



# INFORMATION BULLETIN

## Office of the Ethics Commissioner of Alberta

2026

### DESIGNATED SENIOR OFFICIALS OBLIGATIONS UNDER THE CONFLICTS OF INTEREST ACT

#### I. EXECUTIVE SUMMARY

Part 4.3 of the *Conflicts of Interest Act* (the “Act”) places obligations on current and former Designated Senior Officials (“DSOs”). These individuals are subject to certain obligations and restrictions during their employment and for a period of up to one year after their employment.

DSOs are senior officials at certain public agencies whose position has been designated as a DSO position. A more specific definition is provided in Section II below.

This bulletin provides information about the obligations placed on DSOs to assist them in ensuring they are conducting their affairs consistent with the Act. It does not address additional obligations that DSOs may have under their agency’s code of conduct as those codes of conduct are not administered by the Ethics Commissioner. For matters addressed by their agency’s code of conduct, DSOs should consult with their code administrator.

#### II. AM I A DESIGNATED SENIOR OFFICIAL?

The definition of “Designated Senior Official” requires reference to sections 23.92(1)(d) and 23.921(3)-(5) of the Act. In short, DSOs are high-ranking officials, typically board chairs or chief executive officers, of public agencies who have had their positions designated by Cabinet as DSOs. The current list of DSOs can be found in the *Conflicts of Interest Act Part 4.3 Designation Order*, Alta Reg 42/2018, as amended.

#### III. WHAT ARE MY FINANCIAL DISCLOSURE OBLIGATIONS?

Sections 23.931 and 23.932 of the Act require DSOs to file financial disclosure statements and direct associate returns with the Office of the Ethics Commissioner within 60 days of commencing employment and annually thereafter at a time specified by the Ethics Commissioner.

New DSOs will typically receive a letter from our office outlining the process for submitting their disclosure. If you are a new DSO who has not been contacted by this office, please email us at [info@ethicscommissioner.ab.ca](mailto:info@ethicscommissioner.ab.ca) to inform us.

The DSO will be provided with a form and will be required to list all assets, liabilities, investments, sources of income, holdings and business interests of the DSO, their spouse or adult interdependent partner and their minor children as of a given date. The same process will then take place annually at a time specified by the Ethics Commissioner.

Once the financial information is submitted, the Office of the Ethics Commissioner reviews the information and generally meets with the DSO to discuss the Act and how it may impact them in performing their role.

All information submitted or discussed during a meeting with our office is kept strictly confidential and is not subject to the *Access to Information Act*.

DSOs are also required to inform the Ethics Commissioner of material changes to their statements within 30 days of the change. The onus is on DSOs to keep the Ethics Commissioner informed of any material changes to their personal affairs.

#### **IV. WHAT RESTRICTIONS APPLY TO ME UNDER THE CONFLICTS OF INTEREST ACT?**

Section 23.925 of the Act places certain obligations on all senior officials, including all DSOs. It reads:

##### **Decisions furthering private interests**

**23.925(1)** A senior official breaches this Part if he or she takes part in a decision in the course of carrying out his or her office or powers knowing that the decision might further a private interest of the senior official, a person directly associated with the senior official or the senior official's minor or adult child.

**(2)** A senior official breaches this Part if the senior official uses his or her office or powers to influence or to seek to influence a decision to be made by or on behalf of the Crown or a public agency to further a private interest of the senior official, a person directly associated with the senior official or the senior official's minor child or to improperly further any other person's private interest.

**(3)** A senior official breaches this Part if he or she uses or communicates information not available to the general public that was gained by the senior official in the course of carrying out his or her office or powers to further or seek to further a private interest of the senior official or any other person's private interest.

**(4)** A senior official breaches this Part if the senior official fails to appropriately or adequately disclose a real or apparent conflict of interest.

