

## Conflict of Interest Policy Statement (approved 1/10)

This policy and procedure addresses how the Illinois Association for Gifted Children (IAGC) will minimize risk to the corporation and to individuals by establishing a mechanism to recognize and respond to conflicts of interest, potential conflicts of interest, and apparent conflicts of interest in the leadership of the corporation. It should be noted that potential conflicts of interest are as problematic as actual conflicts of interest and must be resolved just as quickly.

In their capacity as directors, the members of the Board of Directors (the “Board”) of the Illinois Association for Gifted Children (“IAGC”) and their employees must act at all times in the best interests of the corporation. The purpose of this policy is to help inform the Board about what constitutes a conflict of interest, assist the Board in identifying and disclosing actual and potential conflicts, and help ensure the avoidance of conflicts of interest where necessary. This policy may be enforced against individual Board members and IAGC employees as described below.

### **I. CONFLICT OF INTEREST POLICY**

- a. Board members and IAGC employees have a fiduciary duty to conduct themselves without conflict to the interests of the corporation. In their capacity as Board members or IAGC employees, they must subordinate personal, individual business, third-party, and other interests to the welfare and best interests of the corporation.
- b. All conflicts of interest are not necessarily prohibited or harmful to the corporation. However, full disclosure of all actual and potential conflicts and a determination by the disinterested Board (or Executive Committee) members – with the interested Board member(s) excused from participating in debates and voting on the matter – are required.
- c. All actual and potential conflicts of interests shall be disclosed by Board members to the officers through the annual disclosure form and /or whenever a conflict arises. The disinterested members of the Executive Committee shall make a determination as to whether a conflict exists and what subsequent action is appropriate, if any.
- d. On an annual basis all Board members shall be provided with a copy of this policy and required to complete and sign the acknowledgment and disclosure form following this policy. All completed forms shall be provided to and reviewed by the Executive Committee, as well as all other conflict information provided by Board members.

### **II. DEFINITIONS**

“Conflict of interest” is defined as a transaction in which, because the individual is, either directly or indirectly, a party to the transaction or possible beneficiary of the transaction, there is or may be a conflict between the individual’s obligations to the corporation and the individual’s personal or business interests. There is an implied duty of loyalty that commands that individuals be faithful to an organization’s best interests and not use their organizational position or knowledge to advance a personal agenda at the organization’s expense.

Conflicts of interest may result from corporate or company, personal, volunteer, and family business interests and relationships that may involve or relate to the corporation in any way.

The Executive Committee or a standing committee of the Board may be appointed for the purpose of reviewing conflict forms and making initial conflict decisions.

### **III. EXAMPLES OF POSSIBLE CONFLICTS OF INTEREST**

These may include but are not limited to:

- Service on a committee or task force that may have different goals or interests than the overall Board of Directors.
- Receipt of personal remuneration as a result of service on the Board of Directors.
- Monetary gain from a business endeavor that could be of service to IAGC. (Ex. Printing services)

**ACKNOWLEDGMENT AND DISCLOSURE FORM**

I have read the Conflict of Interest Policy Statement (2050) and agree to comply fully with its terms and conditions at all times during my service as a Board member or IAGC employee. If at any time following the submission of this form I become aware of any actual or potential conflicts of interest, or if the information provided below becomes inaccurate or incomplete, I will promptly notify the IAGC Executive Committee in writing.

**Disclosure of Actual or Potential Conflicts of Interest:**

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**Signature:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_