

**CONFLICT OF INTEREST POLICY
OF THE
UNITED STATES LACTATION CONSULTANT ASSOCIATION, INC.**

**Article I
Purpose**

The purpose of the conflict of interest policy is to protect the interest of the United States Lactation Consultant Association (the "Association") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or committee member of the Association or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

**Article II
Definitions**

1. **Interested Person.** Any director, principal officer, or member of a committee with powers delegated by the Association's Board of Directors (the "board"), who has a direct or indirect financial interest, as defined below, is an interested person.
2. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which the Association has a transaction or arrangement,
 - b. A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the Association's board or appropriate committee decides that a conflict of interest exists.

____ (Initials) _____ (Date)

Approved April 1, 2015

Article III
Procedures

1. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with powers delegated by the Association's board considering the proposed transaction or arrangement.

2. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she 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 decide if a conflict of interest exists.

3. **Procedures for Addressing the Conflict of Interest.**
 - a. An interested person may make a presentation at the board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

 - b. The chairperson of the board or committee 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 Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

 - d. If a 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 the disinterested directors whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. **Violations of the Conflicts of Interest Policy.**
 - a. If the 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.

____ (Initials) _____ (Date)

Approved April 1, 2015

- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the 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.

Article IV
Records of Proceedings

The minutes of the board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.
- b. 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.

Article V
Compensation

- a. A voting member of the board who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI
Annual Statements

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

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,

____ (Initials) _____ (Date)

Approved April 1, 2015

- c. Has agreed to comply with the policy, and
- d. Understands the Association is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII
Periodic Reviews

To ensure the Association operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Association's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring periodic reviews are conducted.

____ (Initials) _____ (Date)

Approved April 1, 2015

Acknowledgment and Disclosure of Form

I have read the United States Lactation Consultant Association Conflict of Interest Policy set forth above and agree to comply fully with its terms and conditions at all times during my service. If at any time following the submission of this form I become aware of any actual or potential conflicts of interest, or if the information provided below becomes inaccurate or incomplete, I will promptly notify the United States Lactation Consultant Association President and Executive Director in writing.

1. Are you an officer of an organization that conducts business or has a relationship with USLCA?

Yes _____ No _____

If yes, please define. _____

2. Do you have a family relationship with anyone who has a noted relationship with USLCA? Family connections include an individual's spouse/partner, child, parent, or sibling. The spouse/partner's children, parents and siblings are considered family relationships as well.

Yes _____ No _____

If yes, please define. _____

3. Have you participated, directly or indirectly, in any employment agreement, compensation relationship, or any other arrangement/investment opportunity with a third-party vendor doing business with USLCA that has resulted or could result in personal benefit to you?

Yes _____ No _____

If yes, please define. _____

4. Have you received, directly or indirectly, any salary payments, loans, or gifts of any kind or any free service, discounts, or other fees from any person/organization engaged in any transaction with USLCA?

Yes _____ No _____

If yes, please define. _____

5. Do you share ownership of a business that does business with USLCA? Ownership means voting power in a corporation, profits interest in a partnership, or beneficial interest in a trust.

Yes _____ No _____

If yes, please define. _____

6. Please disclose any additional conflicts not mentioned above. _____

Printed Name: _____

Title (Officer, Director, or Committee Member): _____

Signature: _____ Date: _____

____ (Initials) _____ (Date)

Approved April 1, 2015