**CONFLICT OF INTEREST POLICY**

The board of directors of the \_\_\_\_\_\_\_\_ ASSOCIATION has adopted the following policy designed to avoid any possible conflict between the personal interest of board members or staff and the interests of the ASSOCIATION.

The purpose of this policy is to ensure that decisions about ASSOCIATION operations and the use or disposition of ASSOCIATION assets are made solely in terms of the benefits to the ASSOCIATION and are not influenced by any private profit or other personal benefit to the individuals affiliated with the ASSOCIATION who take part in the decision. In addition to actual conflicts of interest, board members and staff are also obliged to avoid actions that could be perceived or interpreted in conflict with the ASSOCIATION’s interest.

Conflicts of interest may occur when the ASSOCIATION enters into transaction with not-for-profit organizations as well as those that are undertaken with profit making entities. The best way to deal with this problem is to make known one’s connection with organizations doing business with the ASSOCIATION and to refrain from participation in decisions affecting transactions between the ASSOCIATION and the other organization. Such relationships do not necessarily restrict transactions so long as the relationship is clearly divulged and non-involved individuals affiliated with the ASSOCIATION make any necessary decisions.

1.) Directors: Any member of the board of directors who may be involved in an ASSOCIATION business transaction in which there is a possible conflict of interest shall promptly notify the chairman of the board. The board member shall refrain from voting on any such transaction, participating in deliberations concerning it, or using personal influence in any way in the matter. The board member’s presence may not be counted in determining the quorum for any vote with respect to an ASSOCIATION business transaction in which he or she has a possible conflict of interest. Furthermore, the board member, or the chairman in the director’s absence, shall disclose a potential conflict of interest to the other members of the board before any vote on an ASSOCIATION business transaction and such disclosure shall be recorded in the board minutes of the meeting at which it is made. Any ASSOCIATION business transaction, which involves a potential conflict of interest with a member of the board of directors, shall have terms that are at least as fair and reasonable to the ASSOCIATION as those that would otherwise be available to the ASSOCIATION if it were dealing with an unrelated party.

2.) Staff: Any staff member who may be involved in an ASSOCIATION business transaction in which there is a possible conflict of interest shall promptly report the possible conflict to the president. If the possible conflict involves the president, the possible conflict shall then be reported to the chairman of the board.

The president or where applicable, chairman, after receiving information about a possible conflict of interest, shall take such action as is necessary to assure that the transaction is completed in the best interest of the ASSOCIATION without the substantive involvement of the person who has the possible conflict of interest. (This does not mean that the purchase or other transaction must necessarily be diverted, but simply that persons other than the one with the possible conflict shall make the judgments involved and shall control the transaction.) Each board member and senior staff member shall complete the attached questionnaire on an annual basis.

A written record of any report of possible conflict and of any adjustments made to avoid possible conflicts of interest shall be kept by the president, or where applicable, chairman.

1. Definitions:
   1. “Involved in an ASSOCIATION business transaction” means initiating, making the principal recommendation for, or approving a purchase or contract; recommending or selecting a vendor or contractor; drafting or negotiating the terms of such a transaction; or authorizing or making payments from ASSOCIATION accounts. That language is intended to include not only transactions for the ASSOCIATION’s procurement of goods and services, but also for the disposition of ASSOCIATION property, and the provision of services or space by the ASSOCIATION.
   2. A “possible conflict of interest” is deemed to exist where the director, or staff member, or a close relative, or a member of that person’s household, is an officer, director, employee, proprietary, partner, or board member of, or, when aggregated with close relatives and members of that person’s household, hold 1% or more of the issued stock in the organization seeking to do business with the ASSOCIATION. A possible conflict is also considered to exist where such a person is (or expects to be) retained as a paid consultant or contractor by an organization which seeks to do business with the ASSOCIATION, and whenever a transaction will entail a payment of money or anything else of value to the official, member, to a close relative, or to a member of that person’s household.

A “possible conflict of interest” exists when an individual affiliated with the ASSOCIATION has an interest in an organization which is in competition with a firm seeking to do business with the ASSOCIATION if the individual’s position gives him or her access to proprietary or other privileged information which could benefit the firm in which he or she has an interest.

A “possible conflict of interest” also exists when an individual affiliated with the ASSOCIATION is a board member, director, officer or employee of a not-for-profit organization which is seeking to do business with or have a significant connection with the ASSOCIATION or is engaged in activities which could be said in a business context to be “in competition with” the programs of the ASSOCIATION.

The policy statement shall be made available to each board member and each person appointed to an ASSOCIATION position that regularly involves initiation, review or approval of significant ASSOCIATION contracts or other commitments. Such people will be asked to sign the attached acknowledgement concerning reporting of potential conflicts of interest.

I have read and understand the ASSOCIATION’s policy on Potential Conflicts of Interest. I agree to report promptly any such interest that arises in my conduct of ASSOCIATION business in other respects, to comply with the policy and its procedures.

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_