



Board of Directors

Conflict of Interest

CONFLICT OF INTEREST POLICY

A. Introduction and Rationale

Texas Nurse Practitioner (TNP), is a professional association, as described within Section 501 (c) (6) of the Internal Revenue Code, that is committed to pursuing its mission in a responsible and ethical manner. Because of the nature of the TNP association (referred to as The Association, many individuals are involved in making or influencing significant Associational decisions. Some of these individuals may have or develop personal interests that could create or be perceived as a conflict between those personal interests and the interests of TNP.

Conflicts may arise when:

1. the interest or activities of an individual (or those of a member of his or her family) are competitive with or otherwise adverse to those of the TNP; or
2. the individual is in a position to influence a transaction or decision in such a way that it will or might appear to benefit the individual or his or her family member.

(As used in this Policy, “family” refers to a group of persons who consider themselves as family, including those related by blood, marriage, or dependency, or joined together to raise children, or sharing living quarters, whose concern for each other might, or could be expected to, affect their judgment or impartiality.)

Such perceived or actual conflicts can best be addressed and resolved through full disclosure and review by appropriate individuals, together with a process for the approval of business decisions and transactions by non-interested decision makers.

B. Applicability

This Policy applies to TNP Officers, Board of Directors, and Staff or those appointed (including [but not limited to] liaisons, fellowship and traineeship recipients, and lobbyists) by the TNP Officers, Board of Directors, and Staff.

C. Policy

1. An individual shall not vote on, influence, or make recommendations regarding a TNP transaction when that individual or a member of his or her family has a Material Interest (defined below) in an entity, property involved, or outcome in said transaction or decision.
2. An individual, member of his or her family, or an entity of the family (in which one or more of the family has a Material Interest) may not do business with or compete with the business of TNP, unless expressly authorized by TNP’s Officers and Board of Directors, or as detailed in the Bylaws of TNP.
 - a. Determining a Material Interest: For purposes of compliance with the preceding C (1) and (2) and the following D (1), (2), and (3), a Material Interest is defined to exist in, but is not limited to, the following circumstances:
 - i. an individual and/or member of his or her family having a combined ownership or investment interest of greater than five percent (5%) in an entity or property.



ii. an individual (or family member of his or her family) serving as a director, trustee, officer, partner, employee, consultant, agent, member of the active professional staff, researcher or advisor (whether in a paid or voluntary capacity) of or to an entity (including but not limited to health care providers) other than the TNP.

iii. An individual holding an elected or appointed office or position in a branch of government or in a regulatory agency having authority or jurisdiction over professional associations or providers of medical or advanced nursing practice care (for members of the judiciary, areas of conflict of interest will be as defined by the Code of Judicial Conduct):

iv. An individual (or member of his or her family) competing with the TNP in the purchase or sale of property or any property right, interest or service.

3. An individual or member of his or her family shall not accept gifts or other favors under circumstances that might reasonably lead to the inference that the gift or favor was intended to influence his or her decision-making while serving TNP in any capacity.
4. An individual shall not disclose or use information of TNP's business for personal profit or advantage or use or disclose confidential and/or strategic information in advance of its authorized release.
5. No Board of Director of TNP may apply for, solicit, or accept employment with the TNP unless, at the time of their application or solicitation, they have resigned from TNP 's Board of Directors and have agreed not to serve in such capacity, or be a candidate for an office for a period of not less than two years after the date of his or her resignation.
6. No person who has been an employee of or has applied for a position as an employee of TNP may serve or be a candidate for director of the TNP for a period of not less than two years after the date of his or her date of termination as an employee or the last date on which such person was being considered for employment with the TNP.
 - (i) No other person covered by the Conflict Policy (this includes a member of a committee of TNP) may apply for, solicit, or accept employment with TNP if the Officer of the Committee on which they serve, approves or participates in the selection of candidates, or development of job descriptions, requirements, duties, responsibilities, salary, or similar aspects for the position unless at the earliest time of their application, solicitation, or participating in the creation of any staff position (including developing job descriptions, requirements, duties, responsibilities, salary or similar aspects) they have resigned their office in the TNP and have agreed not to apply for, or serve in such capacity, for a period of not less than two years after the date of his or her resignation.
 - (ii) A person who applies for, solicits or accepts employment with the TNP (whether or not they are selected or are then serving, shall not, for a period of not less than two years after the last date on which such person was being considered for employment with TNP, be appointed to or be a candidate for election to any Officer or Committee staffed by TNP position they were applying for or if such Officer or Committee approves or participates in the selection of candidates, or development of job descriptions, requirements, duties, responsibilities, salary, or similar aspects for the position.

