

Declaration of Interest

I hereby declare the following in regard to the Conflict of Interest Policy of the Sport Alliance of Ontario:

1. I have read the attached Conflict of Interest Policy of the Sport Alliance of Ontario.
2. I acknowledge that I am required to comply with the said Policy.
3. I acknowledge further that I have the responsibility to disclose to the Board of the Sport Alliance of Ontario, in writing all actual or perceived conflicts of interest that may exist while I am a Sport Alliance of Ontario Participant or for the duration of my relationship, arrangement, contract or agreement with the Sport Alliance of Ontario.
4. I agree to be bound by and to comply with the Conflict of Interest Policy. I agree to disclose to the Board of the Sport Alliance of Ontario, in writing all actual or perceived conflicts of interest that may exist while I am a Sport Alliance of Ontario Participant or for the duration of my relationship, arrangement, contract or agreement with the Sport Alliance of Ontario.
5. I have checked the appropriate box below and I hereby declare that all statements or declarations contained herein are true.
 - ☐ I currently have no conflict of interest, nor am I involved in anything that may be considered to be a perceived conflict of interest as defined in the Sport Alliance of Ontario conflict of Interest Policy.
 - ☐ I have a conflict of interest or a perceived conflict of interest as defined in the Sport Alliance of Ontario conflict of Interest Policy. A comprehensive list of all such conflicts or perceived conflicts is attached along with full particulars of all such conflicts or perceived conflicts.

Signature

Name:

Position:

Date

CONFLICT OF INTEREST GUIDELINE

Definitions

“Family Member” includes a parent, spouse or partner including same-sex spouses or partners, child, sibling, uncle, aunt, niece or nephew, parents-in-law, sister or brother-in-law and includes a step relative of any of the foregoing;

“SAO” means the corporation named the Sport Alliance of Ontario and includes SAO Participants;

“SAO Participants” includes any director, officer, employee, partner, agent or volunteer of SAO, any member appointed to any committee or subcommittee of the Board as may be established by corporate by-law and any member of an advisory or review team established by SAO for the purpose of assisting with any of the Programs.

What is the Purpose of a Conflict of Interest?

It is important for the public to have confidence that SAO is spending public funds and delivering and administering devolved Programs in an honest, reasonable and prudent manner. Sometimes situations may occur where SAO may have a conflict of interest that could damage public and stakeholder confidence in SAO’s administration of the Programs.

The purpose of this Guideline is to enhance public confidence in the integrity of SAO and in SAO’s decision-making process as it relates to the delivery of the Programs and the dispensation of public monies by:

- (a) setting clear rules of conduct for conflict of interest that applies to SAO; and
- (b) reducing the possibility of conflicts between the private interests of SAO and its obligations under the Agreement.

What is a Conflict of Interest?

Any situation where SAO’s interests are in conflict with SAO’s responsibilities as delineated in the Agreement.

What is a Perceived Conflict of Interest?

While SAO may not be in an actual conflict of interest, the public perception that a conflict of interest exists or may exist can be equally harmful to the integrity of the Programs and their administration. The test question for determining whether or not a perceived conflict of interest exists is as follows:

Would an informed person, having thought the situation through, think it possible that SAO might be adversely influenced in the performance of its duties under the Agreement by its other interests?

Examples

An example of a conflict of interest situation is:

The SAO board is in the process of reviewing bids for the summer games from a number of municipalities. One of the members of the board is a member of a municipality's organizing committee for the summer games. This municipality's bid comes before SAO's board and the member in question promotes the bid to the other members of the board and votes in favour of the municipality's bid.

The board member who was on the organizing committee of one of the municipalities which submitted a bid is in a conflict of interest when he or she promoted the bid and voted in favour of it. Clearly as a member of the organizing committee for the municipality, he or she had divided loyalties and couldn't act in SAO's best interests in terms of choosing the proper bid. This board member should have declared a conflict and removed himself from the process. Those municipalities which had bids rejected could complain that the conflict on the part of one board member might have impacted on the decision made with respect to their bids.

