

GOVERNANCE POLICIES

CONFLICT OF INTEREST POLICY

1. Objective

- 1.1. The Province of Saskatchewan expects the Directors of Crown Corporations, agencies, Boards and commissions to maintain high standards of honesty, integrity, impartiality, and ethical conduct, and officials must be constantly aware of the need to avoid situations which might result either in actual or perceived misconduct or conflict of interest, and to conduct themselves, in their official and personal relations, in a manner which commands the respect and confidence of their fellow citizens.
- 1.2. This policy is designed to ensure that all Directors of SK Arts are aware of, and respect, their responsibilities with regard to real, potential, and/or perceived conflicts of interest.

2. Definitions

- 2.1. **“Agency”** refers to SK Arts.
- 2.2. **“Board”** refers to the Board of Directors of SK Arts.
- 2.3. **“Chair”** refers to the Chair of the Board of Directors of SK Arts.
- 2.4. **“Chief Executive Officer”** refers to the person responsible for the effective and efficient operation of SK Arts, who serves as a liaison between the Board and staff and has such duties as may be delegated to them from time to time by the Board, including the day-to-day administration of the Agency and making operational decisions within the executive limits set by the Board.
- 2.5. **“Conflict of interest”** refers to a situation in which private interests or personal considerations may affect the judgment of a Director in acting in the best interest of SK Arts. It includes, but is not limited to, using one’s position, confidential information, or organizational time, material, or facilities for private gain or advancement, or the expectation of private gain or advancement. A conflict may occur when an interest benefits any member of the Director’s family, friends or associates. A conflict may be real, potential or perceived.
- 2.6. **“Director”** refers to an individual member of the Board of Directors of SK Arts.

3. Policy Statement

- 3.1. The public trust held by Directors of SK Arts demands a high standard of conduct known as fiduciary duties, which embodies concepts of integrity, fidelity, confidence, fairness, due diligence, non-competition and good faith.
- 3.2. Directors of SK Arts are expected to conduct themselves with personal integrity, ethics, honesty and diligence in performing their duties for the Agency. Directors are required to support and advance the interests of the Agency and avoid placing themselves in situations where their personal interests actually or potentially conflict with the interests of SK Arts.
- 3.3. This standard of conduct is required for public confidence, to ensure the maintenance of the integrity of SK Arts and to promote SK Arts’ goals.

4. Roles and Responsibilities

- 4.1. The rules and examples of conflict of interest that follow do not exhaust the possibilities for conflict of interest, but they identify obvious situations covered by the policy. Conflicts might arise in other areas or through other relations. It is assumed that Directors will recognize such areas and relations by analogy.
 - 4.1.1. Directors are not allowed to use their positions to give anyone special treatment that would advance their own interests or that of any member of their family, friends or associates.
 - 4.1.2. Directors may not accept gifts, money, discounts or favours including a benefit to family members, friends or associates. The exceptions to this are ceremonial gifts of nominal value.
 - 4.1.3. Directors may not use, or permit the use of, SK Arts' property, facilities, equipment, supplies or other resources for activities not associated with their responsibilities.
 - 4.1.4. Directors may not disclose confidential or privileged information about the affairs of the organization or use confidential information to advance personal or others' interests.
 - 4.1.5. Directors may not serve on the Board of Directors of any organization that receives funding from the Agency while serving as a Director of the Agency, with the exception of organizations that **only** receive funding from programs where **all** grants are considered pre-authorized by the Board under the Agency's Grants Programs and Assessment Policy.
 - 4.1.6. No Director shall directly or indirectly receive any profit from their position as such, provided that, notwithstanding anything herein contained to the contrary, Directors may receive honoraria as established in the Per Diem Rates policy outlined in the Financial Administration Manual, Treasury Board's General Management Policies, Remuneration for Board, Commissions and Committees plus reimbursement for reasonable expenses incurred by them in the performance of their duties as permitted in the Act, bylaws and approved by the Board. The pecuniary interests of immediate family members (including the immediate family members of a Director's partner) or close business associates of a Directors are considered to also be the pecuniary interests of the Director.
- 4.2. Requirement to Report Conflict of Interest
 - 4.2.1. If a Director or their family members, friends or associates have a personal or financial interest that might present a conflict or bias in connection with the Director's duties, they must report this conflict to the Board Chair in writing. In the case where the Chief Executive Officer has a potential conflict of interest, they will report to the Board Chair. In the case where the Board Chair has a potential conflict of interest, they will inform the Vice Chair.
 - 4.2.2. Disclosure of a conflict of interest, whether real, potential, or apparent, must take place as soon as the individual becomes aware of the conflict.
- 4.3. Process for Dealing with Conflict of Interest

