



FEDERATION OF ASSOCIATIONS IN BEHAVIORAL & BRAIN SCIENCES

Conflict of Interest Policy

- 1) **Purpose:** The purpose of this conflict of interest policy is to protect the interests of the Federation of Associations in Behavioral & Brain Sciences in connection with any transaction or arrangement that could benefit the private interests of an officer, director, or others covered under the policy as described below. This policy provides a systematic mechanism for disclosing and evaluating potential and actual conflicts of interest, and procedures for the Board in addressing these conflicts as they relate to the organization and its interests with regard to the particular issue, transaction, or arrangement. This policy supplements any federal or state laws governing conflicts of interest that are applicable to nonprofit organizations.
- 2) **Persons Covered by the Policy:** This policy applies to any member of the organization's governing body or any person who has been delegated authority to act on behalf of the governing board. Covered persons include the organization's officers (i.e. Executive Committee), board of directors (i.e., Council), or member of any committee created by the Executive Committee or Council who has governing board delegated powers (e.g., Audit Committee).
- 3) **Conflicts of Interest:** A conflict of interest arises whenever a covered person has a direct or indirect interest that may conflict with his or her responsibilities to the organization. These interests include financial interests (e.g., investment, ownership, compensation, or excess benefit) or positional interests (e.g., duty of loyalty to another entity) that could conflict with the interests of the organization. Professional, business, financial, or personal relationships could give rise to an indirect conflict of interest.

A covered person should consider the full range of interests that could give rise to a material conflict. The fact that any of these interests exist does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances regarding a conflict that action by the committee, officers, or governing board would be precluded.

4) **Responsibilities of Covered Persons:**

a) **Agree to Uphold Duties to the Organization:** Every person covered by this policy shall perform his or her duties for the organization in good faith and with the degree of care that an ordinarily prudent person would exercise under similar circumstances. A covered person may not use his or her position with the organization for personal profit or gain, and may not compete with the organization by appropriating a business idea or opportunity related to the nonprofit, unless the Board determines not to pursue that opportunity.

A covered person may not engage in any transaction or arrangement that involves a conflict, except as allowed under this policy. A person covered by this policy should avoid both actual conflicts and the appearance of conflicts of interest, including participation in the disposition of an issue in which there are other professional, business, or personal responsibilities that could bias judgment. Where actual or potential conflicts arise, action should be taken, as described below, to resolve the conflict.

b) **Disclose Actual or Potential Conflicts:** A person covered by the policy shall promptly disclose all material facts of actual or potential conflicts of interest. Disclosure shall occur at the time a person comes under the policy, annually through a conflict of interest disclosure statement, and at any time in which a conflict arises or could arise.

Conflicts that arise during a meeting of officers, governing board, or committee shall be disclosed to all members present at the meeting. All other disclosures shall be made to the organization's President. The President shall disclose all conflicts reported to him or her, as well as his or her own conflicts, to the Executive Committee or Council, depending upon which body is overseeing the disposition of an issue.

5) **Procedures for Resolving Actual or Perceived Conflicts:** After disclosure of the actual or potential conflicts of interest and all material facts, the person raising the actual or potential conflict and the committee or governing board considering an issue shall have an opportunity for discussion in order to obtain a complete understanding of the conflict. The person raising the conflict shall not advocate a particular position, but be available to answer questions of the committee or governing board. The committee or governing board may identify a more advantageous arrangement for the organization that does not present a conflict of interest. The person raising the conflict may also recuse himself or herself from voting on any issue, transaction, or arrangement in which he or she has a potential or actual conflict of interest, and shall not be present when any such vote is taken.

After any discussion, and in the absence of the person raising the conflict, the committee or governing board will then determine whether any conflict exists and, if so, how it should be resolved in the interests of the organization. A vote shall be taken by the disinterested members of the committee or governing board, and the minutes shall reflect that procedures for resolving the conflict have been met.

6) **Records of Proceedings:** The minutes of the governing board or any committee acting on its behalf shall include a description of the actual or potential conflict of interest and any material facts, the process for resolving the conflict, the names of persons participating in any part of the discussion or resolution of the conflict, and a record of any votes taken.

7) **Violations of the Policy:** The governing board or any committee designated to act on its behalf shall determine how to address violations of the policy, giving regard to due process concerns and the facts and circumstances surrounding any violation.

8) **Acknowledgement of Policy:** Each person covered under this policy shall acknowledge that he or she has received, read, understands, and agrees to comply with the organization's Conflict of Interest policy.