An example of a perceived conflict of interest situation is:

SAO has established the same procedure as described above for reviewing bids for the summer games. In this case one of the board members is a resident in one of the municipalities which is applying for a bid. Although he is not involved in the municipality's bid process, he is well known in the local community having been involved in sports and having been a community volunteer in the past.

An outsider might think that this board member would clearly favour the bid for the municipality in which he resides. This member may be perceived as having an "unofficial" interest in the municipality's bid. It would be best for SAO to avoid even the perception of conflict by having this member remove himself or herself from the approval process.

Principles

SAO shall conform to the following principles:

(a) Ethical Standards

SAO must act honestly and uphold the highest ethical standards. This will maintain and enhance public confidence and trust in SAO's integrity, objectivity and impartiality in its delivery of the Programs.

(b) Public Scrutiny

SAO is obligated to perform its obligations under the Agreement and conduct itself in a manner that will bear the closest public scrutiny which means going beyond merely acting within the law.

(c) Private Interests

SAO shall not have private interests that would be affected particularly or significantly by actions in which it must participate in order to satisfy SAO's obligations under the Agreement.

(d) *Public Interests*

SAO must arrange its private interests to prevent real or potential conflicts of interest. If a conflict does arise between SAO and its obligations under the Agreement, the conflict shall be resolved in favour of the public interest.

Conflict of Interest Provisions

Prohibited Use of Position

SAO Participants shall not use or seek to use, their positions or employment with SAO to:

- (a) gain direct or indirect benefit for themselves or their Family Members;
- (b) solicit or accept favours or economic benefits from any individuals, organizations or entities known to be seeking funding from SAO;
- (c) favour any person, organization or business entity.

Confidential Information

SAO Participants shall not:

- (a) disclose any confidential information relating to any of the Programs or information gathered for the purposes of administering or delivering the Programs to any person or organization not authorized by law to have such information;
- (b) benefit directly or indirectly in return for or in consideration for revealing confidential information;
- (c) use confidential information in any private undertaking in which they are involved.

Gifts, Hospitality and Other Benefits

SAO Participants must refuse gifts, hospitality or other benefits that could influence their judgement and performance of obligations under the Agreement. They must not accept, directly or indirectly, any gifts, hospitality or other benefits from:

- (a) persons, groups or organizations dealing with SAO;
- (b) clients or other persons to whom they provide services in the course of their work for SAO;
- (c) applicants or recipients under any of the Programs being administered by SAO.

Avoidance of Preferential Treatment

SAO Participants shall not:

- (a) grant preferential treatment in relation to any person, organization, Family Member or friend who may benefit from one of the Programs. SAO Participants must avoid being obligated, or seeming to be obligated to any person or organization that might profit from special consideration.

- (b) offer assistance in applying for funding or services being offered under the Programs to any individual or entity where such assistance is outside the official role of SAO Participants.

SAO Grant Applications

SAO shall not

- (a) be eligible to apply for any funding under any of the Programs it is administering;
- (b) apply for any other government grants from any other Ministry that may be similar in nature to any applications for funding being made by applicants to SAO under the Programs and which may place SAO in a conflict with any of these applicants.

Employment Relationships

A member of the board of directors shall not be employed by SAO.

A Family Member of a member of the board of directors or of any officer of SAO shall not be employed by SAO.

Procedures

Declaration of Interest

Any SAO Participant who is any way directly or indirectly interested in any organization or person to whom SAO proposes to make a specific grant with any of the Transfer Payments shall declare such interest and shall not vote on any resolution to approve the making of such a grant.

If any director or officer of SAO, or if any Family member of a director or officer of SAO has a material interest in any business that provides advice, goods or services to SAO, the director or officer shall declare such interest to the board and shall not vote on any resolution relating to the matter.

