

Policy Number: 2.4.1

Category: Board of Directors

Subject: Conflict of Interest

Purpose:

Outlines conflict of interest policy.

Scope:

Pertains to Board of Directors, Committees and Executive Staff.

Purpose of Policy

The Directors and Officers of the Association for Professionals in Infection Control and Epidemiology, Inc. ("APIC" or the "Corporation") owe certain fiduciary duties to APIC by virtue of holding their positions. Among those fiduciary duties is the duty of loyalty to APIC, which requires that in serving APIC they act in the best interests of APIC. Directors and Officers owe an undivided allegiance to APIC and may not use their positions as Directors or Officers in a manner that allows them to benefit personally.

A conflict of interest may arise when a person has an existing or potential financial interest or other material interest that impairs, or might appear to impair, his or her independence or objectivity in the discharge of responsibilities and duties to the Association.

This policy serves to define certain terms to assist Directors and Officers in identifying and disclosing conflicts of interest, and to minimize the impact of such conflicts on the actions of the Corporation whenever possible.

Policy Definitions

1. **Competing Entity:** A Competing Entity is any entity which the APIC Board of Directors reasonably determines is in substantial competition with APIC for membership, sponsorship, or revenue.
2. **Confidential Information:** Confidential Information is information obtained by a Covered Official not otherwise made available to the general public.
3. **Conflict of Interest:** A Covered Official has a conflict of interest when he/she is unable to place the best interests of APIC at the top of his/her consideration due to an existing or potential relationship that the Covered Official has.
4. **Covered Official:** Any Director, Officer, or member of a committee with governing Board-delegated powers is a Covered Official under this policy. Further, the Corporation's Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer are considered Covered Officials under this policy.
5. **Family:** With respect to a Covered Official, Family shall mean his or her: (i) ancestors (e.g., parents and grandparents), (ii) siblings (whether by whole or half-relation) and their children or grandchildren, (iii) spouse or domestic partner, and (iv) children or grandchildren. Family shall also include the children or grandchildren of a Covered Official's spouse or domestic partner.
6. **Financial Interest:** A Covered Official has a Financial Interest if the person has, or anticipates having, directly or indirectly, either personally or through business, employment, investment, or family relationship:
 - a. An ownership or investment interest in any entity with which the Corporation has a current or anticipated transaction or arrangement (provided, however, that an ownership interest of less than 5 percent of stock in a publicly traded company shall not be deemed

- a Financial Interest);
 - b. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a current or anticipated transaction or arrangement; or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement (unless such potential ownership or investment interest is reasonably expected to consist of less than 5 percent ownership of stock in a publicly traded company).
7. Relationship Interest: A Covered Official has a Relationship Interest if the person or a member of the person's Family serves as a director, officer, trustee, key employee, or in some other position in which the Covered Official may exert substantial influence over the decisions of a Competing Entity.

Procedures

1. Disclosure: Every Covered Official must fully disclose, at the earliest time possible, the existence of a Financial Interest or a Relationship Interest and be given the opportunity to disclose all material facts to the Chief Executive Officer of the Corporation, who shall promptly forward to the President of the Board and the Chair of the committee, if applicable. The Chief Executive Officer may also notify counsel for the Corporation. Every Covered Official should review meeting agendas and other materials prior to each Board or committee meeting to determine whether any discussion topic may give rise to an actual or potential conflict of interest.
2. Determining Whether a Conflict of Interest Exists: After disclosure of the Financial Interest or Relationship Interest and all material facts, and after any discussion with the Covered Official, the Covered Official shall leave the Board or committee meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Board or committee members shall determine whether an actual or potential Conflict of Interest exists.
3. Procedures for Addressing a Conflict of Interest Involving a Financial Interest:
 - a. A Covered Official may make a presentation at the Board or committee meeting, but after the presentation the Covered Official shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - b. The APIC President or applicable committee chair shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the Board or committee shall determine whether the Organization can obtain, with reasonable efforts, an equally or more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - d. If an equally or more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of its disinterested members whether the transaction or arrangement (i) is fair and reasonable to the Corporation, (ii) is in the Corporation's best interest and for its own benefit, and (iii) results in any private inurement or impermissible private benefit. In conformity with the above determinations, the Board or committee shall make its decision as to whether to enter into the transaction or arrangement.

