

## **CONFLICT OF INTEREST POLICY – The People’s Consultants**

The Peoples’ Consultants (tPC) is committed to avoiding conflicts of interest between the interests of the organization and the personal interests of its directors and/or employees. tPC is also committed to avoiding the appearance of conflicts of interest.

The Board recognizes that conflicts may arise. Conflicts of interest are not inherently illegal, nor does their existence necessarily reflect negatively on the organization. It is the manner in which the individual directors and the Board deal with conflicts that determine the propriety of a particular transaction.

The same is true of individual employees who find that he or she has an individual interest in a particular transaction that is in conflict with the interests of PC.

### **a) WHAT IS A CONFLICT OF INTEREST?**

A conflict of interest is present whenever a director or employee has a *material personal interest* in a proposed contract or transaction to which PC may be a party. A material personal interest may arise either directly or indirectly. Thus:

- The director or employee may have an employment, ownership, or investment relationship with an entity with which tPC has or may have a transaction or arrangement;
- The director or employee may have a family member or domestic partner who is either personally involved in the transaction or has a relationship with an entity that is involved in the transaction.

In such an instance, the director or employee is deemed to have a conflict of interest.

### **b) DUTY TO DISCLOSE**

Annually, both directors and employees must fill out a Conflict of Interest Disclosure Statement in the form attached to this policy.

The duty to disclose extends also to situations where an interest or connection of a director or employee may give rise to an *appearance* of a conflict of interest. The appearance of a conflict of interest can be just as hurtful to the organization’s reputation as an actual conflict. Where the potential of an appearance of conflict exists, the pertinent director or employee should discuss the danger of the adverse appearance with the Board Chair in the case of a director or the President, or with the President in the case of an employee.

### **c) PROCEDURE FOLLOWING DISCLOSURE**

#### **Directors**

Where a director has made a disclosure pursuant to the above procedures, that director should absent him or herself from that portion of the Board or committee meeting in which the pertinent transaction is decided.

Based on the information disclosed, the Board or committee of the Board should decide whether or not a material conflict of interest as defined by this policy exists, or whether or not the appearance of a conflict of interest is likely to arise. If the Board decides that a material conflict of interest does exist, or that an appearance of conflict may arise, it should consider alternatives to the transaction that do not create either a conflict of interest or the appearance of a conflict. In this regard, the Board or committee may in their discretion seek additional input from the staff.

After considering alternative arrangements reasonably available to the organization, and the terms and conditions of the proposed transaction, the disinterested Board or committee members should determine by majority vote whether the transaction or arrangement is in tPC's interest in spite of the conflict or appearance of conflict. If the disinterested Board or committee members determine that the transaction does serve the interests of tPC, the basis for their conclusion should be recorded in the minutes.

### **Employees**

When an employee has made a disclosure of an actual or potential conflict of interest, that employee should request his or her supervisor to excuse that employee from participation in considering or deciding whether to enter into the arrangement or transaction which gives rise to the conflict.

The employee's supervisor should discuss any conflict of interest or appearance of conflict of interest brought to his or her attention by an employee with the President.

### **d) CONFLICT OF INTEREST AND/OR DUALITY POLICY**

It is resolved that the following policy of conflict of interest is adopted:

- Any duality of interest or possible conflict of interest on the part of any Board member should be disclosed to other Board members and made a matter of public record, both through an annual procedure as well as when the interest becomes a matter of Board action.
- Any Board member having a duality of interest or possible conflict of interest on any matter should not vote or use his/her personal influence on the matter, and he/she should not be counted in determining the quorum for the meeting, even where permitted by law. The minutes of the meeting should reflect that a disclosure was made, the abstention from voting, and the quorum situation.
- The foregoing requirements should not be construed as preventing the Board member from stating his/her position in the matter, nor from answering pertinent

questions of other Board members since his/her knowledge may be of great assistance.

It is further resolved that this policy, be reviewed annually for the information and guidance of Board members and that any new Board member be advised of the policy upon entering the duties of his/her office. The Board Chair and Secretary are authorized and directed to see that this policy is followed.

**Peoples' Consultants Conflict of Interest Statement**

I have read and am familiar with this organization's policy concerning conflicts of interest and I agree to abide by this policy. In compliance with the above policy, I hereby disclose affiliation with the following organizations including positions held by either myself or my family members which may present a conflict of interest.

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Organization      Position and date held

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Organization      Position and date held

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Organization      Position and date held

*Or (check if applicable):*

I have no affiliations resulting in a conflict of interest. \_\_\_\_\_

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Board Member or Employee                      Date