

MEMORIAL UNIVERSITY OF NEWFOUNDLAND
Board of Regents
Conflict of Interest Policy

Principle

Memorial University of Newfoundland is a community dedicated to creativity, innovation and excellence in teaching and learning, research and scholarship, and to public engagement and service. Memorial recognizes a special obligation to the citizens of Newfoundland and Labrador. As such, Memorial encourages open discussion and debate in all matters towards the advancement and dissemination of knowledge.

The University holds itself to the highest ethical standard and recognizes that accountability and transparency are essential for its operation. It is the ethical responsibility for everyone who acts on behalf of the University to ensure that decisions and actions that affect the University are taken in the best interests of the University and are not influenced by personal interests. To maintain public and professional trust and confidence, the University must deal with real, perceived or potential conflicts of interest in an open, fair, consistent and practical way.

Purpose

To assist in the identification of conflicts of interest and to provide procedures for disclosure and management of any that are identified. Underlying the policy is the principle of a commitment to self-disclosure.

Scope

All members of the Board of Regents of Memorial University of Newfoundland.

Reference should be made to sections 31 and 32 of the Act.

Definitions

Act - the *Memorial University of Newfoundland Act* RSNL 1990 c. M-7, as amended.

Associate – a person related to the Member by blood, adoption, marriage or common law marriage or a person with whom the Member resides or shares an intimate relationship or has a common financial interest. It may also include an individual with whom the Member has had such a relationship within a previous five-year period.

Board - the Board of Regents of Memorial University of Newfoundland.

Conflict of Interest: a conflict of interest exists in any situation where there is a potential divergence between a Member's personal interests and his or her obligations to the Board such that an independent observer would reasonably question whether the Member's behaviour or decisions are in any way motivated by considerations of personal interest, financial or otherwise. A conflict of interest may be real, perceived or potential.

Real conflict: At least three prerequisites have to be established before a Member can be said to be in a real conflict of interest. They are:

- the existence of a private interest;
- that it is known to the Member; and

- that it has a connection with his/her Board duties or responsibilities that is sufficient to influence the exercise of those duties or responsibilities.

Perceived conflict: A perceived conflict of interest exists when there is a reasonable apprehension, which reasonably well-informed persons could have, that a conflict of interest exists.

Potential conflict: A potential conflict of interest is one that may develop into an actual conflict. The potential for conflict exists as soon as the Member can foresee that he or she has a private interest that may be sufficient to influence his or her public duty or responsibility to the University. It may be real or perceived.

A conflict of interest does not necessarily imply wrongdoing as a conflict of interest depends upon the circumstances and not on the character of a Member. In addition, the presence of a real, perceived or potential conflict of interest does not necessarily preclude the involvement of the Member, but it does mean that the conflict shall be disclosed by the Member, and allowed and managed or disallowed, and any decision recorded appropriately.

Counsel - the General Counsel of Memorial.

Member - a member of the Board of Regents.

Policy – the University’s Board of Regents Conflict of Interest Policy.

Secretary – Secretary of the Board of Regents.

University - Memorial University of Newfoundland, its affiliated institutions and separately incorporated entities.

POLICY

Disqualification from Office under the Act

- (1) Section 31(1) of the Act precludes a person who is a member of the teaching staff of Memorial from appointment or election as a Member.
- (2) Section 31(2) of the Act requires a Member to vacate membership upon acceptance or occupying an office or position as a member of the teaching staff of the University.
- (3) Sections 32(1) and 32(2) of the Act require a Member (other than the President and Vice-President of the University) to vacate membership on the Board where the Member performs or undertakes to perform a service for which the Member is entitled to be paid from money of Memorial.

Duty to Assess and Disclose

- (4) Each Member has a duty to assess his/her own interests, involvement and activities and those of his/her Associates and to report any real, perceived or potential conflicts of interest in accordance with this policy. In assessing this duty, Members should disclose any activity that a reasonably informed and impartial observer might conclude to be in a conflict with a Member’s duties to the University.

Conflict of Interest situations may take a number of forms. Examples include, but are not limited to, the involvement in any of the following by a Member, an Associate of the Member, or a business, company, partnership, firm, trust or professional practice in which the Member or Associate of the Member is an owner, director, trustee, employee, officer or otherwise interested:

