

**Policy and Procedures Concerning Conflicts of Interest for Board Members**

**1. PURPOSE**

The purpose of this policy is to identify to IAWP Board Members how to manage conflicts of interest and their duty as a board member.

Board members have a duty to place the IAWP interest above their own interests. If there is a conflict, it must be declared, so that the board can manage it. This helps to maintain the trust in IAWP and all its members, including the Board of Trustees.

The IAWP has obligations about conflicts of interest, specific to the District of Columbia Not for Profit Incorporations Act 2010.

**2. SCOPE**

**IAWP Board of Directors (referred to as the board or Board Members)**

This policy applies to all members of the IAWP Board, whether elected or appointed, as well as the Board of Trustees and representatives to the IAWP Board of IAWP Affiliates.

It covers any persons tasked with:

- leading a committee on behalf of the IAWP
- Conference Directors and anyone associated with the annual conference planning committee, and
- any person(s) who are working for, or remunerated by the IAWP including a professional fundraiser, Executive Director, Business Manager, or any such party who may receive a personal benefit from IAWP business.

**3. MANDATORY REQUIREMENTS**

All individuals (board members) covered by this Policy must perform their duties in a fair and unbiased way, and not make decisions which may be perceived as advancing self-interest or personal gain.

Conflicts of interest must be disclosed, and reasonable steps should be taken to avoid these in connection with IAWP duties and obligations.

To facilitate transparent and ethical decision making, all individuals covered by this Policy must avoid any actual, perceived, or potential conflicts of interest.

**4. POLICY PRINCIPLES**

The IAWP is committed to and will uphold the following principles in applying this policy:

**IAWP interest:** all Board Members have a duty to place the IAWP interest above their private interests when carrying out their official IAWP functions.

**Accountability:** all board Members are accountable for avoiding wherever possible or identifying, declaring, and managing any actual, potential, or perceived conflict of interest that applies to them.

**Risk-based approach:** the IAWP will take a proactive approach to assessing and managing conflict of interest risks.

## 5. DEFINITIONS

### **Actual, potential, and perceived conflicts**

A conflict of interest may be actual, potential, or perceived and may be financial or non-financial.

**Actual:** There is a current conflict with your duties as a board member and your private interests or duties.

**Potential:** There is a potential conflict with your private interest or other duty and your duties as a board member.

**Perceived:** Any third party could believe your private interests or other duties may influence your performance as a board member.

There are two types of conflicts a board member can have: **private interest** and **duty**.

### **Private Interest**

A conflict of interest is a conflict with a board member's duty as a board member and their **private interests**. This conflict exists if their private interests influence, or are seen to influence, their decisions, or actions as a board member.

A conflict of interest occurs when an individual's private interests' conflict with their responsibility to act in the best interests of the IAWP/IAWPF.

Private interests include **direct interests**, such as a board members own personal, family, professional or business interests. as well as **indirect interests** such as such as the personal, family, professional or business interests of individuals or groups with whom the board member is, or was recently, closely associated. (i.e., as a director of a corporate sole member company).

### **Conflict of duty**

A conflict of duty is a conflict between a board members duty as a board member and their duty to another public or private organisation (for example, another charity organisation).

This conflict exists if they have two or more roles that have competing priorities.

***For examples of conflict of interest please refer appendix 1***

## **What to ask if you have a conflict of interest**

If you think you have a conflict of interest, ask yourself:

- *Would a reasonable person make the same decision considering the same facts and circumstances?*
- *Could my involvement cast doubt on my integrity or that of IAWP/IAWPF?*
- *If I saw someone else in this situation, would I think they have a conflict of interest?*
- *If my actions were covered by the media, could it embarrass me or IAWP/IAWPF?*

## **Your loyalty to the board**

If a board member is a member of an industry group or another organisation, they may experience a conflict of loyalty. As an IAWP board member your first loyalty is to the IAWP. Board members have a duty to help it fulfil its functions. This duty exists even if an industry group or another organisation appointed the IAWP board member first.

## **3. HOW TO DECLARE A CONFLICT OF INTEREST**

All board members should consider their private interests and duty to IAWP and must declare any actual, perceived, or potential conflict of interest using the IAWP's register of interests, maintained by the Chair of the Ethics Committee.

