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**Conflict of Interest**

**From the ICADV Bylaws:** The provision of Section 108.60 of the Illinois Not for Profit Corporation Act of 1986, as amended from time to time, shall specifically apply to the conduct of the Board of Directors and shall govern any question or situation that might arise from time to time as to any conflict of interest between an individual member of the Board of Directors and the transactions of the Corporation.

The standard of behavior at ICADV is that all staff, volunteers, Members of the Corporation and members of the Board of Directors shall scrupulously avoid conflicts of interest between the interest of ICADV on one hand, and personal, professional and business interests, as well as perceptions of conflicts of interest.

Upon or before the election, hiring or appointment of any staff member, volunteer or member of the corporation or the Board of Directors, he or she shall make a full written disclosure of any interest, relationship, and/or holding of theirs that could potentially result in a conflict of interest. This written disclosure shall be kept on file and shall be updated as appropriate.

In the course of meetings or activities, staff members, volunteers and members of the corporation and the Board of Directors shall disclose any interest they may have in a transaction or decision where they and/or their family, significant other, employer or close associate may receive benefit or gain. After such disclosure, the person shall leave the room during discussion of such transaction and shall not be permitted to vote on the question.

**Conflict of Interest Policy**

A person who is an employee of ICADV in a position of compliance or fiduciary responsibility subject to influence of programmatic compliance may not contract independently with a member and/or funded program or with someone on the Board of Directors. Neither may an employee use her/his position to solicit employment from member and/or funded programs or from someone on the Board of Directors. Employees are discouraged from placing themselves in a position, which may require or lead to divided loyalties.

Employees and board members have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which ICADV wishes its business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject.

An actual or potential conflict of interest occurs when an employee or board member is in a position to influence a decision that may result in a personal gain for the employee or board member or for a relative as a result of ICADV’s business dealings. For the purpose of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee or board member is similar to that of persons who are related by blood or marriage.

No presumption of guilt is created by the mere existence of a relationship with outside firms. However, if an employee or board member has any influence on transactions involving purchases, contracts, or leases, it is imperative that he or she discloses to an officer of the organization as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee, board member, or relative has a significant ownership in a firm with which ICADV does business, but also when an employee, board member, or relative receives any monetary consideration, substantial gift, or special consideration as a result of any transaction involving the Coalition.

The materials, products, ideas, programs, and data of ICADV are the property of ICADV, and should never be given to an outside firm or individual except through normal channels and with appropriate authorization. Any improper transfer of material or disclosure of information, even though it is not apparent that an employee or board member has personally gained by such action, constitutes unacceptable conduct. Any employee or board member who participates in such a practice shall be subject to disciplinary action, up to and including discharge.

*Approved by Operations and Mechanics Committees*

**Conflict of Interest Procedures**

**Disclosure:**  When an employee or board member believes that a conflict of interest may exist, the employee or board member must disclose all material facts relevant to the proposed transaction or arrangement that could create a conflict of interest.  In the case of an employee, the disclosure shall be made to the Executive Director, who then shall report all material facts to the board.  In the case of the Executive Director or any board member, the disclosure shall be made to board members.

**Determination of Conflict of Interest:**  After an employee or a board member discloses the potential conflict of interest and all relevant information, the board may discuss the situation with the employee or board member.  He or she then leaves the room while the non-interested board members discuss the situation and vote on whether or not a conflict of interest actually exists.

**Process for Addressing Conflict of Interest**

If the board determines that a conflict of interest does exist, then the following process is used:

* The interested person leaves the room during any discussion and vote relating to the transaction or arrangement in question.  If he or she wishes to make a presentation related to the transaction or arrangement, he or she may do so before leaving the room.
* The board members will examine a variety of alternatives related to the proposed transaction or arrangement.  They will examine all options to determine whether ICADV can find a more advantageous option that would not give rise to a conflict of interest.
* If the board determines that no other transaction or arrangement is more advantageous to the interest of ICADV, the disinterested directors will vote on the transaction or arrangement.  In so voting, they will consider whether the transaction or arrangement is fair, reasonable, and in the best interests of the Coalition.
* The minutes of the board will include the name of anyone who discloses a potential conflict of interest, the nature of that interest, any investigation or action taken, and the board’s decision.  The minutes will also specify who was present and voting on the transaction or arrangement and will include information on the discussion as well as recording any votes.

**Violations of the Conflict of Interest Policy**

If the board believes that an employee or board member has failed to disclose actual or possible conflicts of interest, it will follow this procedure:

* Inform the employee or board member of the reason for believing that an undisclosed conflict of interest may exist.
* Give the employee or board member an opportunity to explain.
* Discuss the situation and conduct any further investigation necessary.
* Vote on whether or not the employee or board member has actually failed to disclose a conflict of interest.
* If the voting board members decide that the employee or board member should have disclosed a conflict, determine the appropriate action to take.

*Approved by Operations and Mechanics Committees*

Conflict of Interest Disclosure Statement

Please initial in the space at the end of Item A or complete Item B, whichever is appropriate.

Read Item C and sign and date the statement and return it to the board president (board members) or the executive director (employees).

1. I am not aware of any relationship or interest or situation involving my family or myself that might result in, or give the appearance of being, in conflict of interest between such family member or me and ICADV.\_\_\_\_\_\_\_\_\_\_\_

Initials

1. The following are relationships, interests, or situations involving me or a member of my family that might result in or appear to be an actual, apparent, or potential conflict of interest with ICADV:

For-profit corporate directorships, positions, and employment:

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Not-for-profit board memberships:

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Memberships, contracts, activities, or investments with or in organizations:

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My primary business or occupation at this time:

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1. I have read and understand ICADV’s Conflict-of-Interest Policy and agree to be bound by it. I will promptly inform the board president and /or the executive director of any material change that develops in the information contained in the foregoing statement.

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Type / print name Signature Date

*Approved by Operations and Mechanics Committee*