

## CONFLICT OF INTEREST AND CONFIDENTIALITY POLICY

AUTHORIZATION: Signature on file – (Secretary) \_\_\_\_\_  
Date

**PURPOSE:** The (Network) seeks to ensure the impartiality and integrity of the organization.

To remain consistent and to prevent anyone from placing themselves in a position of potential or actual conflict of interest, all Directors are required to read this policy statement regarding conflict of interest and confidentiality and sign a Disclosure Statement on an annual basis. This policy affects any person representing (the network) as a Board Member, staff person, consultant or any other person acting on behalf of the (organization.)

No person acting in a capacity for (the network) shall disclose confidential or proprietary organizational or individual network information acquired while acting on behalf of (the network); nor shall they use such information for personal or their organization's profit or advantage.

Any person acting in a capacity for (the network) who maintains or holds a position of financial gain for their own organization based on goods, services or programs provided by that member network to the (network), shall disclose those interests and potential gains to the (network's) Executive Committee.

Any person acting in a capacity for (the network) who maintains or holds a position of material financial gain or private interest in an outside concern which provides goods or services to (the network), shall have a duty to disclose these outside interests. These disclosures shall include immediate family involved in pertinent outside concerns.

If a transgression of this policy is discovered or if a Director refuses to sign the disclosure statement, the person acting on behalf of (the network) shall have the opportunity to meet with the Executive Committee. The Executive Committee will determine an appropriate resolution which may include, but is not limited to, the following:

- ◆ accept the disclosure of the conflict of interest but take no action;
- ◆ set a meeting with the Board of Directors and the member to discuss the conflict with the full membership;
- ◆ disclose the conflict and financial interests of the member to the full membership;
- ◆ request a voluntary withdrawal from participation in the portion of the membership that would be affected by the financial interest, if possible;
- ◆ deny further membership in (the network) to the member;
- ◆ ask the member to divest the financial interests that created the conflict;
- ◆ direct (the network) to divest of financial interests related to the member;
- ◆ sever the relationships that create conflicts; or
- ◆ request a reasonable, proportional pecuniary sanction.

If the person being censured does not agree with the decision made by the Executive Committee, they have the right to appeal by requesting to meet with the full Board of Directors at the next regularly scheduled meeting.

## **DEFINITIONS:**

Privileged Information - Includes, but is not limited to, information not available in the public domain which may financially benefit third parties, relating to technological information and scientific developments; medical, personnel, or security records of individuals; anticipated materials requirements or pricing actions; and knowledge of selection of vendors or contractors in advance of official announcement. Any information which may be privileged pursuant to applicable state or federal law.

Immediate Family - Includes mother, father, all brothers, all sisters, current spouse and natural or adopted children of the employee or agent.

Conflict of Interest - A conflict of interest occurs when any (network) member, due to his or her membership in or affiliation with (the network), has any personal financial, or immediate family interest that might deter the member from acting in the best interests of (the network) or might give rise to an influence on him/her that is not in the best interests of (the network). While a possible conflict between personal interests and (the network's) interests does not always result in damage to (the network), its very existence creates an inappropriate condition. Even the appearance of a conflict of interest should be avoided. As it is not possible to describe all instances where a conflict of interest could occur, this Policy will help define a potential conflict of interest.

Benefit - anything reasonably regarded as pecuniary gain or pecuniary advantage, included but not limited to, benefit to any other person or organization in whose welfare (the network) member has a financial interest.