

CONFLICT OF INTEREST

POLICY NO. 160 - 003

SCOPE The NSCAD Community: Any person who teaches, conducts research, conducts professional and scholarly activities, acts on behalf of, is a Board member, is a student or works at or under the auspices of NSCAD University.

APPROVAL Board of Governors

LAST REVISION May 10, 2018

NEXT REVISION March 2019

CONTACT Office of the President

1 BACKGROUND AND PURPOSE

NSCAD University (the University) fosters a climate that encourages its community to be creative and innovative while seeking to achieve the highest possible quality in the delivery of programs, services and research, striving for excellence at all times. As a member of the University community, individuals are committed to advancing the mission and values of the institution. The University promotes an environment that is dedicated to the creation and dissemination of knowledge.

The University holds itself to the highest ethical standards and recognizes that accountability and transparency are essential for its operation. It is the ethical responsibility of 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 inappropriately influenced by Personal Interests as defined in this policy. 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.

The purpose of this policy is to set out the University's position on real, perceived, or potential conflicts of interest and to establish procedures whereby such conflicts may be avoided or properly managed, so that the University and its external constituencies can be confident decisions and actions are not inappropriately influenced by Personal Interest. Furthermore, this policy aims to outline conflict of interest issues at the University with a view to generating increased awareness and understanding. This policy is intended to be complementary to other policies and collective agreements governing the conduct of faculty and staff. In situations where this policy may be in conflict with Collective Agreements, the Collective Agreements shall prevail.

2 DEFINITIONS

Conflict of Interest

A conflict of interest refers to a situation in which private interests or personal considerations may affect a community member's judgment in acting in the best interests of the University. A conflict of interest exists in any situation where there is a potential divergence between Personal Interests and obligations to the University such that an independent observer would reasonably question whether the behaviour or decisions are in any way motivated by considerations of Personal Interest. A conflict of interest may be real, perceived, or potential.

A conflict of interest exists when an individual's responsibilities to the University may be compromised by Personal Interest. Everyone is expected to avoid situations or activities that could

interfere with his or her unencumbered exercise of judgment in the best interest of the University. This policy, however, is not intended to limit reasonable participation in professional and community activities.

There are certain cases in which the appearance of a conflict of interest is present even when no conflict actually exists. Such apparent conflicts can cause as much damage as actual conflicts of interest by undermining credibility, and calling into question the integrity of an individual, the University, or both. For this reason, it is important for an individual, in evaluating a potential conflict of interest, to consider how it might be perceived by others. Perceived conflicts of interest must be considered, and the same rigorous evaluation must be applied to situations in which there is a potential for such misunderstanding as is applied to situations in which there is the potential for actual conflict.

The mere existence of a conflict of interest does not necessarily imply wrongdoing, and cannot be always avoided, and the potential for conflict of interest exists in all aspects of University operations. With increasing links between the University and other organizations and institutions, it is important that there is no perception that a member of the NSCAD community has benefited from using their association with the University inappropriately. Furthermore, the presence of a real, perceived, or potential conflict of interest does not necessarily preclude involvement in decision making, but it does mean that the conflict should be disclosed, so that it can be acknowledged/recorded, managed or eliminated, and any decision recorded appropriately.

Failure to avoid conflicts of interest, or failure to adequately disclose and manage conflicts of interest, may result in:

- i. Resentment amongst individuals who perceive others to be gaining unfair advantage;
- ii. University and individual's inability to respond to unfounded accusations of personal benefit;
- iii. Damage to the reputation of the University and the individual;
- iv. Loss of public trust in the University and its research, teaching, services or management.

Specific types of conflict of interest include, but are not limited to:

2.1 Personal Interest

Refers to any interests that involve potential gain for a community member or for any other individual or organization they may wish to benefit which are outside their NSCAD responsibilities. This includes the personal, financial, intimate or other interest of the community member and/or their family/personal associates.

2.2 Financial Interest and Financial Benefit

Refers to Personal Interest involving the receipt or expectation of anything of monetary value, including pay, salary, honoraria, fees or other payments for goods or services, equity interests, security or other ownership rights, and intellectual property rights, patents, options and royalties.

2.3 Family/Personal Associate

Refers to Personal Interest involving potential gain for an individual related to the community member by blood, adoption, marriage or common-law arrangement, or an individual with whom one has, or has had, a close personal, financial or intimate relationship during the past five years.

3 POLICY

This policy is intended to increase awareness to the potential for conflicts of interest, and to establish procedures whereby such conflicts may be avoided or properly managed.

Community members should make every reasonable effort to not place themselves in a situation in any official matter where there is a Personal Interest that would raise questions about how objective their actions or decisions are in the matter. As a member of the University community, individuals should be committed to advancing the mission and values of the institution.

4 RECOGNIZING CONFLICTS OF INTEREST

Situations in which Personal Interests may compromise, or have the appearance of compromising, an individual's professional judgment in administration, management, instruction, research and other professional activities represent a conflict of interest. The education of students, research activities, the hiring of staff, procurement of materials, and other administrative tasks at the University must be free of undue influence of outside interests.

Since each situation depends upon its specific facts, the University has not attempted to develop an exhaustive list of Conflicts of Interest. Rather, community members must conduct themselves at all times with the highest ethical standards in a manner that will bear the closest scrutiny.

Below are some examples of possible areas in which conflict of interest may occur. This should not be taken as an exhaustive list of all potential conflicts of interest.

