

1-002 - Conflict of Interest

MOTION: 2003-73

DATE APPROVED: November 27, 2003

SUPERSEDES: Issue of April 24, 1997

REVIEWED: April 7, 2022 Motion #2022-15

POLICY NO: 1-002

This policy is in accordance with the Minister's Binding Policy Directive on Conflict of Interest, April, 2003.

Purpose & Application

The purpose of the Lambton College Board of Governors Policy on Conflict of Interest is to enable Lambton's Board of Governors to:

- Assist an individual board member in determining when their membership on the board has the potential to be used for personal or private benefit, financial or otherwise;
- Protect the integrity of the board as a whole and its individual members who follow conflict of interest provisions; and
- Ensure that an individual is not disqualified from being nominated for or running for a board position because of a potential for conflict of interest.

This policy is intended to protect the integrity and ethical standards of the board and, as importantly, protect the integrity of a board member who may face a conflict of interest.

This policy does not apply where the interest is so remote or insignificant that it cannot reasonably be regarded as likely to influence the board member or where a pecuniary or other interest is in common with a broad group of which the governor is a member (e.g., students, support staff, academic staff, administrative staff). This policy does not apply where the issue is one of general or public information.

The intent of a conflict of interest policy is to assist Board members in fulfilling their duties in the interest of the public and to demonstrate high personal standards of moral responsibility, character, and ethics, which also protect the integrity of the Board of Governors as a whole.

Principles

Members of the Lambton College Board of Governors are expected to act honestly and uphold the highest ethical standards.

Members of the Lambton College Board of Governors are obligated to perform their official duties and conduct themselves in a manner that will bear the closest public scrutiny because colleges are part of the broader public sector and subject to more public scrutiny than private organizations.

Members of the Lambton College Board of Governors shall not have private interests, other than those permitted pursuant to this policy, laws, or statutes, that would be affected particularly or significantly by college decisions or actions in which they participate.

When appointed, members of the Lambton College Board of Governors must arrange their private interests to prevent conflicts of interest. If a conflict does arise between the private interests of a governor and the official duties of that individual, the conflict shall be resolved in favour of the public interest.

Each governor, regardless of how he or she becomes a member, has a responsibility first and foremost to the welfare of the institution and must function primarily as a member of the Board, not as a member of any particular constituency.

Glossary

Governor - a member of the Lambton College Board of Governors.

Internal governor - one student, one academic staff member, one administrative staff member, and one support staff member elected to the Lambton College Board of Governors from their constituent group in accordance with procedures and conditions established by the board in consultation with the College students and staff. The President of the college is also an internal member by virtue of their position in the college.

Actual conflict of interest - a situation where a governor has a private or personal interest that is sufficiently connected to their duties and responsibilities as a governor that it influences the exercise of these duties and responsibilities.

Perceived conflict of interest - a situation where reasonably well-informed persons could properly have a reasonable belief that a governor has an actual conflict of interest, even where that is not the case in fact.

Potential conflict of interest - a situation where a governor has a private or personal interest that could influence the performance of a governor's duties or responsibilities, provided that they have not yet exercised that duty or responsibility.

Policy Procedures

1. A conflict of interest arises when a Board member's private or personal interest supersedes or competes with their official duties and responsibilities as a member of the Lambton College Board of Governors. This could arise from an actual, potential, or perceived conflict of interest of a financial or other nature.
2. At the beginning of every Board meeting, the Chair of the Board is to ask and have recorded in the minutes whether any member has a conflict to declare in respect to any agenda item.
 1. When the agenda item arises in the open portion of the Board meeting, the member(s) with an actual conflict of interest may remain in the room for the duration of the discussion and shall not participate in the discussion or vote on this item.
 2. The minutes are to record that the member(s) in conflict of interest remained in the room for the discussion and did not participate in the discussion and did not vote on this item.
 3. Should the matter occur during the in-camera portion of a meeting, the Board member(s) shall withdraw while the matter is being discussed or voted on and the minutes should reflect this.
 4. When the conflict of interest is perceived or potential, the Board will determine whether the member or members remain for the discussion and vote on agenda items. The minutes should reflect what takes place.

