

SOUTH DAKOTA ASSOCIATION OF HEALTHCARE ORGANIZATIONS

Duality and Conflict of Interest – Board of Trustees

WHEREAS, The proper governance of the South Dakota Association of Healthcare Organizations depends upon governing board members who give freely of their time for the benefit of the Association and its members and who carry out the purpose and goals of the Association; and,

WHEREAS, The giving of this service, because of the varied interests and backgrounds of the governing board members, may result in situations involving a dual interest which might be interpreted as conflict of interests; and,

WHEREAS, The service of a member of the board of trustees of the South Dakota Association of Healthcare Organizations should not be impaired solely by reason of duality of interest or possible conflict of interest; and,

WHEREAS, This service, notwithstanding, carries with it a requirement of loyalty and fidelity to the South Dakota Association of Healthcare Organizations and its respective members. It is the responsibility of the members of the board of trustees to govern the Association affairs honestly and economically, exercising their best care, skill, and judgment for the benefit of the Association;

NOW, THEREFORE, BE IT RESOLVED: That the following policy on duality and conflicts of interest be hereby adopted:

- (1) Any duality of interest or possible conflict of interest on the part of any member of the board of trustees of the South Dakota Association of Healthcare Organizations shall be disclosed and kept on file in the Office of the President. As a matter of business at the first board of trustees meeting subsequent to the Association's Annual Convention, the board shall review the application of this policy and its effectiveness using such procedures as the President and/or Chairperson of the board of trustees shall determine.
- (2) Any member of the board of trustees having a duality of interest or any possible conflict of interest which could conflict on any matter with the interest of the Association, shall abstain from voting and shall abstain from using personal influence in any way on the matter. Such member's vote shall not be counted in determining the quorum for the meeting, even where permitted by law. The minutes of the meeting shall reflect that a disclosure was made, the abstention of such member from voting on the matter, and the quorum situation.
- (3) Nothing set forth herein shall be construed to prevent a member of the board of trustees of the South Dakota Association of Healthcare Organizations from briefly stating a position on the matter, nor from answering pertinent questions from other trustees, since the knowledge of such trustees may be of great assistance to the Association and the board of trustees in reaching a decision on the subject matter.
- (4) Board members shall not accept gifts, favors, or hospitality that might influence their decision making or actions affecting the South Dakota Association of Healthcare Organizations. Incidental items of gifts, favors, or hospitality received in the normal course of Association activities shall not be construed to be in violation of this policy.

***DUALITY AND CONFLICT OF INTERST STATEMENT
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- (5) Each new member of the board of trustees of the South Dakota Association of Healthcare Organizations shall be advised with respect to the provisions of this policy upon entrance upon the duties of such office.
- (6) Each member of the board of trustees of the South Dakota Association of Healthcare Organizations shall be required annually to complete, execute, and file with the President of the South Dakota Association of Healthcare Organizations the DUALITY AND CONFLICT OF INTEREST FORM.

Adopted: March 25, 1987

Revised: November 20, 1996

DUALITY AND CONFLICT OF INTEREST FORM

Board of Trustees

The undersigned hereby represents that no situation in which I am involved would in my opinion place me in a position of having a possible conflict of interest with the South Dakota Association of Healthcare Organizations, except the following: ¹PLEASE LIST BELOW in the space provided and specify the nature of all relationships that you or members of your immediate family may have, including but not limited to, financial, employment, consulting or contractual agreements, arrangements, affiliations, and interest of any kind or nature.

HOSPITALS

NURSING HOMES AND SIMILAR FACILITIES

HEALTH CARE ORGANIZATIONS

SUPPLIER OF GOODS AND SERVICES TO THE ASSOCIATION

INSURANCE AGENT OR BROKER or other insurance company affiliation doing business with the Association

BANK OR OTHER FINANCIAL INSTITUTION where the Association has funds on deposit or has other financial relationship

OTHER

Signed

Date

¹ Questions on this form may be directed to the SDAHO President/CEO.