- 1 ***Human Resources matters:*** including participating in the recruitment, appointment, reappointment, hiring, promotion or evaluation of an individual, or in the renewal of contracts, discipline matters, compensation or benefits decisions, expense claims or other personnel decisions of an individual where a community member has, or has had within a previous five-year period, a Personal Interest;
- 2 ***Student Services matters:*** including participation in decisions regarding a student's admission to a program, eligibility for prizes, scholarships or other awards, and or situations where an individual is involved in the evaluation of a student's academic work where a community member has, or has had within a previous five-year period, a Personal Interest with a student or with a member of his/her family. There is a responsibility to avoid situations, activities or actions in relation to students that may impair objectivity, compromise academic standards, impede student development, or risk exploitation of the student;
- 3 ***Resource Allocation matters:*** including directing University students or personnel to carry out work for oneself, or for a company or practice in which a community member, or a Family/Personal Associate, has a Personal Interest. University-approved work term/placements are exempt from this provision. Additionally, using University resources or facilities without appropriate approval to benefit a private concern in which a community member or a Family/Personal Associate has a Personal Interest;
- 4 ***Procurement matters:*** including Influencing the purchase of equipment, materials, or services for the University, including any involvement with a University tendering process, involving a company, individual or firm in which the community member, or a Family/Personal Associate has a Personal Interest, or where one has existed in the last five years. Additionally, seeking a discount on goods/services for personal use on the basis of having been granted past University business to the firm involved or of being able to secure future University business for the firm involved;
- 5 ***Research matters:*** including failure to properly disclose sources of funding for research, where the funder and the nature of the research may present a real or perceived conflict of interest;

- 6 **Confidentiality matters:** including using for personal gain information which a reasonable person would view as privileged or confidential acquired as a result of University-supported activities, or communicating this information to those not authorized to receive it. Such information might include knowledge of any forthcoming developments requiring the selection of a contractor or bulk purchases, as well as unpublished information emanating from university research;
- 7 **Gift acceptance matters:** including accepting personal gifts, entertainment or any form of special consideration (valued in excess of \$50 from one source during a fiscal year) from individuals or entities can result in a conflict of interest where the party providing the gift/entertainment/ special consideration does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the community member in the performance of their duties;
- 8 **Commitment of time matters:** Devoting University-paid work hours to non-job related activities to an extent which it diverts a faculty or staff member's attention from their University duties, or consumes so much time or energy that it interferes with the faculty or staff person's responsibilities to the University.

5 REPORTING A CONFLICT OF INTEREST

Conflicts of interest may affect or appear to affect sound and professional judgment adversely. In the University community, full and complete disclosure of conflicts of interest is a key element in protecting the integrity of the individuals involved, as well as that of the University. Conflicts of interest or perceived conflicts of interest must be declared and managed with integrity and transparency. All members of the University community who are charged with carrying out University activities and functions have a duty to assess their own respective interests, involvement and activities and to report any real, perceived, or potential conflicts of interest.

At times, a conflict of interest may not be easily recognized because it is thought to be a relatively inconsequential or insignificant matter. An inconsequential matter that occurs frequently, however, may become substantial. Additionally, a matter that one person views as insignificant may also be perceived by others to be a significant matter. Regardless of how minor a conflict may seem; it is important to report all conflicts of interest.

Should a member of the NSCAD Community who is charged with carrying out University activities and functions suspect they are or might be in a conflict of interest, they should prepare a written statement of relevant facts for their respective supervisor, chair or other responsible persons or bodies as soon as the conflict is identified. Where circumstances prevent an immediate written declaration, a verbal declaration should be lodged, and formally noted in minutes of the meeting. Where the verbal declaration takes place in a forum where formal minutes are not kept, it should be followed by a written statement as soon as possible. The person reporting the conflict may be asked to provide additional information required to determine if a conflict of interest exists. Once a decision is reached the individual will be advised if a conflict of interest exists and, if so, will be given advice on how to avoid the conflict of interest.

Supervisors, Committee Chairs and other relevant persons or bodies are accountable for ensuring the declared conflicts of interest, real or perceived, are disclosed, evaluated and managed appropriately.

If there is any doubt about the existence of an actual or apparent conflict of interest, the individual should submit a disclosure for review by his or her supervisor.

Where Supervisors, Committee Chairs or other responsible persons or bodies become aware of a conflict of interest or perceived conflict of interest that has not been declared they should discuss the matter with the individual and, if required, report to the appropriate supervisor or senior management.

6 MANAGING A CONFLICT OF INTEREST

Even though a conflict of interest exists, it does not mean that improper or unethical behaviour has occurred. Conflicts of interest can be properly managed without detriment to the integrity of the process or to those involved.

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 University, including its ethical, legal and contractual obligations, and will stand the test of reasonable and independent scrutiny.

Issues can arise when a conflict of interest is not openly acknowledged or managed appropriately. The best way to handle a potential conflict of interest is to avoid it. Where it is not possible to avoid it, individuals who believe they may have a real or perceived conflict of interest shall report it to their immediate supervisor. If the real or perceived conflict is in relation to organizations, companies or personal relationships of an individual, it shall be reported to the Board Chair. It is the responsibility of the individual with a real or perceived conflict to proactively report to either a Committee Chair or Board Chair. The individual who receives the report shall implement one of the following approaches for managing the potential conflict of interest:

- a. Appointing an independent third party to review or oversee the activity or action;
- b. Asking the individual to relinquish the Personal Interest;
- c. Removing the individual from the decision-making process or duties in regard to the matters to which the conflict of interest relates; or
- d. Individuals absenting themselves from or not taking part in debate and/or voting on matters relating to the conflict of interest.

7 NON-COMPLIANCE

Faculty or staff members, students or other individuals who are charged with carrying out University activities and functions who are considered to have breached University requirements regarding the management of conflicts of interest as set out in the provisions of this policy will be pursued under applicable collective agreements, employment contracts, codes or other University policies or procedures and may result in disciplinary action. This does not limit the University from pursuing other forms of recourse where appropriate.