

PPWG CONFLICT OF INTEREST POLICY

Policy

This conflict of interest policy is designed to ensure that voting members of the Board of Directors of PPWG identify situations that present possible conflicts of interest and to provide an appropriate procedure if a possible conflict of interest arises. It is also intended to ensure that decisions are not influenced by any private profit, similar organization(s), or would result in other personal benefit to the individuals affiliated with PPWG that participate in such decisions.

Definitions

Conflict of interest relates broadly to ethical behavior, which includes not just legal issues but considerations in every aspect of governance. A statement by Independent Sector describes three levels of ethical behavior: obeying the law; decisions where the right action is clear, but one is tempted to take a different course; and decisions that require a choice among competing options. The third level of behavior can pose especially difficult ethical dilemmas for nonprofit board members.

A conflict of interest arises when a person in a position of authority over an organization, such as a voting member of the governing board, an officer, or other voting member benefits from a decision she or he could make in such capacity, including indirect benefits such as to family members, to businesses and/or to organizations with which the person is closely associated; and/or when a person in authority over an organization must choose among competing options/organizations or loyalties.

Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person should disclose the existence of the interest and be given the opportunity to disclose all material facts to the Board of Directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the interest and all material facts, and after any discussion with the interested person, she or he shall leave the meeting while the determination of a conflict of interest is discussed and voted upon. The remaining directors, officers, or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

An interested person may make a presentation at the Board meeting. After the presentation, she or he shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. If the conflict of interest is determined by the Board to be such that it would significantly impede the interested person from performing her or his duties in the best interest of PPWG, the interested person may be required to resign from her or his position or withdraw from nomination for the office or committee chair.

4. Violations of the Conflicts of Interest Policy

- a. If the Board has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it should inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board determines the member has failed to disclose an actual or possible conflict of interest, it should take appropriate disciplinary and corrective action, which could include asking for that member's resignation from the Board.

Compliance

1. Each voting member of the governing board will be required to sign a statement of understanding and potential conflict of interest disclosure on an annual basis.
2. A written record on any report of possible conflicts and of any adjustments made to avoid possible conflicts of interest shall be kept by the Board chair.
3. The minutes of the governing board and all committees with board delegated powers should contain:
 - a. The names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the governing Board's or committee's decision as to whether a conflict of interest in fact existed, and the corresponding action of the Board;
 - b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.
4. This conflict of interest policy statement shall be made available to each voting member of the governing board. Such people will be asked to sign the following Statement of Understanding concerning reporting of potential conflicts of interest.

Statement of Understanding

I have read and understand the PPWG policy on conflict of interest and agree to abide by its terms.

Potential Conflict of Interest Disclosure:

(List all conflicts of interest as determined from the Conflict of Interest Survey. Use additional pages, or back of form if necessary.)

Signed: _____

Date: _____