**CONFLICT OF INTEREST**

Effective: May 8, 2019

**Policy**

**Purpose of Conflict of Interest Policy**

The IIBA Central Iowa Chapter (hereinafter “Chapter”) is a not-for-profit organization dedicated to the education and advancements of Business Analysis in central Iowa. The purpose of the Conflict of Interest Policy (hereinafter “Policy”) is to protect the Chapter’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer, Board Member, or Chair of a Chapter Committee or might result in a possible excess benefit transaction. This Policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to non-profit and charitable corporations.

**Definition of an “Interested Person”**

Any Board Member, Officer, or Chair of a Chapter Committee with governing Board delegated powers, who has direct or indirect financial interest in the Chapter or has governing powers over the Chapter shall be considered an Interested Person. Any Person who is under consideration for a Board or Chair role shall also be considered an Interested Person while they are under consideration for the role.

**Interested Person Responsibilities**

Interested Persons are responsible for performing their duties in good faith and in the best interests of the Chapter and its members. In particular, Interested Persons are expected to avoid activities, agreements, business investments or interests, or other situations that materially conflict or appear to conflict with the interests of the Chapter or interfere with the individual’s duty to loyally serve the Chapter to the best of his or her ability.

**Conflict of Interest**

A Conflict of Interest (hereinafter “Conflict”) exists when an Interested Person has competing interests or obligations that may make it difficult to fulfill his or her duties impartially. A Conflict may exist even if no unethical or improper act results. A Conflict may be financial or a role based in nature.

Financial Conflict may happen when a person has

* A direct or indirect financial interest, ownership, or potential investment interest in any entity with which the Chapter has a transaction, financial arrangement, or is negotiating a transaction or arrangement or
* A compensation arrangement, including direct or indirect remuneration, with the Chapter or
* Received gifts or favors that are not insubstantial or
* Perception of Conflict based on financial transactions or potential transactions

Role conflict may happen when there is

* Competing interests between different roles that a person fulfills within the Chapter or the community or
* Opposing obligations or time commitments from a person’s role with a different organization or
* A person holds multiple roles within the Chapter leading to Conflict between or disagreement about responsibilities for a particular role or
* Perception of Conflict based on role or influence of a different organization where it is may be difficult to be seen as impartial and acting in the best interest of the Chapter.

**Duty to Disclose**

In connection with any actual or possible Conflict, an Interested Person must disclose the existence of the financial or role interest and be given the opportunity to disclose all material facts to the Board of Directors. When a potential Conflict is discovered or arises, the Interested Person should always act in the interest of the Chapter and disclose the potential Conflict immediately.

**Procedures**

**How to report a Conflict of Interest**

Based on an Interested Persons duty to disclose, all Conflicts must be submitted to the Board in writing or through email. The notification will be given consideration by the Board at the next Board Meeting and the Interested Person will be allowed to present all material facts. It is important that the Interested Person is clear about the Conflict description and nature, the potential financial impact, and how differing responsibilities of roles will be discharged.

If the Board has reasonable cause to believe an Interested Person has failed to disclose actual or possible Conflicts, the Board shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

**Determining Whether a Conflict of Interest Exists**

After disclosure of the financial or role conflict and all material facts, and after any discussion with the Interested Person, the Board shall decide if a Conflict exists. After the Interested Person is allowed to present all material facts to the Board, he/she shall leave the Board while the determination of the existence of Conflict is discussed and voted upon. The Board shall vote, requiring simple majority, to determine if a Conflict exists.

An identified Conflict does not necessarily constitute a violation of the Policy. A vote to determine if a violation has occurred will immediately follow the initial determination of the Conflict and will require a 2/3 Board vote.

**Violation of Conflict of Interest**

If, after hearing the Interested Person’s response and after making further investigation as warranted by the circumstances, the Board determines there is a Conflict for the Interested Person or that the Interested Person has failed to disclose an actual or possible Conflict, the Board is authorized to take appropriate disciplinary and corrective action to address the Conflict.

This action may include, but is not limited to

* Implementation of additional oversight or governance by the Board or Committee or
* Termination or modification of financial agreement or contract to ensure mutual benefit to the Chapter or
* Change in role or responsibilities, either temporary or permanent, to ensure real or perceived Conflict is reduced or eliminated.