D. Process for Addressing a Potential Conflict



1. Annual Disclosure and Update: individuals to whom this policy applies shall provide annual disclosure of their outside financial and professional interest on the TNP disclosure statement. In addition, said individuals shall immediately update this statement at any time during the year that the information requested on said statement changes. Disclosure statements shall be submitted to TNP's Chief Executive Officer for review. TNP's Chief Executive Officer shall prepare and present a report documenting the results of this review to TNP's Board of Directors.
2. Specific Disclosure Employee: An employee of the TNP who is in a position to approve or influence a particular transaction or decision in which the employee (or his or her family member) has a Material Interest in an entity or property involved in the transaction or decision, shall disclose without delay the Material Interest to the Officer President for review and resolution prior to any action by TNP. TNP's President may seek advice from TNP's legal counsel.
3. Specific Disclosure – Officer or Representative: An individual serving as an Officer or a Board of Director who is in a position to vote on or influence a particular transaction or decision when the individual (or his or her family member) has a Material Interest in an entity or property involved in the transaction or decision shall without delay:
 - a. Disclose the conflict to the Officer or Committee prior to any action by TNP;
 - b. Leave the room during the discussion;
 - c. Not participate in discussion of the transaction or decision;
 - d. And abstain from voting on the matter.

The transaction or decision must be approved by a vote of majority of the non-material interested TNP Board of Directors present at the meeting. If the transaction or decision is approved, the minutes of the meeting should reflect the reasons that the transaction was deemed to be in the best interests of the affected Association and that the terms are at least as favorable as those which are or would be available under competitive disinterested proposals (It is not necessary in all circumstances to solicit competitive proposals if the relevant terms can be reasonably evaluated without such proposals or if no competitive proposal is reasonably available).

E. Violations of the Conflict of Interest Policy

A TNP Board of Director, with reasonable cause to believe than an individual subject to this Policy and with a Material Interest has failed to make the required conflict of interest disclosure, shall inform the Chief Executive Officer and President of TNP. The Chief Executive Officer shall inform said individual of the basis for such belief and shall afford the individual an opportunity to explain the alleged failure to disclose. If after hearing the response of the individual and making such additional investigation as may be warranted under the circumstances, the Chief Executive Officer shall inform the Executive Committee of the situation. Should the Board of Directors determine the individual has in fact failed to make a required disclosure, it shall take appropriate disciplinary and corrective action.

F. Records of Proceedings.

The minutes of the meetings of TNP will contain the names of the persons who disclosed or otherwise were found to have a Material Interest in connection with an actual or potential conflict of interest, the names of the persons who were present for discussions and the results of the votes.

G. Periodic Review.



To promote regulatory compliance, including the avoidance of impermissible private benefit, private inurement, or excess benefit to persons possessing substantial influence over the affairs of TNP, TNP will conduct reviews as it deems appropriate or necessary of: (i) compensation arrangements; (ii) acquisitions of provider services; (iii) partnership and joint venture arrangements and arrangements with management services Associations.

As required in TNP Policies, I confirm that as a potential TNP Board Member, I have read and will comply with TNP's Conflict of Interest stated above.

Signature

Date