



## **USASBE Conflict of Interest Policy**

Draft 11/13/20

### **I. Overview**

1. The purpose of this Conflict of Interest Policy (the “policy”) is to protect the United States Association of Small Business and Entrepreneurship (USASBE) interests when it is considering taking an action or entering into a transaction that might benefit the private interests of a director, officer, employee or other key person.
2. As a nonprofit, charitable organization, USASBE is accountable to both government agencies and members of the public for responsible and proper use of its resources. Directors, officers and employees have a duty to act in USASBE’s best interests and may not use their positions for their own financial or personal benefit.

Conflicts of interest must be taken very seriously since they can damage USASBE’s reputation and expose both the organization and affiliated individuals to legal liability if not handled appropriately. Even the appearance of a conflict of interest should be avoided, as it could undermine support for the organization.

3. This policy applies to all directors, officers, employees and key persons. Key persons include but may not be limited to, appointed positions, unelected committee or commission members, task force members, advisory board members, organizational liaisons, special interest group (SIG) chairs, and editors. Please consult the attached Conflict of Interest Guidance Chart for further definition and examples.

### **II. Identifying Conflicts of Interest**

1. A Conflict/Duality of Interest is defined as a situation in which a USASBE Leader has any impediment to being impartial and loyal to USASBE. This includes financial, personal, familial, and professional relationships that could actually – or reasonably appear to – affect the allegiance of the USASBE Leader to the Association and its mission

More specifically, a potential conflict of interest arises when a director, officer, employee or

key person, or that person's **relative**<sup>1</sup> or business (a) stands to gain a financial benefit from an action USASBE takes or a transaction into which the USASBE enters; or (b) has another interest that impairs, or could be seen to impair, the independence or objectivity of the director, officer or key person in discharging their duties to the USASBE

2. While it is impossible to list all the possible circumstances that could present conflicts of interest, the attached Conflict of Interest Guidance Chart outlines some of the situations that USASBE leaders may encounter during their service to the organization. The chart is intended to be used as a starting point to assist leaders in identifying if a potential conflict exists and is not intended to represent final adjudication on a potential conflict. Each potential conflict will be determined on a case-by-case basis in consultation with the USASBE Ethics Commission (UEC).
3. In situations where you are uncertain, err on the side of caution and disclose the potential conflict as set forth in Section III of this policy.
4. A person has a conflict of interest only if the UEC decides, pursuant to Section IV of this policy, that a conflict of interest exists.

### **III. Disclosing Potential Conflicts of Interest**

1. When a USASBE Leader is affiliated with an organization seeking to provide services or facilities to USASBE, or when a USASBE Leader has any duality of interest or possible conflict of interest, real or apparent, such affiliation or conflict of interest should be disclosed on the disclosure form and submitted to the UEC. An affiliation with an organization will be considered to exist when a Board member or officer or a member of his or her immediate family or close relative is an officer, director, trustee, partner, employee or agent of the organization, or has any other substantial interest or dealings with the organization.
2. You must disclose to the best of your knowledge all potential conflicts of interest as soon as you become aware of them and always before any actions involving the potential conflict are taken. Submit a signed, written statement disclosing all the material facts to the UEC
3. If you are an elected or appointed USASBE Leader, you must file an annual disclosure statement in the form attached to this policy. **This disclosure statement is also required to be completed by anyone being considered as a director** prior to your initial election. Submit the form to the chair of the UEC.

### **IV. Determining Whether a Conflict of Interest Exists**

1. After a potential conflict has been raised (either by disclosure or by a third-party) the UEC will follow the process outlined in the attached Ethics Commission Flowchart.

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<sup>1</sup> **Relative** means a person's spouse or domestic partner, ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses or domestic partners of brothers, sisters, children, grandchildren and great-grandchildren.

2. The director, officer, employee or key person shall not be present for deliberation or vote on the matter and must not attempt to influence improperly the determination of whether a conflict of interest exists.
3. In determining whether a conflict of interest exists, the UEC shall consult the guidance chart and make a determination on a case-by case basis using the process detailed in the Ethics Commission Flowchart.
4. If the UEC determines that there is a conflict of interest, it shall refer the matter to the board of directors ("board").