Subsection 23.925(1) prohibits a DSO from participating in decisions that might further their private interests or the private interests of a person directly associated with the DSO or their minor or adult children. For example, if a DSO's spouse owns a business that is bidding on a contract from the DSO's public agency, this section requires that the DSO not be involved in any part of that decision.

Section 23.925(2) prohibits DSOs from using their office or powers to influence or seek to influence a government decision to further their private interests or the private interests of a person directly associated with the DSO or their minor children. For example, this section would prohibit a DSO from contacting staff within the public agency to suggest that their spouse's business should be given special consideration in a bidding process.

This section also prohibits DSOs from using their office or powers to improperly influence or seek to influence any other person's private interest. For example, this section would prohibit a DSO from contacting staff within the public agency to insist that the DSO's close friend's business should be awarded a contract following an RFP process, despite the friend's business not satisfying the requirements to be awarded that contract.

Section 23.925(3) prohibits DSOs from using or communicating confidential information gained in their employment to further their own or any other person's private interest. This section is not limited just to the private interests of the DSO, their family and direct associates as it also applies to the private interests of any other person.

For example, if a DSO is aware that the government is about to announce a large grant program and is aware that a publicly traded company may benefit from that grant program, the DSO could not buy stock in that company in advance of the public announcement. Nor could they tell anyone else about that new grant program to allow that person to buy stocks in the same company.

## **V. WHAT ARE MY RESTRICTIONS ON HOLDING PUBLICLY-TRADED SECURITIES AND HOW CAN I ENSURE I AM IN COMPLIANCE?**

### **1. What are my restrictions on holding publicly-traded securities?**

Section 23.93 of the Act prohibits DSOs from owning or having a beneficial interest in publicly-traded securities.

The definition of publicly-traded securities is found in section 1(1)(i) of the Act. In brief, publicly-traded securities are securities that are listed on a recognized stock exchange or securities of a corporation that has more than 15 shareholders and any of whose securities were part of a distribution to the public.

Mutual funds are excluded from the definition of publicly-traded securities. As a result, DSOs are permitted by the Act to hold mutual funds. Exchange-traded funds and index funds are also generally treated as exempt from the prohibition on holding publicly-traded securities.

## **2. How long do I have to come into compliance with this restriction?**

Section 23.93(7) gives DSOs 60 days from the date that they become a DSO to comply with the publicly-traded securities restriction.

The Ethics Commissioner will reach out to assist DSOs with coming into compliance. If necessary, during that process, the Ethics Commissioner will grant an extension to the 60-day deadline where appropriate.

## **3. What options do I have to comply with the restriction on publicly-traded securities?**

DSOs have three options if they own publicly-traded securities:

- a) **Divest:** DSOs may choose to divest themselves of any publicly-traded securities. If DSOs choose this option, the Ethics Commissioner will work with them on a reasonable timeline to divest the securities.
- b) **Establish a blind trust or investment arrangement:** Section 23.93(2)(a) permits DSOs to hold publicly-traded securities in a blind trust or investment arrangement. A blind trust or investment arrangement will give another person (who the Ethics Commissioner approves of in advance) control over investment decisions and precludes the DSO from having knowledge of the specific investments. DSOs may periodically receive limited information about their investments. This information is generally limited to the value of the investments and the returns that have been achieved. It can provide a high-level overview of the general breakdown of the investments (ie. stocks/bonds/other) but cannot identify specific stocks or other information that would give the DSO information that could create a conflict between their investments and their Ministerial role.

The Office of the Ethics Commissioner has some template blind trust and investment arrangement documents which can be used by DSOs.

DSOs are entitled to be reimbursed for the reasonable costs of establishing and administering a blind trust or investment arrangement.

- c) **Seek an exemption:** Section 23.93(3) gives the Ethics Commissioner discretion to allow DSOs to continue holding publicly-traded securities outside of a blind trust or investment arrangement. Approval can only be granted if the corporation that issued the securities is unlikely to have its interests affected by decisions of the public

agency or by decisions of the Government within the scope of advice, advocacy, activity or influence of the public agency or if the DSO would sustain a financial loss and the public interest does not require the securities' disposition.

