

Sample Conflict of Interest Policy for Not-for-Profit Organizations

A conflict of interest exists when the personal or professional interests of a board member or advisory committee member of ABC Organization affect his or her ability to be objective. As board members and advisory committee members are likely to be affiliated with many organizations in their communities, both on a professional and a personal basis, it is not unusual for actual or potential conflict of interest to arise. This policy defines how ABC Organization interprets conflict of interest and what steps are expected to be taken to deal with such conflicts when they occur.

It is expected that no board member or advisory committee member shall use his or her position, or knowledge gained there from in such a manner that a conflict arises between the interest of ABC Organization and any of its affiliates and his or her personal or professional interests. Each board member or advisory committee member has the duty to place the interest of the organization foremost in any dealings on behalf of the organization, and has a continuing responsibility to comply with this policy.

In order to comply with this policy, it is expected that:

- If a board or committee member has an interest in a proposed transaction with ABC Organization in the form of a significant personal or organizational financial interest in the transaction or holds a position as trustee, director, officer or staff member in such organization, he or she must make full disclosure of such interest before any discussion or negotiation of such transaction.
- Any board or committee member who has a potential conflict of interest with respect to any matter coming before the board or the committee shall not participate in any discussion of or vote in connection with the matter unless invited to respond to questions or provide factual information by the board or committee chair.
- Any board or committee member who gains privileged information by virtue of his or her role as a board or committee member shall not use that privileged information for personal or professional gain.

This policy shall be distributed annually to board members and advisory committee members. A signature in the designated space at the bottom of this policy will indicate the board or advisory committee member's agreement to abide by this policy to the best of his or her ability.



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I have read the above statement of policy regarding conflict of interest and agree to abide by this policy to the best of my ability in my role as a board member or advisory committee member.

signature: _____ Date: _____

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If you would like more information, or help developing policies to fit your organization, please contact your Rea advisor or Mark Van Benschoten, head of Rea's not-for-profit group, at 614.889.8725 or mark.vanbenschoten@reacpa.com.

SAMPLE



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