**V. Procedures for Addressing a Conflict of Interest**

1. Any member of the Board of Directors or officer having a duality of interest or possible conflict of interest on any matter shall disclose the conflict of interest, shall not vote or use his or her personal influence on the matter, and shall not be counted in determining a quorum for the meeting at which the matter is voted upon, even though permitted by law. The Board of Directors shall obtain and rely on appropriate comparability data, when appropriate. The minutes of the meeting shall reflect that the disclosure was made, that the interested member of the Board of Directors abstained from voting, that his or her presence was not counted in determining a quorum, and that comparability data was considered.
2. The foregoing requirements shall not be construed to prevent a member of the Board of Directors or officer from stating his or her position on the matter under consideration, nor from answering questions of other Board of Directors members relating to the matter.
3. Pursuant to Article XV, Section 1 of the USASBE Bylaws, The Board of Directors may remove any director or officer found who violates the policy.

**VI. Minutes and Documentation**

The minutes of any board meeting at which a matter involving a conflict of interest or potential conflict of interest was discussed or voted upon shall include:

1. The name of the conflicted party and the nature of the interest;
2. The decision as to whether the interest presented a conflict of interest;
3. Any alternatives to a proposed contract or transaction considered by the board; and
4. If the transaction was approved, the basis for the approval.
5. Confidentiality of witnesses and any reporting party will be protected to the fullest extent possible.

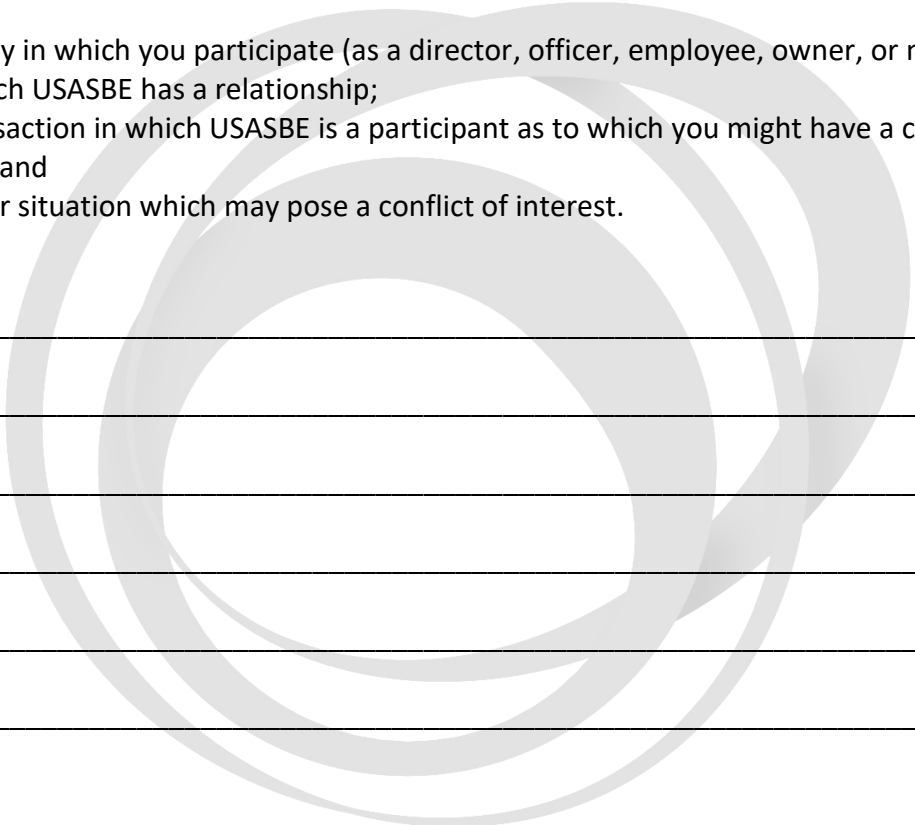
USASBE  
**Conflict of Interest Disclosure Statement**

By signing below, I affirm that:

1. I have received and read a copy of the Conflict of Interest Policy and reviewed the guidance chart;
2. I agree to comply with the policy;
3. I have no actual or potential conflicts as defined by the policy, or if I have, I have previously disclosed them as required by the policy or am disclosing them below.

Disclose here, to the best of your knowledge:

1. Any entity in which you participate (as a director, officer, employee, owner, or member) with which USASBE has a relationship;
2. Any transaction in which USASBE is a participant as to which you might have a conflicting interest; and
3. Any other situation which may pose a conflict of interest.



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Name: \_\_\_\_\_

USASBE Position: \_\_\_\_\_

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

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