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**Conflicts of Interest Policy**

**Introduction**

The purpose of this Policy is to protect the Western Institute of Nursing’s interests when it is considering entering into a transaction or arrangement that might benefit the private interests of an officer, director, or employee, or might result in a possible excess benefit transaction. This policy broadly defines conflicts of interest, and establishes procedures for directors, officers, and staff to follow so that they may declare and monitor conflicts as they arise.

The Board requires each Board officer and staff member to be advised of this Policy and provided a

copy upon assuming their duties. All individuals subject to this Policy are responsible for knowing and

observing the Policy.

The Board recognizes that conflicts of interest are inevitable in a nonprofit organization with involved

and committed directors, officers, and staff. Conflicts of interest may exist not only when a Responsible

Person has a financial interest in a transaction, but also when a Family Member of a Responsible Person

has a financial interest in a transaction (see Definitions, below). In all cases, the Board of the Western Institute of Nursing is committed to ensuring that whenever a conflict exists between a Responsible Person’s personal, business, organizational, or professional affiliations and the position and interests of the Western Institute of Nursing, disclosure of such conflict is given and the resulting decision-making is fairly and appropriately managed. The definitions in this Policy cover more than the conflict of interest requirements of State nonprofit or federal tax laws. The Board intends this Policy to both satisfy the Board’s legal responsibility and to shield the Western Institute of Nursing from poor publicity resulting from incomplete disclosure of potential conflicts.

The three types of conflicts defined in the Policy are not mutually exclusive. Direct Conflicts are most susceptible to a charge that “insider benefit” exists or undue influence has been exerted, while Indirect

Conflicts or Other Conflicts may give rise to less concern regarding the potential benefit to the Responsible Person or a Family Member. This Policy, however, allows the Board to weigh the significance of any existing conflicts and allegiances as part of its decision-making role, so that the Western Institute of Nursing’s best interests are served.

**DEFINITIONS:**

**Responsible Person**: is any person serving as an officer, employee, or member of the Board of Directors

of the Western Institute of Nursing.

**Family Member**: includes spouses, domestic partners, parents, children, children’s spouses or children’s

domestic partners, siblings, spouses or domestic partners of siblings, aunts, uncles, first cousins, stepparents and step-children of a Responsible Person.

**Material Financial Interest**: is a financial interest or expectation of any kind, which, in view of all the

circumstances, is substantial enough to reasonably affect the judgment of a Responsible Person or

Family Member as to the benefit of the Western Institute of Nursing’s involvement with the affected transaction. The term “financial interest” is intended to include any and all financially rewarding expectations, thus a “financial interest” exists when an individual or their family member has rights (whether or not yet vested) to be paid compensation, employee, or retiree benefits, dividends, or profit-sharing, or to have their expenses reimbursed or obligations or other liabilities repaid, etc.

**TYPES OF CONFLICT**

**Direct Conflict**: A Direct Conflict exists whenever there is a proposed transaction or action of the Western Institute of Nursing in which a Responsible Person has any Material Financial Interest. These transactions are subject to the highest scrutiny.

**Indirect Conflict**: An Indirect Conflict exists in a proposed transaction or action of the Western Institute of Nursing whenever:

a) Any other party to the transaction or party affected by the action is a Family Member of the

Responsible Person,

b) Any other party to the transaction or party affected by the action is an entity in which the

Responsible Person has a Material Financial Interest; or

c) The Responsible Person is an officer, director, trustee, staff member or partner of an entity

which is party to the transaction or affected by the action.

Conflicts involving more immediate Family Members should generally be subject to a higher level of scrutiny by the Board of Directors than those involving more distant Family Members, although each situation involves individual circumstances to be weighed by the Board.

**Other Conflicts**: Responsible Persons should follow the disclosure procedures of this Policy when the

interest or concerns of any Responsible Person or their Family Members, or any other individual group

or organization to which such person has allegiance, may reasonably be seen as competing with the

interests or concerns of the Western Institute of Nursing, even if it is not a financial interest.

*Examples of Indirect and Other conflicts*:

* A Family Member of a Responsible Person is employed by or governs an organization that is bidding to be a vendor of the Western Institute of Nursing.
* The past relationship a Responsible Person has with an applicant for a staff position could reasonably be expected to compromise their objectivity as a member of a panel interviewing applicants for the position.
* A Responsible Person is an active volunteer leader with an organization being considered by the Western Institute of Nursing to engage in joint programming.

**Procedure When Director or Officer Has a Conflict**

1. Each Responsible Person who is a director or officer of the Western Institute of Nursing has a duty to disclose to the Board (or the committee that is considering the relevant decision) the material facts of any proposed transaction or action of the Western Institute of Nursing in which the Responsible Person has any conflicts.

2. The disclosure required under #1 (above) must be made, to the extent possible, prior to any consideration by the Board or committee of the proposed transaction or action. If a Responsible Person does not recognize the existence of a conflict prior to the Board’s decision regarding the transaction, that person has a duty to disclose the material facts of the conflict as soon as it is recognized.

