

How to Implement Your Board's Policy on Conflict of Interest

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Once your board has adopted a [Conflict of Interest Policy](#) you'll need a procedure for implementing the policy during board meetings. Following is a procedure based on the Alice Sturgis's The Standard Code for Parliamentary Procedure *but also applicable to Roberts Rules of Order*.

What is a conflict of interest?

A "conflict of interest" exists when a person in a position of trust has competing professional or personal interests. There's nothing shameful in having these competing interests, but they can make it difficult to act impartially. How we acknowledge and act on our conflicts of interest are what brings us credit or condemnation. We are familiar with conflicts of interest that arise when a person receives compensation or other rewards as a result of a vote, policy, or other action. But conflicts of interest do not always involve money; they can reward someone's professional standing, give them an exclusive interest in a project or policy, or advance a family member. A conflict of interest exists even if no unethical or improper act results from it. A conflict can be mitigated in several ways—but it still exists.

Conflicts occur because we have multiple interests, affiliations, and positions of responsibility within the profession. In these situations a person will sometimes owe identical duties of loyalty to two or more organizations or groups. If we don't acknowledge our competing loyalties, a conflict of interest can create an appearance of impropriety that can undermine confidence in the person, in the organization, or in the profession. Conflicts of interest that stay hidden are undesirable because they place the interests of one person ahead of the organization's obligations to its mission and its members. They also reflect poorly on the person involved and on the groups, businesses, and causes with which they are affiliated.

How do board members handle conflicts of interest when doing board business?

Board members should annually have a chance to update their conflict of interest forms; if something comes up in mid-year, you can get in touch with the board officer responsible for updating the form. At the same time, we sometimes find ourselves in situations that the form doesn't cover. So, in board meetings, subcommittee meetings, focus issues groups, email exchanges, and conferences calls, we are asked to self-identify conflicts of interest when they arise.

For example, at a meeting when the board is discussing something such as a publications agreement with a university press, the board member who happens to sit on the editorial board for that press would want to get on the list of speakers and, when called on, would want to state that they sit on the university press's editorial board, a role that the member believes constitutes a conflict of interest.

That disclosure then belongs to the group, and it can decide how to handle it. The chair would announce that the disclosure has been made. If board members want more information about the conflict of interest, the chair can ask the member to provide it. Then the board would discuss and possibly vote on one of several courses of action that are possible.

1. Board members might conclude that the public disclosure is sufficient and that the member can participate in the discussion and vote because everyone can filter any comments, knowing of the board member's interest in the topic.
2. The board might decide that the member should not participate in the discussion, except to provide factual information when and if the group specifically requests it from the board member.
3. The board might determine that the board member should neither discuss nor vote on the matter, but can remain in the room to hear the discussion.
4. The board might decide that the board member should leave the room during the discussion and vote, to recuse him or herself.

If your board does not have written procedures for handling conflicts of interest as they arise during a meeting, conference call, or email exchange, each disclosure can be handled on a case-by-case basis. In any event, the disclosure and how it was handled should be recorded in the minutes.

What is my ethical obligation if I know that someone is not self-disclosing a conflict of interest? For example, if everyone already knows that a member has a conflict of interest, then the member is wrong not to disclose it, but the group also already has the information and can filter the member's contributions to the conversation. If everyone in the group does NOT know that the member has a conflict of interest and the conflict has not been disclosed, two options are possible:

1. You could speak privately with the member during a break, or pass the member a note, or email the member privately if you're discussing something over email, and explain why you think the member has a conflict of interest and give the member the opportunity to disclose it.
2. Or, if a private communication isn't possible, you could announce to the group, as politely and professionally as possible, that you believe the member has a conflict that needs to be disclosed. That announcement then belongs to the group, which must determine how to handle it.

The integrity of the board's processes and decisions depends on respecting the fact that conflicts of interest are always present. It's how we acknowledge and address them that matters.