Identifying and Managing Conflicts of Interest

All agency board members are screened for real or apparent conflicts of interest. Should a real or apparent conflict be identified, additional action may be required to mitigate the conflict. If the required action is not acceptable or an option, then the individual may not be a suitable candidate for being appointed as a board member. As background, the nature of an agency’s work can lead to unique circumstances that can be a source of conflict.

Examples of potential conflicts of interest may result from the following:
- memberships, directorships or other employment;
- interests in business enterprises or professional practices;
- shares/ownership (direct or indirect);
- existing professional or personal associations with the subject agency;
- professional associations or relationships with other groups or organizations;
- personal associations with other groups or organizations; or
- familial relationships.

If a conflict of interest has been identified, depending on the nature of the conflict of interest, either:
- the candidate is not suitable for appointment, or
- an acceptable mechanism or system is established to mitigate and address the conflict.

Mechanisms for avoiding, minimizing or managing the risk of conflict of interest may include:
- divesting conflicting business interests;
- severing connections that may create a conflict of interest;
- entering into confidentiality agreements;
- declaring interests;
- abstaining from voting;
- withdrawing from discussion;
- not receiving relevant information; and
- agreeing not to act.

The Codes of Conduct that are developed by each public agency, board or commission provide guidance on practices to identify and manage conflicts of interest.