

POLICY STATEMENT

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Policy: Conflict of Interest

Officers, Directors, Committee Chairs, Committee Members, and others acting on behalf of Emergency Management Association of Texas (EMAT) have a fiduciary duty to EMAT, including the duties of loyalty, diligence, and confidentiality. Despite the self-interests that members inevitably have, those in positions of responsibility, in their fiduciary capacity, must act in utmost good faith on behalf of EMAT. In accepting their positions, they undertake to give the association the benefit of their care and best judgment and to exercise the powers conferred solely in the interest of the association and not for their own personal or professional interests.

Conflicts of interest arise when participants in positions of responsibility have personal, or outside financial, business, or professional interests or responsibilities that conflict with their duties to EMAT. The immediacy and seriousness of various conflicts of interest situations can differ. Of basic importance is the degree to which the interest would tend one toward bias or pre-disposition on an issue or otherwise compromise the interests of EMAT.

A conditional, qualified, or potential conflict of interest can arise when the outside interest is not substantial in size or does not relate significantly to any contemplated action of EMAT. For example, a person might hold a minor financial interest in a company wishing to do business with EMAT. Disclosure is ordinarily sufficient to deal with this type of conflict of interest, provided that there is no expectation that one's duty of loyalty to EMAT would be affected.

A direct conflict of interest arises when an individual holds a position of responsibility with EMAT and also holds a material interest in the issue at hand. Direct conflicts of interest arise, for example, when an individual engages in a personal transaction with EMAT or holds a material interest or position of responsibility in an organization involved in a specific transaction with EMAT. Such a situation places the person in the impossible position of attempting to represent both EMAT and one's personal interests or those of the other organization. The appropriate and necessary course of action in such cases is to disclose the conflict and recuse oneself, i.e., to remove oneself from the deliberations and the vote on the issue.

In rare circumstances, an individual may have such a serious, ongoing, and irreconcilable conflict, where the relationship to an outside organization so seriously impedes one's ability to carry out the fiduciary responsibility to EMAT, that resignation from the position with EMAT or the conflicting entity is appropriate.

Dealing effectively with actual or potential conflicts of interest is a shared responsibility of the individual and the organization. The individual and organizational roles and responsibilities with regard to conflicts of interest follow.

A. General

1. All individuals who serve in positions of responsibility within EMAT need not only to avoid conflicts of interest, but also to avoid the appearance of a conflict of interest. This includes Officers, Directors, Committee Chairs, Committee Members, and other elected or appointed leaders, and staff. Decisions on behalf of EMAT must be based solely on the interest of EMAT and its membership. Decisions must not be influenced by desire for personal profit or other extraneous considerations.

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2. Officers, Board members, Committee Chairs, Committee Members, and the Executive Director shall annually sign a statement acknowledging their fiduciary responsibility to EMAT and pledge to avoid conflicts of interest or the appearance of conflicts of interest. The issue of conflict of interest with regard to the remainder of the staff shall be the responsibility of the Executive Director.
3. Officers, Board members, Committee Chairs, Committee Members, and the Executive Director shall annually complete a form disclosing pertinent financial and career related information and will update that information as necessary to continuously keep it current and active.
4. Officers, Board members, Committee Chairs, Committee Members, and the Executive Director shall annually sign a statement acknowledging that they sometimes have access to confidential information and pledge to protect the confidentiality of that information.
5. Officers, Board members, Committee Chairs, and Committee Members, shall annually pledge to clarify their position when speaking on their own behalf as opposed to speaking on behalf of the membership as a whole, or as an officer or member of the Board of Directors or senior staff member.
6. Officers, Board members, and the Executive Director will periodically review the conflict of interest disclosure statements submitted to EMAT to be aware of potential conflicts that may arise with others.
7. When an Officer, Board member, or the Executive Director believes that an individual has a conflict of interest that has not been properly recognized or resolved, the Officer, Board member, or Executive Director will raise that issue and seek proper resolution.
8. Any member may raise the issue of conflict of interest by bringing it to the attention of the Board through the President or the Executive Director. The final resolution of any conflict of interest shall rest with the Board of Directors.
9. Officers, Board members, and the Executive Director will ensure that proper disclosure and actions taken in regard to those disclosures are a matter of record.

B. Disclosure Form

Officers, Board members, Committee Chairs, Committee Members, and the Executive Director shall annually complete a form that shall disclose the following.

1. Other Board of Director positions, including a brief description of the nature and purposes of the organization.
2. Positions of employment, including the nature of the business of the employer, the position held, and a description of the daily responsibilities of the employment.
3. Relationships that involve holding a position of responsibility or a substantial financial interest (other than a less than 1% interest in a publicly traded company), or the receipt of any unusual gifts or favors from an outside entity or person, from which EMAT obtains substantial amounts of goods or services, or which provides services that substantially compete with EMAT .
4. Substantial financial interests or positions of responsibility in entities providing goods or services in support of the practice of emergency management, other than owning less than a 1% interest in a publicly traded company.

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5. Any other interest the member believes may create a conflict with the fiduciary duty to the membership of EMAT or that may create the appearance of a conflict of interest.

The completed disclosure forms shall be provided to the President and the Executive Director. In addition, the forms will be made available to other Board members and placed in the General Reference Notebook available at each Board meeting for review by Officers and members of the Board of Directors.

C. Additional Rules of Conduct

1. Transactions with EMAT

Whenever a potential transaction or agreement with EMAT is presented for consideration at a meeting or other deliberation involving the participation of an Officer, Board member, Committee Chair, Committee Members, or the Executive Director, such person shall disclose any position of responsibility or significant relationship to the person or organization involved in the potential transaction or agreement. This disclosure shall be made even if the position or relationship has otherwise been disclosed in the documents filed with EMAT. If the discussion includes consideration of confidential information that should not be disclosed to the outside person or organization, the individual involved shall be absent from the portion of the discussion involving the confidential information. When a motion is made for approval of a transaction or agreement with EMAT, the appropriate course of action in such cases is to disclose the conflict and recuse oneself, i.e., to remove oneself from the deliberations and the vote on the issue.

2. EMAT Policy Decision

When EMAT considers the adoption of policy that relates directly to a specific and financial focus of business or professional activity engaged in by an officer, Board member, Committee Chair, or Committee Members, by such individual's employer, or by an entity in which the individual has a substantial financial interest (other than less than a 1% interest in a publicly traded corporation), the individual shall disclose the nature of the relationship to the issue before speaking to the issue. When a motion is made for approval, the appropriate course of action in such cases is to disclose the conflict and recuse oneself, i.e., to remove oneself from the deliberations and the vote on the issue.

3. Employment Activity

The responsibilities of a Board member or Officer to an employer may at times require such individual to engage in activity that may interfere with the goals or initiatives of EMAT. Whenever possible the individual involved should avoid such activity, consistent with the responsibilities to the employer. When conflicts are not avoidable, the individual involved shall disclose to the President or Executive Director, in advance, any specific anticipated employment activity that may be expected to create a conflict. If the activity involved relates to national EMAT, it shall be the responsibility of EMAT to inform the college. In representing the employer, the individual involved shall make it clear that he or she is acting on behalf of the employer and not as an Officer or Board member of EMAT. Should the employment activity of the individual involved require the individual to act in actual conflict with EMAT or the college repeatedly or over an extended period of time, the Board member should consider whether the employment activity is compatible with service to EMAT. The final decision on such matters rests with the individual involved, subject to the provision for removal of an officer or Board member as contained in the Bylaws.