

Conflict of Interest Policy

Purpose

Effective nonprofit governance depends on deliberate, thoughtful and fair decision-making by trustees and others who serve on board committees and/or taskforces (“members”). The ability to make sound decisions can be affected by other interests – personal or professional – of individual members. Conflicts of interest cannot be eliminated; they are an unavoidable part of organizational and personal life. The objective of this policy is to permit the Breakthrough Collaborative Board of Trustees to manage potential conflicts of interest successfully when they do occur.

Definitions

A conflict of interest arises when members who are able to influence a decision, whether by official vote, influence, position, or intellectual persuasion, are liable to gain:

- Some personal advantage, or advantage to their immediate family or household, from the outcome of the decision in which they are involved; or
- Some advantage for an organization with which the individuals are directly involved as an officer, director, employee, or in any other capacity.

In rare instances, a conflict of interest also arises when an individual member’s outside duties, interests or obligations may or do differ fundamentally from his/her obligations as a member of a Breakthrough Collaborative board, committee, or taskforce.

Immediate family or household is defined as a member’s spouse, domestic partner, parent, child, brother, sister, spouse or domestic partner of a parent, child, brother, or sister.

Policy

The Breakthrough Collaborative Conflict of Interest Policy contains the following components.

1. Decisions taken by the board, a committee, or a taskforce regarding the management of a conflict of interest must not only be fair; they must also appear to be fair to ensure that the board acts without any prejudice or appearance of impropriety.
2. Members shall not use their position, or the knowledge gained from association with the Breakthrough Collaborative, in such a manner that a conflict between the interests of the Breakthrough Collaborative and their interests arises, but is not disclosed.
3. If such a conflict arises, the member with the conflict is expected to disclose in writing the existence of the conflict to the board chair as soon as that member is aware of the conflict. The board chair will, in turn, determine the appropriate method for managing the conflict.
4. When functioning as a member, each person has a fiduciary duty to place the interests of the Breakthrough Collaborative foremost in any dealings with other entities and has a continuing responsibility to comply with the requirements of this policy.

5. Members are not eligible for employment or service contracts with the Breakthrough Collaborative during their tenure, except as provided by the bylaws of the Board of Trustees. If members wish to apply for a permanent position at the Breakthrough Collaborative, they must immediately withdraw from active participation on the board and/or committees/taskforces. If a member is the successful candidate, s/he must resign from the board and board committees/taskforces upon accepting the position.
6. All information that comes to members as a function of their service is considered confidential information. Members may not divulge to others any information obtained during their service absent an articulated plan to communicate the same to the larger Breakthrough Collaborative community.

Common Sense Provision

The application of any part of this policy shall rely heavily on the common sense of the board as a whole. Conflict of interest circumstances can vary widely, and the judgment and flexibility of the board must be preserved.

(November 20, 2015)