



GUIDELINES ON FIDUCIARY DUTIES & CONFLICT OF INTEREST SITUATIONS

For Elected/Appointed TNA Members

(cf. TNA Bylaws, Amended April 1993, Art. III, sec. 4; Art.IV; Art VII, sec. 2; Art. VIII)

Adopted by TNA Board of Directors, January 30, 1993

When an individual is elected or appointed to a Texas Nurses Association office, committee, council, or task force that individual is expected to make decisions, and to use information obtained, in the sole interest of the organization. The law places this legal trust or fiduciary* on individuals. The purposes of this statement are to (1) provide understanding of fiduciary duty, (2) define conflict of interest, and (3) describe potential conflict of interest issues.

Elected/appointed TNA members breach their fiduciary or position of trust to TNA by making decisions when they have a conflict of interest or by disclosing information private to TNA under circumstances detrimental to TNA's interests. A conflict of interest exists when an elected/appointed TNA member's personal or business interests or interests in or duty to another organization compromises her/his ability to make decisions or to use information obtained, solely in TNA's best interest. Failing to disclose such conflicts of interest, or participating in decisions when such a conflict exists, breaches the member's fiduciary duty to TNA.

Consequently, an elected/appointed TNA member should be aware of the possibility that conflict-of-interest issues could arise if:

- (1) she/he also makes decisions for another association, organization, or business:
 - whose services or products are in competition with Texas Nurses Association;
 - whose decisions/positions on health policy, legislative goals, and/or nursing issues are contrary to the official positions of the Texas Nurses Association.
- (2) information that is private to the Texas Nurses Association is shared with an individual, organization, or business that could use the information to the detriment of TNA's own interests.

In summary, the individual member has the responsibility to (1) recognize when a conflict of interest may exist, and (2) take the appropriate action. This action(s) may consist of one or more of the following:

- Identify the issue(s) where conflict of interest exists.
- Remove oneself from decision-making or voting on that issue(s).
- Maintain the confidentiality of certain information.
- Refrain from some activity.

Question(s) about fiduciary duty or conflict of interest by a member shall be addressed for clarification to the TNA Board of Directors or staff.

***Fiduciary** - *A term derived from Roman law meaning a person holding the character of a trustee, in respect to the trust and confidence involved in it and the scrupulous good faith and candor which it requires.*