

Summary of Key Learnings: Understanding & Managing Conflicts of Interest in Nonprofit Boards

2026-01-30 Webinar

This webinar provided a comprehensive overview of conflicts of interest, focusing on non-profit boards and especially addressing the unique context of Indigenous-led organizations.

Participants learned that conflicts of interest are not inherently negative; they are common and manageable with the right strategies. The session clarified legal definitions and plain-language explanations, highlighting that a conflict exists when a board member's personal, family, or business interests compete with what's best for the organization, potentially influencing the board member's vote or discussion on the matter.

Three types of conflicts were discussed: actual, potential, and perceived. Practical steps for managing conflicts were emphasized, including early disclosure, recording disclosures in meeting minutes, abstaining from voting, leaving the meeting while the matter is being discussed and voted on, and not trying to influence the vote or discussion. The importance of transparency, accountability, and relational trust—especially in close-knit or small Indigenous communities—was underscored, with recognition that overlapping relationships are normal but require honest disclosure and fair processes.

The webinar addressed the potential legal implications for directors who fail to disclose conflicts of interest, such as mandatory profit repayment if conflicts are undisclosed, and explained that contracts are not automatically cancelled due to conflicts but may be set aside if deemed unfair by courts. Practical tools for governance were introduced, including conflict of interest policies, disclosure forms, and templates for meeting minutes. Regular board check-ups and open conversations about conflicts were recommended to maintain healthy governance.

Real-life scenarios illustrated how directors can manage conflicts while maintaining access to essential, culturally grounded services. Directors do not need to give up accessing services or supports but must disclose relationships when decisions may impact them or another related person or organization. The overarching message was that proactive and transparent management of conflicts protects not only the organization, but also directors and the broader community, ensuring fair, equitable, and effective board decision-making.