees of directors, the nature and extent of any interest that the director or officer has in a material contract or material transaction, whether made or proposed, with the corporation, if the director or officer

- (a) is a party the contract or transaction;
- (b) is a director or an officer, or an individual acting in a similar capacity, of a party the contract or transaction; or
- (c) has a material interest in a party the contract or transaction.

### *Time of disclosure for director*

- (2) The disclosure required by subsection (1) shall be made, in the case of a director,
- (a) at the meeting at which a proposed contract or transaction is first considered;
  - (b) if the director was not, at the time of the meeting referred tin paragraph (a), interested in the proposed contract or transaction, at the first meeting after the director becomes interested;
  - (c) if the director becomes interested after a contract or transaction is made, at the first meeting after the director becomes interested; or
  - (d) if an individual whis interested in a contract or transaction later becomes a director, at the first meeting after the individual becomes a director.

### *Time of disclosure for officer*

- (3) The disclosure required by subsection (1) shall be made, in the case of an officer whis not a director,
- (a) immediately after the officer becomes aware that the contract, transaction, proposed contract or proposed transaction is to be considered or has been considered at a meeting;
  - (b) if the officer becomes interested after a contract or transaction is made, immediately after the officer becomes interested; or
  - (c) if an individual whis interested in a contract or transaction later becomes an officer, immediately after the individual becomes an officer.

### *Time of disclosure for director or officer*

- (4) If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of the corporation’s activities, would not require approval by the directors or members, a director or an officer shall, immediately after they become aware of the contract or transaction, disclose in writing the corporation, or request have entered in the minutes of meetings of directors or of committees of directors, the nature and extent of their interest.

### *Voting*

- (5) A director required to make a disclosure under subsection (1) shall not vote on any resolution to approve the contract or transaction unless the contract or transaction
- (a) relates primarily the director’s remuneration as a director, an officer, an employee, an agent or a mandatary of the corporation or an affiliate;
  - (b) is for indemnity or insurance under section 151; or
  - (c) is with an affiliate.

### *Continuing disclosure*

(6) For the purposes of this section, a general notice the directors declaring that a director or an officer is to be regarded as interested, for any of the following reasons, in a contract or transaction made with a party, is a sufficient declaration of interest in relation the contract or transaction:

- (a) the director or officer is a director or an officer, or acting in a similar capacity, of a party referred tin paragraph (1)(b) or (c);
- (b) the director or officer has a material interest in the party; or
- (c) there has been a material change in the nature of the director's or the officer's interest in the party.

### *Access to disclosures*

(7) The members of the corporation may examine the portions of any minutes of meetings of directors or of committees of directors that contain disclosures under this section, and of any other documents that contain those disclosures, during the corporation's usual business hours.

### *Avoidance standards*

(8) A contract or transaction for which disclosure is required under subsection (1) is not invalid, and the director or officer is not accountable the corporation or its members for any profit realized from the contract or transaction, because of the director's or officer's interest in the contract or transaction or because the director was present or was counted to determine whether a quorum existed at the meeting of directors or of the committee of directors that considered the contract or transaction, if

- (a) disclosure of the interest was made in accordance with this section;
- (b) the directors approved the contract or transaction; and
- (c) the contract or transaction was reasonable and fair the corporation when it was approved.

### *Confirmation by members*

(9) Even if the conditions of subsection (8) are not met, a director or an officer, acting honestly and in good faith, is not accountable the corporation or to its members for any profit realized from a contract or transaction for which disclosure is required under subsection (1), and the contract or transaction is not invalid by reason only of the interest of the director or officer in the contract or transaction, if

- (a) the contract or transaction is approved or confirmed by special resolution at a meeting of the members;
- (b) disclosure of the interest was made the members in a manner sufficient to indicate its nature and extent before the contract or transaction was approved or confirmed; and
- (c) the contract or transaction was reasonable and fair the corporation when it was approved or confirmed.

### *Application to court*

(10) If a director or an officer of a corporation fails to comply with this section, a court may, on the application of the corporation or any of its members, set aside or annul the contract or transaction on any terms that it thinks fit, require the director or officer to account the corporation for any profit or gain realized on the contract or transaction or make any other order that the court thinks fit.



## Appendix B – Conflict of Interest Agreement Form

### Association of Visual Language Interpreters of Canada CONFLICT OF INTEREST AGREEMENT FORM

I, the undersigned, have read and understand all the information in the AVLIC's *Conflicts of Interest Rules, Policies and Procedures*, and I agree to conduct my activities in accordance with those requirements. Without limiting the above, I agree to disclose to the Executive Director (for employees) or to the President (for volunteers) if I may have an interest that might constitute a possible or actual conflict of interest with my duties and responsibilities an employee or volunteer, as the case may be.

I also understand that if I breach these rules, policies and procedures, such a breach may result in disciplinary action, up to and including termination or other legal remedies that may be available to AVLIC.

Employee/Volunteer

Witness

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

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*Two signed copies of this agreement are required:*

- *one to be kept in the employee's or volunteer's General Personnel File;*
  - *one to be given to the employee or volunteer.*
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**Appendix C – Conflict of Interest Disclosure Form**

**Association of  
Visual Language Interpreters of Canada  
CONFLICT OF INTEREST DISCLOSURE FORM**

I, \_\_\_\_\_ (print name), hereby disclose that I may be in a possible or actual conflict of interest in relation to my work or the work of others with AVLIC, the details of such are set out below.

By signing this declaration, I acknowledge and inform AVLIC of this possible or actual conflict, and authorize the Executive Director or President (as the case may be) to take such steps and speak to such persons as may be necessary to assess the situation and propose a resolution to deal with a confirmed conflict, if applicable.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Position within AVLIC

\_\_\_\_\_  
Date

*Please detail the circumstances below (attaching any relevant documents):*