#### **4. How do I seek an exemption to allow me to continue holding publicly-traded securities outside of a blind trust or investment arrangement?**

The Ethics Commissioner requires requests for an exemption to be in writing, detailing the securities the DSO wishes to retain and why those securities meet one of the criteria for an exemption.

DSOs may send their request for an exemption by email to [info@ethicscommissioner.ab.ca](mailto:info@ethicscommissioner.ab.ca). Alternately, DSOs may send a letter to the Office of the Ethics Commissioner or physically drop off their request. The written request must include the following:

- a) The most current information, which is generally included or depicted in an investment statement, about the securities for which the DSO is seeking an exemption.
- b) An explanation of why the DSO believes that one or both exemptions above should apply.
- c) A description of any conditions the DSO believes should be imposed in order to ensure the exemption conditions are met.

The Ethics Commissioner will advise the DSO in writing whether the exemption is granted. The Ethics Commissioner may also seek further information or request a meeting to discuss the exemption request before a decision is made.

Once the Ethics Commissioner has provided a decision, the DSO will be given a reasonable deadline within which to arrange their affairs accordingly.

## **VI. WHAT CONCURRENT EMPLOYMENT RESTRICTIONS APPLY TO ME AND HOW CAN I ENSURE I AM IN COMPLIANCE?**

Section 23.926 of the Act prohibits a DSO from being involved in any concurrent appointment, business, undertaking or employment, including self-employment, unless the DSO has approval in writing from the Ethics Commissioner to be involved in that matter. Such approval must be sought prior to accepting any such concurrent employment.

The Ethics Commissioner may only grant approval if the Ethics Commissioner is satisfied that the appointment, business, undertaking or employment will not constitute a real or apparent conflict of interest. Such approval may be provided on any conditions that the Ethics Commissioner considers to be appropriate.

## VII. WHAT ARE THE POST-EMPLOYMENT RESTRICTIONS THAT APPLY TO ME AND HOW CAN I ENSURE I AM IN COMPLIANCE?

The following information is intended to assist DSOs in understanding the length of their post-employment or “cooling-off” period, what activity it restricts and when a waiver or reduction to the period might be warranted.

### 1. How long is the “cooling-off” period?

Section 23.937 of the Act imposes restrictions on former DSOs for a period of 12 months from one of the following events:

- a) **Last day as DSO:** Subsections 23.937(1) (lobbying restriction) and 23.937(2) (acting on a commercial basis or making representations on certain matters) apply for 12 months from an individual’s last day as a DSO. For example, if a DSO leaves their role on May 1 in a particular year these restrictions will remain in place until May 1 of the following year.
- b) **Last day of any direct and significant official dealing:** Subsections 23.937(3)-(5) apply from the last day the former DSO had a direct and significant official dealing with the relevant individual, government department, organization, or other entity. For example, if a DSO had a direct and significant official dealing with an organization on May 1 but did not end their time as a DSO until October 1, the post-employment restrictions *with respect to that organization* will remain in place until May 1, not October 1, of the following year.

The phrase “direct and significant official dealing” is not defined in the Act. Whether an interaction qualifies as such will depend on the specific facts in each case.

**Direct** dealings may include not just personal contacts but also situations in which you direct staff to act on your behalf or in which you make a specific decision about an organization.

Whether a dealing is **significant** will depend on several factors, including the importance of the matter to the parties involved, the degree of involvement of the DSO in the dealing and the nature of the subject matter.

Generally, **official** dealings are meetings, negotiations, briefings or contracts regarding public agency or government business and activities.

### 2. What restrictions apply after I leave my DSO role?

Section 23.937 contains the following five restrictions:

- a) **Lobbying Restriction:** Subsection 23.937(1) prohibits a former DSO from lobbying, as defined in the *Lobbyists Act*, any public office holder as defined in the *Lobbyists Act* for a period of 12 months from their last day as a DSO.