- 4.3.1. During their term of office, Directors must openly disclose a potential, real, or perceived conflict of interest as soon as the issue arises and before the Board or its committees deal(s) with the matter at issue. If the Director is not certain whether they are in a conflict of interest position, the matter may be brought before the Chair of the Board or Governance Committee for advice and guidance. If there is any question or doubt about the existence of a real or perceived conflict, the Board or committee will determine by majority vote if a conflict exists. The Director potentially in conflict of interest shall be absent from the discussion and shall not vote on the issue.
- 4.3.2. It is the responsibility of other Directors who are aware of a real, potential or perceived conflict of interest on the part of a fellow Director to raise the issue for clarification, first with the Director in question and, if still unresolved, with the Board Chair.
- 4.3.3. The Director in a conflict situation must abstain from participation in any discussion on the matter, shall not attempt to personally influence the outcome, shall refrain from voting on the matter and, unless otherwise decided by the Board, must leave the meeting room for the duration of any such discussion or vote.
- 4.3.4. The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting. The time the Director left and returned to the meeting shall also be recorded.
- 4.3.5. Directors shall be ineligible to apply for any grant from the Agency, on their own behalf or on behalf of any organization or person, during the course of their term as Directors and for six (6) months following the end of the term, with the exception of grants from programs where **all** grants are considered pre-authorized by the Board under the Agency's Grants Programs and Assessment Policy.
- 4.3.6. This Conflict of Interest Policy does not limit the Director, if they are a working artist, from secondary benefits from organizations and activities funded by the Agency, provided that such benefits reflect the typical arrangements between that organization and other artists, do not result from an advantage held by virtue of that Director's position with the Agency, and are disclosed to the Board of the Agency.

4.4. Eligibility

- 4.4.1. The Agency recognizes the small size of the Saskatchewan arts community and the need to have qualified and representative Directors. Directors are eligible, therefore, to apply for grants individually or on behalf of an organization of which they are an employee or Director provided that the Director meets all other eligibility criteria for the specific grant program and that **all** grants considered and/or awarded under that program are considered pre-authorized under the Agency's Grants Programs and Assessment Policy.
- 4.4.2. No Director is permitted to sit on or influence in any way a review panel process constituted under the authority of the Chief Executive Officer.
- 4.4.3. All reference to the results of a review panel in which a Director has a conflict of interest are to be redacted from that Director's meeting package.

4.4.4. All other procedures outlined in this policy, including the Requirement to Report Conflict of Interest (section 4.2) and the Process for Dealing with Conflict of Interest (section 4.3), shall apply to the type of conflict of interest described in section 4.4.1.

4.5. Implementation of the Policy

4.5.1. On appointment to the Agency’s Board of Directors and thereafter, Directors shall:

4.5.1.1. Arrange their private affairs in a manner that will prevent real, potential or perceived conflict of interest from arising.

4.5.1.2. Declare any real or potential conflict of interest and sign the SK Arts Conflict of Interest Declaration.

4.5.1.3. Annually update the declaration and sign it for each year of Board service.

4.6. Failure to Comply with the Policy

4.6.1. Directors who fail to comply with this policy are subject to disciplinary action up to and including dismissal.

4.6.2. The Governance Committee of the Board, in a meeting duly called for the purpose, shall review any complaints that a Director has violated any provision of *The Arts Board Act, 1997*, bylaws, or policies approved by the Board, in particular, this policy. Every attempt shall be made to resolve conflict of interest matters expeditiously and fairly.

4.6.3. The recommendations regarding resolution of conflict of interest matters shall be brought by the Chair of the Governance Committee to the Board for approval. The decision of the Board shall be final.

5. Communicating this Policy

5.1. The Board Chair must review this policy with all new Directors as part of their orientation program.

5.2. All Directors will receive, review and sign this policy on an annual basis.

6. Review and Evaluation

6.1. This policy will be reviewed annually.

Section:	Governance Policies
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