As a board member, you must:

- declare any interests that could create a conflict of interest.
- update the register if your interests change.
- review and update your entries in the register each year in August, prior to the Late Board Meeting.
- Annually

## **What the IAWP register should include**

The IAWP register of interests should include:

- all employment a board member has an interest in that creates a conflict of interest with IAWP.
- all paid or unpaid appointments and memberships of organisations a board member has that creates a conflict of interest with IAWP.
- Any investments in unlisted companies, partnerships and other forms of business, major shareholdings, and beneficial interests a board member have that creates a conflict of interest with IAWP.
- Any accepted or declined non-token (more than \$50 value) offers of gifts, benefits or hospitality made by external bodies to a board member, in your role as a board member, during the past 12 months.

- any contractual relationships the board member has with IAWP or its affiliates.

#### **4. HOW TO USE THE REGISTER IN BOARD MEETINGS**

As a board member, at the start of a board meeting there are two obligations a board member has when it comes to conflicts of interest.

##### **Obligation 1: confirm interests**

The board member must confirm their interests in IAWPs register of interests are correct. If they're not, they must update the register as soon as they can.

##### **Obligation 2: declare interests on the agenda**

Even if a record is made in the conflict of interest in the register, the board member must still declare any interest they have if it's an item on the board meeting agenda.

The board will then decide if the board member can take part in the agenda item and how to manage their conflict of interest. The board decision will be minuted.

#### **5. WHAT HAPPENS WHEN A CONFLICT IS DECLARAED**

If a conflict of interest is declared with an agenda item, the board must decide how to manage the conflict. The board member with the conflict must not take part in this decision. The board may seek advice from the Chair of the Ethics Committee and the board will decide to manage the conflict in one or more of these 5 ways:

- |                            |  |
|----------------------------|--|
| <b>Record and monitor:</b> | The board can record details of the conflict in the minutes and monitor whether further action is required.  |
| <b>Restrict:</b>           | The board can restrict the board members involvement in the matter. For example, the board member may be: <ul style="list-style-type: none"> <li>• permitted to take part in some discussion, or</li> <li>• not permitted to take part in any decision-making.</li> </ul>  |
| <b>Remove:</b>             | The board can remove the board member from any discussion or decision-making on the matter. For example, the board member: <ul style="list-style-type: none"> <li>• must leave the room during the agenda item, and</li> <li>• must not take part in any discussion or decision making on the matter, either during the meeting or elsewhere.</li> </ul> |
| <b>Recruit:</b>            | The board can appoint an independent third party with no interest in the matter to oversee some or all   |

of the process. This person could be from outside the organisation.

**Relinquish or resign:** The board can recommend that the board member relinquish the private interest concerned. If this does not occur, the board may recommend that the board member resign from the board.

## **6. HOW TO MANAGE A CONFLICT OF INTEREST**

The IAWP board has a duty to have and enforce a process to manage board directors' conflicts of interest.

The IAWP board's process will be to:

- ask all board members to consider the agenda and at least one week prior to the board meeting and each board member is to update the register of interests prior to the commencement of the late board meeting.
- ask board members to disclose all interests against the agenda at the commencement of each meeting of the board
- have the board decide if a conflict of interest will affect the board's duties, and manage that conflict, using the five 'R' principles described above in section 5.
- record all disclosures and management of conflicts of interest in the meeting's minutes.
- The IAWP Board may:
  - ask a board member with a conflict of interest to be absent from meetings while the board considers the conflict.
  - ban the board member from taking part in any board decisions that relate to the consideration of the conflict.