Violations of the Conflict of Interest Policy

If the Board or committee has reasonable cause to believe a person subject to this policy has failed to disclose an actual or possible Conflict of Interest, or has disclosed Confidential Information, it shall inform the person of the basis for such belief and afford them an opportunity to explain the alleged failure to disclose. If, after appropriate discussion and after making further investigation as warranted by the circumstances, it is determined that a Covered Official violated this policy, the Corporation

shall take appropriate corrective and disciplinary action, which may include sanctions up to removal from the Board or committee.

Records of Proceedings

The minutes of all Board and committee meetings at which an actual or possible conflict of interest is discussed shall contain:

1. The names of the persons who disclosed or otherwise were found to have a Conflict of Interest, the nature of the Conflict of Interest, any action taken to determine whether a Conflict of Interest was present, and the decision of the Board or committee as to whether a Conflict of Interest 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, and a record of any votes taken in connection with the proceedings.

Annual Statements

Each Covered Official shall annually sign a statement which affirms such person:

1. Has received a copy of the Conflict of Interest Policy;
2. Has read and understands the Conflict of Interest Policy; and
3. Has agreed to comply with the Conflict of Interest Policy.

Further, each Covered Official shall disclose in such annual statement his/her outside relationships (including, at a minimum, present employment) which reasonably could present a Conflict of Interest to APIC.

Association for Professionals in Infection Control & Epidemiology, Inc.

Conflict-of-Interest Disclosure Statement

The Conflict of Interest Policy of the Association for Professionals in Infection Control and Epidemiology, Inc. requires any Director, Officer, or Board Committee Member of APIC to disclose any direct or indirect financial or other material conflict of interest (whether financial or otherwise) that he or she has or reasonably expects to have in any proposed or existing contract, transaction, or arrangement with APIC or in any other matter under consideration or to be considered by the Board of Directors, the Executive Committee, or any other committee of the APIC Board.

Please provide the name and address of your current employer: _____
_____.

Please initial each statement that applies to you and provide additional information as necessary:

_____ I have read and am familiar with the APIC Conflict of Interest Policy.

_____ I do not serve on other professional boards or hold an office in another professional organization.

_____ I have described in the attached letter relationships, including official titles and positions with other organizations, including non-profit organizations, with which I am affiliated.

_____ I am not aware of any Financial Interest or Relationship Interest that is required to be disclosed under the Conflict of Interest Policy.

_____ I have described every Financial Interest and Relationship Interest that is required to be disclosed under the Conflict of Interest Policy. (Please attach a letter providing complete details of any Financial Interest or Relationship Interest subject to the Conflict of Interest Policy.)

Return the Disclosure Statement and any required additional information to APIC Headquarters as follows:

By mail:

Association for Professionals in Infection Control and Epidemiology, Inc.
1400 Crystal Drive, Suite 900
Arlington, Virginia 22202
Attn: Chief Executive Officer

Via Fax:

202-789-1899
Attn: Chief Executive Officer

I understand that my completed disclosure statement and any additional information thereto may be provided to and reviewed by others at APIC in accordance with APIC's internal policies.

During the time I am a director, officer or committee member of APIC, I agree to report promptly, to the APIC Chief Executive Officer, any future situation that might involve or appear to involve me or any of my relatives in any potential conflict of interest with APIC.

I am completing this disclosure statement based on the definitions below that are taken from the Conflict-of-Interest Policy.

Signature: _____

Date: _____

Name: _____

Please print

Committee: _____