SAMPLE CONFLICT OF INTEREST SITUATIONS

- a. A contract, transaction or other financial arrangement with the University;
 - b. The sale or lease to the University of equipment, materials or services;
 - c. The provision of a gift or a loan to the University on any terms that would not be considered commercially reasonable, where the Member, an Associate of the Member, or a business, company, partnership, firm, trust or professional practice in which the Member or Associate of the Member is an owner, director, trustee, employee or officer, carries on business or contemplates carrying on business with the University;
 - d. The solicitation or acceptance of any gift, favour, service, appointment, employment or compensation in exchange for the exercise by the Member of his/her official powers or discretion in favour of another, or that might reasonably tend to, or be seen by a reasonable person to, influence the Member in the discharge of his/her official duties or official conduct, or that would reasonably be expected to impair the Member's independent judgment in the performance of his/her official duties. The acceptance of any gift(s) or benefit valued in excess of \$250.00 from one source in a fiscal year is presumed to impair judgment;
 - e. The use for personal/business gain of information that a reasonable person would view as privileged or confidential and that was acquired as a result of the Member's Board activities or the communication of such information to those not authorized to receive it;
 - f. The recruitment, appointment, re-appointment, hiring, promotion, evaluation or any other matter relating to the employment of a person at the University, where such person is an Associate of the Member;
 - g. Academic program decisions respecting any student related to the Member or an Associate of the Member;
 - h. Other situations that may put the Member in a conflict of interest, in which case the Member should seek advice from Counsel.
- (5) When a situation arises that creates, or may be perceived to create, a conflict of interest for the Member, he/she must disclose this prior to engaging in Board decisions and activities. Such disclosures shall be made in accordance with the Procedure for Disclosing and Assessing Conflict of Interest. If the Member is uncertain whether he/she is in conflict of interest, a conflict of interest exists, or is likely to exist, he/she should seek clarification from the Chair.
- (6) A Member shall not participate in an activity or decision of the Board that involves a real, perceived or potential conflict of interest unless such activity or decision has been disclosed to, and approved by, the Chair and if such approval has been given, any terms or conditions made by the Chair are fulfilled. In the case of the Chair, disclosures shall be made to and approved by the Board's Audit and Risk Management Committee.
- (7) Any referral for advice and direction will be assessed in a timely and fair manner in accordance with the Procedure for Disclosing and Assessing Conflict of Interest.
- (8) A conflict of interest may, in certain cases, be permitted when it can be managed in a way that protects and serves the integrity and interests of the Board and the University, including its ethical, legal and contractual obligations, and will stand the test of reasonable and independent scrutiny.

- (9) Assessing real, perceived or potential conflict of interest requires the collection, use, possible disclosure and retention of personal information as defined in the Access to Information and Protection of Privacy Act of Newfoundland and Labrador. The University will conduct all conflict of interest activities pursuant to this Policy in compliance with this Act.
- (10) Records created as a result of actions under this Policy will be managed in the Office of the Board of Regents.

Procedure for Disclosing and Assessing Conflict of Interest

A. Upon appointment or election to the Board

1. At the time of appointment or election to the Board, each Member shall meet with Counsel to:
 - disclose, using the Conflict of Interest Disclosure Form, all private interests that the Member and the Member's Associates have that could result in a conflict of interest under the Policy; and
 - discuss any steps that could or should be taken to manage such conflicts of interest.
2. A Member will advise Counsel in a timely manner of any material changes in these disclosures.
3. With notice to the Member, Counsel will report in writing to the Chair the general nature of the private interests of each Member and that of Member's Associates that could result in a conflict of interest under the Policy and recommend to the Chair action including whether or not the conflict can be allowed and any terms or conditions for the management of the conflict of interest. In the case of the Chair, Counsel will report in writing to the Board's Audit and Risk Management Committee and recommend any action including whether or not the conflict can be allowed and any terms or conditions for the management of the conflict of interest.
4. The Chair will decide upon the action to be taken and any terms or conditions for management of the conflict of interest and will inform the Member appropriately. In the case of the Chair, the Audit and Risk Management will decide upon the action to be taken and any terms or conditions for management of the conflict of interest and will inform the Chair appropriately.

B. During Board and Board committee meetings

1. If a Member identifies a conflict of interest in an agenda item the Member will declare to the Board or the Committee, as the case may be, the general nature of the conflict of interest when the subject matter on the agenda item arises at the meeting and will leave the meeting until the discussion on that item is completed and a decision, if any, has been made. In the case of the Chair, the Vice-Chair will preside over proceedings relating to that agenda item.
2. If the Member makes a declaration of conflict of interest and leaves the meeting, the Secretary or recording secretary of the Committee will record these facts in the minutes of the meeting.
3. A Member will not participate in any discussions, make any attempt to influence the discussions or vote on the subject matter of an agenda item in respect of which the Member has a conflict of interest or made a declaration of conflict of interest.

C. Annual Review

1. Annually, each Member shall assess his/her circumstances, private interests and those of the Member's Associates and any disclosures on file, with respect to changes which have occurred since the last disclosure.
2. Where changes are required to previous disclosures, the Member shall meet with Counsel to:
 - a. update the Conflict of Interest Disclosure Form appropriately.
 - b. discuss any steps that could or should be taken to manage such conflicts of interest or to revise any steps that may have been previously in place.
3. With notice to the Member, Counsel will report in writing to the Chair the updated disclosures and recommend to the Chair any new or revised actions necessary for the management of the conflict of interest. In the case of the Chair, Counsel will report in writing to the Board's Audit and Risk Management Committee the updated disclosures and recommend to the Committee any new or revised actions necessary for the management of the conflict of interest.

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