Any SAO Participant apart from a director or officer who has a material interest in a contract or proposed contract with SAO shall declare such interest to the board which shall determine whether such interest creates either an actual or perceived conflict of interest situation for SAO. If the board determines that a conflict does exist, the board and the SAO Participant will rectify the conflict of interest.

In addition to this Guideline, SAO shall review the corporate legislation that applies to its corporation. In particular the Ministry refers SAO to section 71 of the *Corporations Act* (Ontario), which provides:

Disclosure by directors of interests in contracts

71. (1) Every director of a company who is in any way directly or indirectly interested in a proposed contract or a contract with the company shall declare his or her interest at a meeting of the directors of the company.

Time of declaration

(2) *In the case of a proposed contract, the declaration required by this section shall be made at the meeting of the directors at which the question of entering into the contract is first taken into consideration or, if the director is not at the date of that meeting interested in the proposed contract, at the next meeting of the directors held after he or she becomes so interested, and, in a case where the director becomes interested in a contract after it is made, the declaration shall be made at the first meeting of the directors held after he or she becomes so interested.*

General notice

(3) *For the purposes of this section, a general notice given to the directors of a company by a director to the effect that he or she is a shareholder of or otherwise interested in any other company, or is a member of a specified firm and is to be regarded as interested in any contract made with such other company or firm, shall be deemed to be a sufficient declaration of interest in relation to a contract so made, but no such notice is effective unless it is given at a meeting of the directors or the director takes reasonable steps to ensure that it is brought up and read at the next meeting of the directors after it is given.*

Effect of declaration

(4) *If a director has made a declaration of his or her interest in a proposed contract or contract in compliance with this section and has not voted in respect of the contract, the director is not accountable to the company or to any of its shareholders or creditors for any profit realized from the contract, and the contract is not voidable by reason only of the director holding that office or of the fiduciary relationship established thereby.*

Confirmation by shareholders

(5) *Despite anything in this section, a director is not accountable to the company or to any of its shareholders or creditors for any profit realized from such contract and the contract is not by reason only of the director's interest therein voidable if it is confirmed by a majority of the votes cast at a general meeting of the shareholders duly called for that purpose and if the director's interest in the contract is declared in the notice calling the meeting.*

Offence

(6) *If a director is liable in respect of profit realized from any such contract and the contract is by reason only of his or her interest therein voidable, the director is guilty of an offence and on conviction is liable to a fine of not more than \$200. R.S.O. 1990, c. C.38, s. 71.*

Written Declaration of Interest

SAO must obtain a written Conflict of Interest Declaration from the following people before entering into a relationship, arrangement, contract or agreement:

- (a) each director and officer of SAO;
- (b) any member appointed to a committee or subcommittee established by corporate by-law;
- (c) SAO's employees;
- (d) any agent or partner of SAO;

- (e) any member of a review or advisory team established by SAO to review, assess or approve grant applications under the Programs; and
- (f) every party with which SAO enters into a relationship, arrangement, contract or agreement costing over \$14,999.

Each signed Declaration must contain the following information:

- an acknowledgement by the declarant that he or she has read this Guideline and is required to comply with it;
- an acknowledgement by the declarant that he or she has the responsibility to disclose to the board, in writing, all actual or perceived conflicts of interest that may exist while he or she is a SAO Participant or for the duration of his or her relationship, arrangement, contract or agreement with SAO;
- a declaration as to whether he or she currently has either a conflict or a perceived conflict of interest and if so, a comprehensive written submission of the complete nature of the actual or perceived conflict of interest;
- An authorization that this declaration may be submitted by SAO to the Ministry.

Corporate By-Law

SAO must implement a conflict of interest by-law that is consistent with this Guideline and which has been approved by the Ministry's counsel.

Penalties

Any contravention of this Guideline by SAO shall be considered an Event of Default under the Agreement.

Reporting

The SAO shall report on any instances of breach of these Guidelines and remedial actions taken in its regular reporting to the MTR.