The terms “lobbying” and “public office holder” are both defined in the *Lobbyists Act*, RSA 2007, c L-20.5, and that Act should be consulted for the full definition of those terms. The following paraphrased definitions are provided as a general guide.

“Lobbying” means to communicate, directly or through grassroots communication, with a public office holder in an attempt to influence policy, legislation, regulations, programs, grants, financial benefits or certain other matters for payment.

The term “public office holder” includes Members of the Legislative Assembly, Ministers, political staff, public servants and members of agencies, boards and commissions of the Alberta government. The lobbying restriction does not prevent former DSOs from lobbying orders of government other than the provincial government and related entities (other post-employment restrictions may).

- b) **“Ongoing Matters” Restriction:** Subsection 23.937(2) prohibits a former DSO from acting on a commercial basis or making representations with any ongoing matter in which you acted for or advised a department or Provincial agency while a DSO for a period of 12 months from their last day as a DSO.

This provision is sometimes referred to as a “switching sides” provision. It prevents former DSOs from acting for another party on an ongoing matter in which the DSO previously acted for the government of a public agency.

- c) **Restrictions on Representations re Contracts/Benefits:** Subsection 23.937(3) prohibits a former DSO from making representations with respect to a contract with or benefit from a department or Provincial agency for 12 months from the last day they had a direct and significant official dealing with that department or Provincial agency.
- d) **Restrictions on Soliciting/Accepting Contracts/Benefits on own behalf:** Subsection 23.937(4) prohibits a former DSO from soliciting or accepting a contract or benefit on their own behalf from a department or Provincial agency for 12 months from the last day they had a direct and significant official dealing with that department or Provincial agency.
- e) **Restrictions on Accepting Employment or Appointments:** Subsection 23.937(5) prohibits a former DSO from accepting employment from any individual, organization, board or equivalent body for 12 months from the last day they had a direct and significant official dealing with that individual or entity. It also prohibits a former DSO from accepting an appointment to the board of directors or equivalent body of the same entities during the same period.

### **3. Are there any exceptions to the post-employment restrictions?**

Subsection 23.937(6)-(7) provides two exceptions to the post-employment restrictions.

Subsection 23.937(6) allows a former DSO to be appointed to the board or governing body of another public agency during the one-year cooling-off period.

Subsection 32.937(7) allows a former DSO to accept employment with a department of the public service or a Provincial agency in accordance with Part 1 of the *Public Service Act*. This exception generally allows a former DSO to accept a role in the public service that is offered following an open and competitive process.

### **4. Can my cooling-off period be waived or reduced?**

A former DSO may apply to the Ethics Commissioner for a waiver or reduction of the above time periods. The discretion to waive or reduce the cooling-off period rests with the Ethics Commissioner and is considered on a case-by-case basis. The circumstances in which the Ethics Commissioner may waive or reduce the cooling-off period are as follows (see section 23.938 of the Act):

- a) The conditions in which the employment is awarded are the same for all persons similarly entitled.
- b) The award results from an impartial process open to a significant class of persons
- c) The activity will not create a conflict of interest between the former DSO and the public interest.

These waivers or reductions may be granted on any conditions that the Ethics Commissioner determines.

## **VIII. WHAT DO I DO IF I HAVE QUESTIONS?**

The Office of the Ethics Commissioner encourages all current and former DSOs to contact our office by email at [info@ethicscommissioner.ab.ca](mailto:info@ethicscommissioner.ab.ca) if they are seeking advice regarding their obligations under the Act.

Please note, all advice requests must be in writing to ensure all the relevant facts on which advice is based are clearly outlined for the benefit of both parties. Advice will also be provided in writing for the benefit of both parties.

If you have any other questions, please feel free to email [info@ethicscommissioner.ab.ca](mailto:info@ethicscommissioner.ab.ca).