3. The Responsible Person who has a conflict shall not participate in the deliberation or decision regarding the matter under consideration and shall retire from the room during deliberations, unless invited by the Board or committee to participate after consideration of the significance to the Western Institute of Nursing of the disclosed conflict. The Board or committee may also request that the Responsible Person provide any relevant information regarding this matter.

4. Any proposed transaction or action in which the Board has determined the Responsible Person has a significant conflict of interest is to be approved by a majority of all the directors then-serving who would be entitled to vote and who are not interested directors. The approval must take place at a meeting at which a quorum is present—not including a conflicted director(s). Deliberations by the Board regarding the conflict, and action taken on the proposed transaction or action, shall be recorded in Board minutes, prepared no later than 60 days after the meeting at which deliberations were held. The votes of each director in support or in opposition to the transaction or action shall be noted.

5. All Responsible Persons are obligated to notify the Board if they believe an individual director or officer has failed to disclose a conflict, and the procedure set out in this Policy shall be employed by the Board in all such instances.

6. A director shall not have a material financial interest in a resolution fixing the compensation

of the director as a director or fixing the compensation of another director as a director, officer, employee, or agent of the Western Institute of Nursing, even though the first director is also receiving compensation from the organization as a director.

**Procedure When Staff Have Conflicts**

1. Each Responsible Person who is a Western Institute of Nursing staff member has a duty to disclose to the Board Chair of the Western Institute of Nursing the material facts of any proposed transaction of the Western Institute of Nursing in which they have any conflict.

2. The disclosure required under #1 (above) is to be made immediately, and to the extent possible, before any consideration of such proposed transaction by the Western Institute of Nursing. If a Responsible Person does not recognize the existence of a conflict prior to the Western Institute of Nursing’s decision regarding the transaction, that person has a duty to disclose the material facts of the conflict as soon as it is recognized.

3. A Responsible Person having a conflict shall not participate in the deliberation or decision by the Western Institute of Nursing regarding the transaction under consideration, unless invited by the Board Chair of the Western Institute of Nursing to do so, after consideration of the significance to the Western Institute of Nursing of the disclosed conflict. The Board Chair of the Western Institute of Nursing may also request that they provide the Western Institute of Nursing with any relevant information regarding the matter.

4. The Board Chair of the Western Institute of Nursing shall take additional action as may be required to ensure that the Board of the Western Institute of Nursing is notified of a significant conflict of interest and that appropriate steps are employed as the transaction is brought forth for decision-making and/or implementation. The Board Chair of the Western Institute of Nursing shall maintain a record of the existence, procedures employed in managing it, and resolution of the conflict.

5. When there is any doubt as to whether a conflict exists or is a significant conflict of interest, the matter shall be resolved by the Western Institute of Nursing Board of Directors.

**Policy Enforcement**

A Responsible Person who fails to follow this policy shall be subjected to meaningful disciplinary action by the Board of Directors.

**Records of Proceedings**

The minutes of the board and all committees with board-delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a conflict of interest

in connection with an actual or possible transaction with the Western Institute of Nursing, the nature of the interest, any action taken by the board or committee to determine whether a conflict of interest was present, and the governing board’s or committee’s decision as to whether a conflict of interest in fact existed.

2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement (including comparability data, as appropriate), and a record of any votes taken in connection with the proceedings.

**Periodic Reviews**

To ensure that the Western Institute of Nursing operates in a manner consistent with this policy and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The reviews shall include, at least, the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey

information, and the result of arm’s length bargaining.

2. Whether partnerships, joint ventures, and arrangements with other organizations conform to the Western Institute of Nursing’s written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in impermissible private benefit or in an excess benefit transaction.

3. Whether the Western Institute of Nursing is transacting with any Responsible Person or their Family Member, and if so, whether those arrangements are reasonable based on comparability data and the result of arm’s length bargaining.

**ANNUAL DISCLOSURE STATEMENT CONCERNING CONFLICTS OF INTEREST**

The undersigned hereby acknowledges the following:

1. I am a member of the Board of Governors, a member of a committee with Board-delegated

duties, or an employee of the Western Institute of Nursing.

2. I have received a copy of the current Conflict of Interest Policy adopted by the Western Institute of Nursing.

3. I have read, understand, and agree to comply with the Policy.

4. I agree to disclose any such conflicts of interest or appearance of conflicts of interests prior to any decision by the Board of Governors or any committee of the Western Institute of Nursing.

5. The following information concerning conflicts and potential conflicts is true, correct, and complete to the best of my knowledge:

A. I serve or represent the Western Institute of Nursing in the following capacity:

*Title:* (Director)

B. I am a director, officer, employee, or legal representative of the following organizations, or I have a

material financial or beneficial interest in the following organizations, which may have a conflict of

interest with the Western Institute of Nursing:

*Organization:* (Insert)  *Title:* (Insert)

C. I am not involved in any activity or transaction, nor am I a party to a contract involving interests that could be found to be adverse to the Western Institute of Nursing except for the following:

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D. I am not pursuing any business opportunities that might adversely affect the Western Institute of Nursing except for the following:

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E. I am aware of the following additional potential conflicts of interest:

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Date:

(Please Print Name):

Signature: