



Policy #: 0002  
Developed: January 2019  
Revised: December 10, 2020  
Effective Date: January 18, 2021

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## CONFLICT OF INTEREST

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### Purpose

To provide guidance in identifying and handling potential and actual conflicts of interest (COI) involving the organization.

### Scope:

Board members, employees, contractors of LLNB ("LLNB personnel")

### Responsible Party:

President, LLNB Board of Directors

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## POLICY

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Laubach Literacy NB is committed to the highest levels of integrity. LLNB Personnel are expected to conduct their relationships with each other, the organization, and outside organizations with objectivity and honesty.

A Conflict of Interest ("COI") is presumed when a matter that is before the board could provide specific advantage to the individual or his/her family members, enterprise, coworkers, collaborators, institution or employer over the general community. A COI is presumed when LLNB personnel, or members of their family, business partners or close personal associates, may personally benefit, directly or indirectly, financially or otherwise, in a matter involving LLNB where the employee could influence or appear to be able to influence any decision on that matter by LLNB.

A COI may be "real," "potential" or "perceived".

In most instances, conflicts of interest can be avoided simply by continuing to exercise good judgment. The organization relies on the sound judgment of LLNB Personnel to prevent many such conflict situations.

LLNB Personnel are obligated to avoid and disclose ethical, legal, financial, or other conflicts of interest involving the organization, and may be required to remove themselves from a situation or position.

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## GUIDELINES

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Experiencing a COI is something that can happen to any LLNB personnel, at any time:

- a.* In some cases, conflicts are strictly prohibited. For example, no board member may obtain a personal financial benefit as a result of her/his position as a member of the LLNB board. A personal financial benefit includes a benefit to a board members immediate family member or to any organization with which the board member or an immediate family member is associated. No board member or staff shall issue or be associated with written or public statements in direct conflict with or derogatory to LLNB or its mandate.
  - b.* In other cases, conflicts are more nuanced and need to be managed rather than prohibited. For example, a conflict may arise when a board member or staff person is also associated with another organization with which LLNB interacts. In these cases it is necessary for that person to declare the existence of a conflict or a potential conflict so that the potential risk to LLNB can be appropriately dealt with.
1. A real, potential or perceived COI is managed overall in the spirit of recognizing that such conflicts can and do occur. Hence, the presence of a conflict is not the primary issue. Rather, the reputation of the organization rests in the early identification of the potential conflict and the identification of an appropriate manner in which to deal with the COI.
2. Each board member shall sign a COI Acknowledgement annually (at the Annual General Meeting). The Executive Director (“ED”) and each staff member shall sign a COI Acknowledgement annually (at the time of their annual performance review). This acknowledges that s/he is familiar with the COI policy. The Board Member or staff person shall disclose as part of the acknowledgement the individuals and/or entities with which s/he is involved that could raise a COI. A contractor would sign an COI Acknowledgement upon the commencement of their first contract with LLNB and annually thereafter as long as they continue to be a service provider.
3. In addition, it is the obligation of all LLNB personnel to inform the President of board of any perceived, potential or real COI as soon as such potential, perceived or real COI arises. For example, if a staff member is asked to participate in negotiations with another organization with which s/he is affiliated, s/he has a duty to raise the potential COI as soon as s/he is asked to participate. Or if a board member sits on the board of another organization to which LLNB may be granting funds, s/he has a duty to raise the potential COI as soon as s/he is asked to participate.
4. In the case of Board Members, any potential, real or perceived COI on the part of an individual shall be disclosed to the President at the earliest possible time and before the board or any of its committees deal with the matter at issue. At his/her discretion, the President may make a determination that a real, potential or perceived COI exists in relation to the board member, or may refer the matter to the Board to deal with as it considers appropriate in the circumstances and the President shall decide whether the conflicted or potentially conflicted board member shall be allowed to address the other members of the Board on the issue of the COI. If there is

any question or doubt about the existence of a COI, the Board will determine by vote if a COI exists. The board member potentially in conflict shall be absent for the discussion and vote.

Further, in no case shall a board member, who the President or Board has determined has a potential, perceived or real COI, participate in any discussion or vote taken on the matter in regard to which the COI arises. Further, the board member shall not attempt to personally influence the outcome of the decision or vote of the Board on the matter, and unless otherwise decided by the Board, must leave the meeting room for the duration of any such discussion or vote.

5. The disclosure and decision as to whether a COI exists shall be duly recorded in the minutes of the meeting. The time the person left and returned to the meeting shall also be recorded.
6. In the case of the ED or staff member, any potential real or perceived COI on the part of an individual shall be disclosed to the President at the earliest possible time and before the person has influenced or has potential to influence any decision being made by LLNB in relation to the matter to which the COI arises.

At his/her discretion, the President may make a determination that a real, potential or perceived COI exists in relation to the ED or staff member, or may refer the matter to the Board to deal with as it considers appropriate in the circumstances and the President shall decide whether the conflicted or potentially ED or staff member shall be allowed to address the members of the Board on the issue of the COI. If there is any question or doubt about the existence of a COI, the Board will determine by vote if a COI exists. In the event it is the ED who is potentially in conflict, s/he shall be absent for the discussion and vote.

7. In the case of a contractor, they may inform the ED of any potential real or perceived COI at the earliest possible time and before the person has influenced or has potential to influence any decision being made by LLNB in relation to the matter to which the COI arises. The ED will inform the President. At his/her discretion, the President may make a determination that a real, potential or perceived COI exists in relation to the contractor, or may refer the matter to the Board to deal with as it considers appropriate in the circumstances and the President shall decide whether the conflicted or potentially ED or staff member shall be allowed to address the members of the Board on the issue of the COI. If there is any question or doubt about the existence of a COI, the Board will determine by vote if a COI exists.
8. A board member who applies for any paid work or position with LLNB is required to resign from his/her position on the board at the time of his/her application.
9. In the absence of the President, or in the event the President is the party who is potentially in conflict, the role of the President as set forth herein will be performed by the Vice-President, or in the absence of the Vice-President the Secretary of the Board. The reporting of all COI's of the President (perceived, real or potential) by the President, including the delivery of the Acknowledgement and Disclosure Form by the President, shall be made to the Vice-President, and in the absence of the Vice-President the Secretary of the Board.

**CONFLICT OF INTEREST  
ACKNOWLEDGMENT AND DISCLOSURE FORM**

I have read the Laubach Literacy New Brunswick's (LLNB's) Conflict of Interest Policy (attached) and agree to comply fully with its terms and conditions at all times during my service as an LLNB board member or staff person. If at any time, following the submission of this form, I become aware of any actual or potential conflicts of interest, or if the information provided below becomes inaccurate or incomplete, I will promptly notify the President of the LLNB board in writing.

**Disclosure of Actual or Potential Conflicts of Interest:**

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**Signature:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_