## **7. RELATED PARTY TRANSACTION PROCEDURE**

### **7.1 Definitions**

- (a) A related party for the purposes of IAWP includes:
- (i) a board member (as defined at section 2 of this policy).
  - (ii) a close family member of a board member that:
    - (A) has control or joint control of IAWP.
    - (B) has significant influence over IAWP; and/or
    - (C) is a key management personnel of IAWP.
  - (iii) any entity that is in the same group of entities as IAWP.
  - (iv) any entity that is an association or joint venture of IAWP.
  - (v) any entity that is also controlled or jointly controlled by a person identified in 7.1(a)(i) and 7.1(a)(ii);

- (vi) any entity that is subject to significant influence by a person identified in 7.(a)(i) and 7.1(a)(ii) or if the person identified in 7.1(a)(i) and 7.1(a)(ii) is a key management personnel of the entity;
  - (vii) any entity that provides key management personnel services to IAWP; and/or
  - (viii) any individual or entity that met the above descriptions within the previous six months of the related party transaction.
- (b) **‘Key management personnel’** is defined to mean someone who has authority and responsibility for planning, directing, and controlling the activities of IAWP, directly or indirectly, including any director (whether executive or otherwise), Business Manager, or any person who receives an honorarium, salary, or remuneration from IAWP.
  - (c) **‘Close family member’** means a family member who may be expected to influence or be influenced by a person in their dealings and includes, but is not limited to, children, spouses (and their children), domestic partners (and their children) and any dependants of those persons.
  - (d) A **related party transaction** is a transfer of resources, services, or obligations between IAWP and a related party regardless of whether a price is charged or not. This may include purchases; sales; donations; receipt of goods, services, or property; leases; transfers of property including intellectual property; loans; guarantees; and provision of employees on a paid or complementary basis. This captures transactions in both directions, which means that a benefit from a related party to IAWP can also be caught by these provisions.

## 7.2 Disclosure of Related Party Transactions

- (i) Upon first joining IAWP, each Board Member shall disclose to the Board any Related Party Transaction, with IAWP that involve them, or others within their knowledge (hereinafter “Related Party Transaction”).
- (ii) For this purpose, IAWP shall use an annual certification and disclosure form, and which is responsive to the various tax, regulatory and auditing requirements to which IAWP is subject.
- (iii) Disclosures shall be updated promptly by each person required to report under this policy to reflect Related Party Transactions that may newly arise and, in any event, shall be updated annually.
- (iv) Disclosures shall be reviewed by the Chair of the Ethics Committee, or by a conflict review committee appointed by the Board which is composed entirely of disinterested members.

- (v) Disclosure of any Related Party Transactions shall be evaluated according to the Procedures for Addressing Related Party Transactions below. For this purpose, a “transaction” may include an ongoing business relationship subject to stated terms.

### 7.3 Procedures for Addressing Related Party Transactions

1. Whether a related party transaction is material will depend on:
  - i. the amount of the transaction
  - ii. the nature of the transaction, and
  - iii. IAWP’s specific circumstances.
1. A single transaction may be material because of its size, or it may be material because it is one of several similar transactions which, collectively, comprise a large amount.
1. A transaction is more likely to be material if its terms and conditions are different to the terms and conditions that would apply to similar transactions with other unrelated parties. Guidance has been provided on examples of related party transactions that **are** and **are not** likely to be material. These are set out in **Appendix 1**.
1. An Interested Person may make a presentation to the Board but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on the transaction or arrangement involving the potential conflict of interest.
1. The Chairperson of the Board may, if appropriate, appoint the chair of the Ethics Committee or a conflict review committee to investigate alternatives to the proposed transaction or arrangement.
1. After exercising due diligence, the Board shall by a majority vote of disinterested Board members do the following:
  - A. Determine whether the Related Party Transaction or arrangement is in IAWPs best interest and for its own benefit.
    - a. is fair and reasonable to IAWP.
    - b. is based on appropriate comparability information; and will not result in an Excess Benefit Transaction for the IRS purposes;
  - B. Make a recommendation whether IAWP should enter into the transaction or arrangement in conformity with such determination; and
  - C. Ensure a written record reflecting factors considered, and decisions reached is made.

### 7.4 Board Consideration and Approval

- I. Final approval of a Related Party Transaction shall require a majority vote of disinterested members present at a meeting of the Board.
- II. Interested member(s) of the Board shall recuse themselves and leave the room during deliberation and voting.
- III. The basis for any such vote shall be reflected in the minutes of the meeting at which action is taken, and those minutes shall be approved at the next meeting of the board.
- IV. Where the Chair of the Ethics Committee or a conflict review committee is utilised, they shall report its process and determination to the Board for final approval. The Board may vote to accept such determination, or disinterested members of the Board may conduct further investigation prior to a final vote.

