

# **SAMPLE Policy**

## **Conflict of Interest**

### **Issues**

Conflicts of interest raise issues of governance, tax, and regulatory authority. They also raise concerns in the mind of the public and members of the media, potentially undermining an organization's reputation and good standing.

### **Circumstances**

Generally speaking, a conflict of interest situation arises when a staff member or one of his or her family members holds a personal or financial interest that compromises or could compromise the staff member's independence of judgment in exercising his or her responsibilities. Staff members should minimize conflicts of interest, disclose ethical, legal, financial, and other conflicts, and remove themselves from decision-making if their duties would otherwise call on them to act in a situation involving themselves, their family members, or entities closely associated with them or their family members.

### **Actions**

This policy requires staff members to disclose actual or potential conflicts of interest, as well as certain relationships and transactions, to enable an Administrator to report required information on its IRS Form 990 and to enable the Board and management to take steps it considers necessary or advisable to address conflicts of interest.

Depending on the circumstances, a relationship or and transaction disclosed under this policy:

- (1) may not constitute a conflict of interest;
- (2) may constitute a permitted conflict – if following certain procedures; or
- (3) may constitute an altogether prohibited conflict.