

ImmaCare Inc. Overview of Conflict of Interest Policy

At some point, most boards confront tension or conflict between the interests of the organization and the interests of an individual board member. For example, if your organization is hiring a new bookkeeper and the board president recommends his sister, other board members may (and should) question whether this is appropriate. On one hand, the board president's sister is an experienced bookkeeper who, because of her personal connection to the organization, may be particularly committed to the work. On the other hand, the executive director may be reluctant to supervise the board president's sister.

Conflicts of interest are difficult to weigh and balance because the relationships between board members and the community also are a part of the contribution that board members make to the agency. If the organization is buying a new computer, for example, and a board member owns a computer store, the organization may well benefit from discounts and extra service by buying the computer at her store. It would be a mistake to prohibit working with board members as vendors. Similarly, members who are also clients of the organization can be tremendously helpful in ensuring that a client perspective is brought into decision-making, but a client board member may find himself in a difficult position if the agency is considering eliminating a service that is used by very few clients other than him. In many cases, the perceived conflict of interest may simply "feel wrong" to some board members, although it might be within legal boundaries.

Three simple safeguards can go a long way towards preventing and avoiding conflicts of interest. First, establish a policy related to conflict of interest, which is signed by all board members when they join the board. The statement can be a simple declaration or require detailed information about the board members' financial interests. Second, establish disclosure as a normal practice. Board members should find it customary for someone to announce, for example, "I have started to date the Clinic Director and, as a result, feel that I must resign from the board. I would like to continue as a member of the Fundraising Committee, but not as a board member." In another situation a board president might say, "This next agenda item relates to joining a collaboration with other children's agencies. I'm going to ask board members who are also on one of these other boards to identify themselves and participate in the discussion, but I will excuse them from the room for part of the discussion and for the vote." Such disclosures should be recorded in the meeting's minutes.

Perhaps even more than written policies, board and staff leadership must establish by example and attitude an atmosphere of personal integrity. Some situations may need only a brief, informal comment to maintain that climate (example: "I know it's only \$24 but it's important to keep our finances straight"). In others, a decision may be delayed because of the need to ensure that it has been made in the organization's best interests. Each of us, by our daily words and actions, contributes to a culture of integrity and responsibility.

ImmaCare Inc. Conflict of Interest Policy

The standard of behavior at ImmaCare Inc. is that all staff, volunteers, and board members scrupulously avoid conflicts of interest between the interests of ImmaCare Inc. on one hand, and personal, professional, and business interests on the other. This includes avoiding potential and actual conflicts of interest, as well as perceptions of conflicts of interest.

I understand that the purposes of this policy are to protect the integrity of ImmaCare Inc.'s decision-making process, to enable our constituencies to have confidence in our integrity, and to protect the integrity and reputations of volunteers, staff and board members.

Conflicts of interest may arise in the relations of board members, staff and volunteers with any of the following third parties:

1. Persons and firms supplying goods and services to ImmaCare Inc.
2. Persons and firms from whom ImmaCare Inc. leases property and equipment.
3. Persons and firms with whom ImmaCare Inc. is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting ImmaCare Inc.
6. Agencies, organizations, and associations which affect the operations of ImmaCare Inc.
7. Family members, friends, and other staff.

A material conflicting interest may be defined as an interest, direct or indirect, with any persons and firms of the type listed above. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with ImmaCare Inc.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) in any third party dealing with ImmaCare Inc.
3. Receiving remuneration for services with respect to individual transactions involving ImmaCare Inc.
4. Using ImmaCare Inc.'s time, personnel, equipment, supplies, or good will for other than ImmaCare Inc. approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing with ImmaCare Inc. Receipt of any gift is improper except gifts of nominal value which could not be refused without discourtesy. No personal gift of money should ever be accepted.

The preceding lists are not exhaustive. Conceivably, conflicts might arise in other areas or through other relations. Regardless, if a conflict exists, it may not be material enough to be of practical importance, or if material that upon full disclosure of all relevant facts and circumstances that it is necessarily adverse to the interests of ImmaCare Inc.

Upon or before election, hiring or appointment, I will make a full, written disclosure of interests, relationships, and holdings that could potentially result in a conflict of interest.

This written disclosure will be kept on file and I will update it as appropriate, at minimum, annually. I understand that the purposes of this policy are to protect the integrity of ImmaCare Inc.'s decision-making process, to enable our constituencies to have confidence in our integrity, and to protect the integrity and reputations of volunteers, staff and board members.

In the course of meetings or activities, I will disclose any interests in a transaction or decision where I (including my business or other nonprofit affiliations), my family and/or my significant other, employer, close associates will receive a benefit or gain. After disclosure, I understand that I will be asked to leave the room for the discussion and will not be permitted to vote on the question.

I understand that this policy is meant to supplement good judgment, and I will respect its spirit as well as its wording. Disputes will be mediated by seeking consensus of the Board of Directors, with input from legal counsel as may seem appropriate to the Board. If consensus cannot be obtained, disputes will be settled by majority vote of the Board of Directors.

ImmaCare Inc.
Conflict of Interest Disclosure Statement

Please initial in the space at the end of Item A or complete Item B as may be appropriate and sign and date the statement and return this package to the Board President.

A. I am not aware of any relationship or interest or situation involving myself or my family which might result in, or give the appearance of being, a conflict of interest between me or such family member on one hand and ImmaCare Inc. on the other. _____ (Initials)

B. The following are relationships, interests or situations involving me or a member of my family which I consider might result in or appear to be an actual, apparent, or potential conflict of interest between me or such family members on one hand and ImmaCare Inc. on the other.
_____ (Initials)

Non-profit or For-profit directorships, positions, and employment: _____

Memberships or participation in the following organizations: _____

Contracts, business activities and investments with or in the following organizations:

Other relationships and activities: _____

I have read and understand ImmaCare Inc.'s conflict of interest policy and agree to be bound by it. I will promptly inform the Board President or Vice President of ImmaCare Inc. of any material change that develops in the information contained in the foregoing statement.

Signature

Print Name

Date