



SAN FRANCISCO DENTAL SOCIETY

BOARD OF DIRECTORS: Section I, K

Title: Conflict of Interest & Confidentiality

Policy Statement:

A director, officer or committee member of this organization may have business dealings with the organization, except when prohibited by the bylaws or by statutory law. The volunteer leader has both a legal and moral duty, however, to disclose any interest in such a transaction, and must deal fairly, avoiding any transaction not in the best interests of the organization.

Officers, directors and other volunteers, who serve the San Francisco Dental Society (SFDS) in positions of responsibility, although they are not compelled to serve and are not compensated for their service, nevertheless have certain legal obligations to the association. Volunteers have a fiduciary duty, including the duties of care and loyalty. SFDS volunteers may be personally and individually legally liable for injury or damages that result from their unauthorized disclosure of confidential association information.

- All officers, directors and committee members of the Society shall scrupulously avoid any conflict between their own respective individual interests and the interests of the Society, in all actions taken by them on behalf of the Society in their respective capacities.
- When the board or a committee is involved in making a decision or developing a recommendation in which there exists a material interest of any of its members, the decision or recommendation would be identified as a potential conflict of interest. A material interest may exist in but is not limited to, the purchase or exchange of goods or services with SFDS, choosing education speakers, or having a practice marketing advantage by virtue of a proposal/relationship.
- Any volunteer that is associated with the relevant service or product or would directly or indirectly benefit from the decision will identify him/herself as having a potential conflict of interest and will immediately notify the Chair and/or CEO/Executive Director.
- If the volunteer is either unaware or unable to identify the conflict of interest, or disagrees that there is a conflict, the Chair in consultation with the CEO will be the final authority in determining whether a conflict exists.
- The volunteer should be alert to possible conflicts of interest and circumstances that could create even the appearance of a conflict. If a potential conflict of interest exists or is determined, the director, officer or committee member will not receive materials, or participate in any discussion that is involved in making the relevant decision or recommendation.
- Once the relevant decision or recommendation is made, the leader will be informed of the decision or recommendation and will then return to full participation in all other aspects of the board's or committee's work and deliberations.
- The volunteer should not expropriate corporate opportunities available to the association. This includes refraining from using SFDS's staff, services, equipment, materials, resources, or property for personal or third-party gain, and from representing to third parties that authority as a Board member extends any further than that which it extends.
- The volunteer will refrain from attempting to persuade any employee of SFDS to leave the employ of SFDS or to become employed by any person or entity other than SFDS.
- The volunteer should carefully preserve the confidentiality of any information that comes into the volunteer's possession and that is designated or treated as confidential by the association. Confidential information should not be shared with unauthorized persons or entities.
- The volunteer should be particularly careful to not disclose legal information that comes to the association through inside or outside legal counsel.

Violations of the Conflict of Interest Policy

If the SFDS Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the SFDS Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Members of the Board, officers, volunteers and key employees shall disclose all potential and actual conflicts of interest to the Board of Directors and, as required, remove themselves from all discussion and voting on any related matter.

Records of Proceedings

The beginning of each Board of Directors meeting, committee meeting or task force shall begin with the following: The President or Chair shall review the agenda. The President or Chair shall request whether any volunteer has a potential conflict of interest with any items on the agenda. If a potential conflict is announced, the proper procedure shall be followed as stated in the conflict of interest policies. Such request, any subsequent announcements and procedural actions shall be duly recorded in the minutes of that meeting.

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 shall be so recorded in the minutes.

Annual Statements

Each director, principal officer and member of a committee with board-delegated powers shall annually sign a statement which affirms such person:

- ❖ Has read and understands the policy
- ❖ Has agreed to comply with the policy
- ❖ Understands that the Board's and Committee Members' powers are invested for the good of all members of the organization rather than for personal benefit
- ❖ Agrees to fully disclose, at the earliest opportunity, information that may result in a conflict of interest or would have significance in board or committee decision-making and to recuse themselves from discussions and/or decision making when appropriate
- ❖ Agrees to preserve the confidentiality of any information that comes into the volunteer's possession and that is designated or treated as confidential by the association. Confidential information should not be shared with unauthorized persons or entities.
- ❖ Agrees to be particularly careful to not disclose legal information that comes to the association through inside or outside legal counsel.
- ❖ Understands the Organization is a non-profit organization and to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.