3. In cases where a conflict cannot be avoided, a Board member is to declare a conflict of interest at the earliest opportunity and, at the same time, should declare the general nature of the conflict. Where a conflict of interest is declared prior to a Board meeting, the declaration is to be made to the Chair of the Board and the Board is to be informed.
4. Where a Board member is unsure whether they are in conflict, the said member is to raise the perceived potential conflict with the Board, and the Board is to determine by majority vote whether or not a conflict of interest exists. The said Board member must refrain from voting on whether or not a conflict of interest exists.
5. Where a conflict of interest is discovered after consideration of a matter, it is to be declared to the Board and appropriately recorded at the first opportunity. If the Board determines that involvement of said member influenced the decision of the matter, the Board is to re-examine the matter and may rescind, vary, or confirm its decision.
6. Any Board member who perceives another member to be in conflict of interest in a matter under consideration is to request a recess of the Board and privately raise this concern with the Chair of the Board. The Chair, in turn, is to discuss the matter with the Board member who is perceived to be in conflict and, as appropriate, to hold further discussion with the reporting governor. If the discussions do not lead to a resolution, the matter is to be brought to the Board and the Board is to determine by majority vote whether or not a conflict of interest exists. The member perceived to be in conflict is to refrain from voting.
7. Where there has been a failure on the part of a Board member to comply with this policy, unless the failure is the result of a bona fide error in judgment, the Board is to:
 1. Issue a verbal reprimand; or
 2. Issue a written reprimand; and/or
 3. Request that a Board member resign; and/or
 4. Remove the Board member through processes established in Board by-laws.
8. Without limiting the general application of the Minister's Binding Policy Directive on Conflict of Interest, the Board shall recognize the following circumstances as an actual conflict of interest requiring the affected Board member to conduct themselves in accordance with the foregoing section on Procedures (B.1).

Regarding the President

- Any agenda items relating either directly or indirectly to the President's compensation, perquisites, and/or benefits. Note: The Board may require certain information from the President to assist their deliberations, but these queries must be of the general nature or relate to providing performance related information concerning the President's success in meeting agreed to objectives and must not in any way, either directly or indirectly, influence decisions on their compensation, perquisites, and/or benefits.

Regarding Internal Governors

- Agenda items relating either directly or indirectly to collective bargaining and/or compensation and terms and conditions of employment; Note: this would not apply to agenda items that are of a general nature occurring in the open to the public portion of the Board meeting;
- Voting relating to the President's evaluation or performance review. Note: this does not prevent the Chair or Executive Performance and Compensation Committee asking for their input in preparing the President's evaluation.

Regarding the Student Governor

- Voting relating to an increase in the tuition fees for the particular program in which the student is enrolled;
 - Voting relating to the President's evaluation or performance review; Note: this does not prevent the Chair or Executive Performance and Compensation Committee asking for their input in preparing the President's evaluation;
 - Voting relating either directly or indirectly to collective bargaining and/or compensation and terms and conditions of employment for college staff. Note: this would not apply to agenda items that are of a general nature occurring in the open to the public portion of the Board meeting.
9. Insignificant Conflicts: This policy does not apply where the interest is so remote or insignificant that it cannot reasonably be regarded as likely to influence the Board Member. This policy does not apply where the issue is one of general or public information.

Summary of Responsibilities

The Board of Governors is responsible for:

- Opening each meeting with a call for disclosures of actual, potential, or perceived conflict of interest.
- Maintaining a current and relevant Conflict of Interest Policy in accordance with the Minister's Binding Policy Directive.

The Ministry of Colleges and Universities is responsible for:

- Maintaining a current and relevant binding policy directive regarding conflict of interest.
- Reviewing, in consultation with college boards, in a regular and timely manner the effectiveness of the Minister's Binding Policy Directive and issuing amendments as considered necessary.