## **8. ANNUAL DECLARATION OF PRIVATE INTERESTS AND ANNUAL STATEMENT**

Each Board member, during the month of August and by 31 August each year, shall complete and sign an annual declaration of private interest (**Appendix 2**) and annually acknowledge a statement (**Appendix 3**) which affirms the person:

- has received a copy of the Conflicts of Interest policy,
- has read and understands the policy,
- has agreed to comply with the policy, and
- understands the IAWP is charitable and, to maintain its federal tax exemption, it must engage in activities that accomplish one or more of its tax-exempt purposes.

## **9. IF THERE IS A BREACH OBLIGATIONS**

If a board member does not declare a conflict of interest, they may be in breach of the IAWP Membership Code of Ethics, or other IAWP policy.

A breach of the code could result in disciplinary action or removal from the board.

The board may cause to investigate any reasonable belief that the policy has been breached.

## **10. INTERESTS REGISTER**

The IAWP Interests Register will be maintained and reported on to the board by the Chair of the Ethics Committee or 2<sup>nd</sup> Vice President (or representative) at the commencement of each Board meeting.

Each board member must, within the interests register.

- declare any interests that could create a conflict of interest.
- update the register if their interests change.



- review and update their entries in the register and acknowledge the annual statement each year in August, prior to the Late Board Meeting.

New board members initial declarations regarding the above must be completed within 7 days of being appointed to the IAWP Board of Directors.

## **11. SPEAK UP**

Board Members who consider that a conflict of interest within the IAWP may not have been declared or is not being appropriately managed should speak up and notify the Chair of the Ethics Committee.

The Chair of the Ethics Committee will take decisive action, including possible disciplinary action, against any other IAWP member who discriminates against or victimise those who speak up in good faith.

## **12. CONTACT FOR FURTHER INFORMATION**

A conflict of interest is not always clear to those who have them. Board Members who are unsure about a possible conflict of interest, or the application of this policy, should ask the Chair of the Ethics Committee for advice.

## **13. RELATED POLICY, LEGISLATION, and other DOCUMENTS**

District of Columbia (DC) Non-profit Corporation Act of 2010

The Internal Revenue Code (USA).

IAWP Constitution Article V Board of Directors

IAWP Membership Code of Ethics

IAWP Policy 29 Member Conduct

IAWP Policy 30 Duties and Responsibilities of Board Directors

Declaration of Private Interests Form

Declaration of Conflict-of-Interest Form

Annual Statement of Acknowledgement

Interests Register

***Policy Adopted September 2017***

***Amended August 2018***

***Rewritten September 2023***

## **APPENDIX I**

### **1. CONFLICT OF INTEREST**

#### **Examples of private interests**

##### **Financial interests**

A potential financial loss or gain for a board member or someone they know can create a conflict of interest. This conflict exists if the board member or someone connected to them is financially affected by their decisions as a board member. This could mean they, or someone they know:

- owns property used by a company/organisation bidding for IAWP work.
- holds shares in a company/organisation bidding for IAWP work.
- has a position in a company/organisation bidding for IAWP work.

Money doesn't need to change hands for a financial conflict to exist. It could be the board member or someone you know getting something from a source related to your company/organisation, such as:

- concessions or discounts
- gifts
- hospitality.

##### **Non-financial interests**

A board members personal feelings about another person or group, whether they like or dislike someone, can create a conflict of interest. This is because the conflict comes from using their position to help or hinder someone. This conflict exists if their feelings about a person or group could influence, or be seen to influence, the decisions, or actions as a board member.

This includes:

- family or friends
- personal contacts
- your social, recreational, or cultural activities.

The IAWP may require a board member to declare certain associations. For example, if you're associated with a person or group suspected or known to be involved in activity associated with IAWP business or partnerships. (i.e., NAWLE or UNWOMEN)

##### **Consensual personal relationships**

A board members personal relationships with people who could be affected by their role can create a conflict of interest. This conflict exists if they have a relationship with someone who could influence or be seen to influence, their decisions, or actions as a board member.

For example, a board member may have a relationship with another board member. This could be a conflict of interest, as the board makes decisions about the board members' performance.

### **Examples of Conflict of Duty**

#### **Conflict with another not-for-profit organisation**

A board member may have a duty to another organisation. For example, they may be on the board of another not-for-profit organisation that has similar ideals to IAWP or is competing against IAWP. i.e., National Association of Women in Law Enforcement.

#### **Conflict with a private organisation**

A board member may have a duty to another private organisation. For example, they may be a director of a private company, a member of a professional organisation, or an office bearer that is competing against IAWP.

#### **Conflict of interest example scenarios**

A board member holding shares in a company that is in some form of competition with the IAWP or that will be affected in some material way by a board decision.

A board member has a close relative who is a potential consultant, contractor, or service provider for the IAWP.

A board member's organisation has provided services in the past to the IAWP (a conflict in itself) and a question on the quality of those services has arisen such that some action may be contemplated against the organisation.

When information gained by a board member through board work itself is used in competition with the IAWP or for making investments intended to benefit the board member personally.

Examples of related party transactions that are generally **material**:

- A loan to a related party by the IAWP (whether or not interest is charged).
- The sale of IAWP assets to a company or other entity controlled by a board member of the IAWP.
- Fees paid for professional services provided by a board member of IAWP (as a related party transaction).
- Salary or wages for a close relative of a IAWP board member (as a related party transaction).
- Sales of goods or services to the IAWP by a company controlled by a close relative of one of the IAWP's board members.
- Significant use of a IAWP's property (even if there are no fees involved).
- Transactions that have a material effect on the IAWP's financial statement.

Examples of related party transactions that are generally **not material**:

- A gift of a box of chocolates to IAWP board members to say thank you for their pro-bono service.
- Donations received by the IAWP from a related party.
- Reimbursement of reasonable out-of-pocket expenses incurred by a related party in their duties for the IAWP.
- Volunteer services provided by a related party that are the same as (or similar to) services provided by the IAWP's other volunteers.
- A related party receiving goods or services from the IAWP as a beneficiary on the same terms as other beneficiaries.
- A related party buying goods from the IAWP on the same terms offered to the public.

**APPENDIX 2**

**IAWP / IAWPF CONFLICT OF INTEREST DECLARATION**

**FORM TO BE DESIGNED based on approved policy.**

## APPENDIX 3

### IAWP/IAWPF Conflict of Interest Policy Acknowledgment

An IAWP board member has a duty to place the IAWP interest above their own interests.

If there is a conflict of interest, it must be declared so that the board can manage it. This helps to maintain the trust in IAWP and all its members, including the Board of Trustees, Committee Members and Affiliative representatives.

The IAWP has obligations about conflicts of interest, specific to the District of Columbia (DC) Non-profit Corporation Act of 2010 and the Internal Revenue Code.

The standard of behaviour at the IAWP/IAWPF is that all board members, committee members, staff and volunteers avoid conflicts of interest between the interests of the IAWP/IAWPF and the personal, professional, and business interests of the individual board member.

This includes avoiding actual, potential, or perceived conflicts of interest.

I understand that the purpose of this policy is to protect the integrity of the IAWP/IAWPF decision-making process, to enable our members to have confidence in our integrity, and to protect the integrity and reputations of volunteers, staff, board members and the IAWP/IAWPF.

Upon or before election, appointment or hiring I will make a full, written disclosure of interests, relationships, and holdings that could result in an actual, perceived, or potential conflict of interest with IAWP/IAWPF. I will then make an annual declaration of my private interests that could result in an actual, perceived, or potential conflict of interest with IAWP/IAWPF. These written disclosures will be kept on file with the Chair of the Ethics Committee, and I will update it as my interests change.

During meetings or activities, I will disclose any interests in a transaction or decision where I, my business or other non-profit affiliations, my family, and/or my significant other, employer, or close associates will receive a benefit or gain.

After disclosure, I understand that the board will determine how to manage the conflict of interest and I may be asked to recuse myself from the discussion and will not be permitted to vote on the question.

I understand that this policy is meant to supplement good judgment, and I will respect its spirit as well as its wording.

Signed:

Name:

Board / Committee / Affiliate Position:

Date: