

MARKLUND  
GENERAL POLICY AND PROCEDURE

POLICY NO.: 1.2.3

PAGE: 1 of 1

---

SUBJECT: Code of Ethics and Conflict of Interest

---

DEPARTMENTS AFFECTED: All

APPROVED BY: GF

---

ISSUE DATE: 01/01/12

REV. DATE: 3/12/16, 5/20/16

EFFECTIVE DATE: 04/01/13

---

**PURPOSE**

The purpose of the following policy and procedure is to support Marklund's commitment to operations conducted with legal and ethical integrity. The following policy and procedure is designed to guide the Board of Directors and staff in appropriately fulfilling their legal and fiduciary responsibilities by acting in the best interests of Marklund.

**CODE OF ETHICS**

Marklund seeks to observe the highest standards of ethical conduct in order to retain the trust of the public and confidence of those this organization seeks to help. The Board and staff provide the public face of the organization and are committed to the following code of ethics:

***Integrity:*** We will act in the best interest of the Marklund mission. We will communicate candidly and honestly. We will keep our promises.

***Respect:*** We will treat others equitably in all aspects of our activities. We will listen carefully and promote openness to a diversity of views. We will practice: "Seek first to understand and then be understood". All personnel shall respect and safeguard the personal property of clients, visitors, and other personnel as well as the property of Marklund. Employees will not use or allow the use of Marklund property or equipment for other than activities approved by the organization. Theft and destruction of property may be addressed through treatment planning (clients), disciplinary action (personnel), and/or by contacting law enforcement, as appropriate. Marklund is not responsible for personal property that is not safeguarded or is left unattended.

***Loyalty:*** We will be loyal to the Marklund mission and not any particular group or individual. We will not engage in any conduct that would undermine the public's trust or would tarnish the image of Marklund. We will not engage in any activities or relationships that would create a potential or actual conflict of interest.

***Confidentiality:*** We will not disclose confidential or proprietary information to unauthorized groups or individuals. Personnel shall not act as a witness to documents such as Power of Attorney, guardianship, advance directives, and/or agency contracts without the expressed written approval of the President and CEO of Marklund. Personnel are authorized to countersign documents such as intake forms, authorizations (i.e., release of information form), treatment plans, etc., as directly related to their job duties.

***Responsibility:*** We will be honest and faithful fiduciaries of our resources and utilize them in the most ethical, cost effect way possible. We will report any improper use or misuse of Marklund resources.

**Transparency:** We will openly and candidly report the activities, decisions and operations of Marklund. We will make our annual report, IRS Form 990 and annual audit available to the public.

**Governance:** We will strive for excellence and professionalism in all Marklund-related activities. We will be committed to the Marklund mission and promote it competently, efficiently and professionally.

## **DEFINITIONS**

*Conflict of Interest or Conflict:* a conflict, or the appearance of a conflict, between the private interests and official responsibilities of a person in a position of trust. Persons in a position of trust include staff and Board members of Marklund.

*Interested Party:* a person whose private interests conflict or appear to conflict with the official responsibilities of that person or the best interests of Marklund.

*Board:* the Board of Directors.

*Staff Member:* a person who receives all or part of his/her compensation from Marklund and who is in a position to influence decisions made on behalf of Marklund. This will include Leadership staff and all other staff with decision-making authority.

*Immediate Family:* an individual's spouse/domestic partner, children, siblings, in laws corresponding relatives of the employee's spouse/domestic partner and other persons who are members of the individual's household.

*Volunteer:* A person of 16 years age and above who has formally agreed (in writing) to provide services at the direction of and on behalf of Marklund without any present or future expectation of reimbursement either monetarily or via in-kind services.

**Scope:** This policy applies to Board and staff members, and immediate family members of the Board and staff. The terms Board and staff members are inclusive of immediate family members unless otherwise stated.

## **POLICY**

Board members may not use professional relationships or affiliation with Marklund to further his or her own private or personal interests. Board members will be required to provide information concerning any possible conflict of interest so that disclosure, if necessary, is made in conformance with this policy.

No Board member may derive any personal profit, directly, by reason of his or her membership on the Board of Directors or because of services provided to the Board (the restriction of deriving profit from a transaction does not apply as long as the goods or services provided to the agency are priced at or below market value, and are documented in the agency's financial report).

Each Board member must disclose to the Board any personal interest which he or she or any member of his or her Immediate Family may have in any current or potential matter before the Board and refrain from participating in any decision on such matters.

No member of the President/CEO's or the Chief Financial Officer's Immediate

Family shall serve on the Board of Directors for the organization and no member of any Board member's Immediate Family may serve as President/CEO, the Chief Financial Officer, or an independent contractor of the organization.

There shall be no familial relationship between the President/CEO and the Chief Financial Officer.

A possible conflict of interest exists when a Board or staff member has a material personal interest, either direct or indirect, in a proposed transaction involving Marklund.

Examples of conflicts of interest that must be disclosed and reviewed include, but are not limited to the following:

- A Board member is related to another Board or staff member by Immediate Family relationship.
- A staff member in a supervisory capacity has an Immediate Family relationship with another staff Member whom he/she supervises.
- A Board member or their organization/company stands to benefit from a Marklund transaction or receive payment for any subcontracts, goods, or services.
- A Board or staff member is a member of the governing body of a contributor to Marklund.
- A Board member is formally considering employment with Marklund.

**Prohibition on Gifts:** No Board or staff member shall accept anything of value from a person or entity that is or may reasonably be expected to do business with Marklund, including entertainment, tickets, meals, clothing or other items, unless (i) such gift is of nominal value, (ii) the recipient of the gift is not expected to take or refrain from taking any action in connection with the receipt of the gift, and (iii) the gift is in keeping with good business ethics and/or refusing such gift would be contrary to the accepted norms under the circumstances.

## **PROCEDURE**

Board and staff members are under a continuing obligation to disclose any actual or potential conflict of interest as soon as it is known or reasonably should be known.

Board and staff members shall complete the Marklund Disclosure Statement Questionnaire about any actual or potential conflicts of interest. The disclosure statement shall be completed upon the Board member's initial association with Marklund, and shall be updated annually thereafter. Staff shall complete upon hire and update relevant information in writing to the Director of Human Resources. An additional disclosure statement shall be filed at such time as an actual or potential conflict arises.

For Board members, the disclosure statements shall be provided to the Chair of the Board, or in the case of the Chair's disclosure statement shall be provided to the Secretary of the Board. Copies shall also be provided to the President/CEO.

For staff members, the disclosure statements shall be provided to the Director of HR. The President/CEO's disclosure statement shall be provided to the Chair of the Board.

The Secretary of the Board of Directors shall file copies of all disclosure statements with the official corporate records of Marklund.

### **Review of Actual or Potential Conflicts - Generally**

Whenever there is reason to believe that an actual or potential conflict of interest exists between Marklund and a Board or staff member, the Board of Directors shall determine the appropriate organizational response.

Where the actual or potential conflict involves a staff member of Marklund other than the President/CEO, the President/CEO shall, in the first instance, be responsible for reviewing the matter and may take appropriate action as necessary to protect the interests of Marklund. The President/CEO shall report to the Chair of the Board the results of any review and the action taken. The Chair, in consultation with the Executive Committee, shall determine if any further Board review or action is required.

### **Addressing Conflicts of Interest - Specific Transactions**

Where an actual or potential conflict exists between the interests of Marklund and a Board or staff member with respect to a specific proposed action or transaction, Marklund shall refrain from the proposed action or transaction until such time as the proposed action or transaction has been approved by the disinterested members of the Board of Directors. The following procedures shall apply:

- The Board or staff member who has an actual or potential conflict should disclose that conflict before the Board of Directors takes action on the matter. The minutes of the meeting should reflect that a disclosure was made;
- A Board or staff member who has an actual or potential conflict of interest with respect to a proposed action or transaction of Marklund shall not participate in any way in, or be present during, the deliberations and decision making of Marklund with respect to such action or transaction. However, the Board or staff member may, upon request, be available to answer questions or provide material factual information about the proposed action or transaction;
- The disinterested members of the Board of Directors may approve or disapprove the proposed action or transaction after deliberation and consideration of the best interests of Marklund;
- Action by the disinterested members of the Board of Directors shall be pursuant to the voting procedures outlined in the Marklund By-Laws.

### **Violations of Conflict of Interest Policy**

If the Board of Directors has reason to believe that a Board or staff Member has failed to disclose an actual or potential conflict of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. Policy 21 states that no director, officer, or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation, or adverse employment consequence. An employee who retaliates against someone whom has reported a violation in good faith is subject to discipline up to and including termination of employment.

If, after hearing the response of the Interested Party and making such further investigation as may be warranted in the circumstances, the Board determines that the Interested Party has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action. The compliance officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within two business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

**Marklund  
Conflict of Interest Policy –  
Affirmation of Compliance  
and Disclosure Statement**

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

I have received and carefully read the Conflict of Interest Policy for Board and staff members of Marklund and have considered not only the literal expression of the policy, but also its intent. By signing this affirmation of compliance, I hereby affirm that I understand and agree to comply with the Conflict of Interest Policy. I further understand that Marklund is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Except as otherwise indicated in the Disclosure Statement and attachments, if any, below, I hereby state that I do not, to the best of my knowledge, have any conflict of interest that may be defined in the Policy.

If any situation should arise in the future which I think may involve me in a conflict of interest, I will promptly and fully disclose the circumstances as required in the Policy.

I further certify that the information set forth in the Disclosure Statement and attachments, if any, is true and correct to the best of my knowledge, information and belief.

\_\_\_\_\_  
Name (Please print)

\_\_\_\_\_  
Signature

**Marklund  
Disclosure Statement  
Questionnaire**

Please complete the questionnaire, below, indicating any actual or potential conflicts of interest. If you answer "yes" to any of the questions, please provide a written description of the details of the specific action or transaction in the space allowed. Attach additional sheets as needed.

Financial Interests - A conflict may exist where an interested party, or a relative or business associate of an interested party, directly or indirectly benefits or profits as a result of a decision made or transaction entered into by Marklund.

Please indicate, during the past 12 months:

Has Marklund contracted to purchase or lease goods, services, or property from you, or from any of your relatives or business associates?

Yes

No

*If yes, please describe:*

Has Marklund purchased an ownership interest in or invested in a business entity owned by you, or owned by any of your relatives or business associates?

Yes

No

*If yes, please describe:*

Has Marklund offered employment to you, or to any of your relatives or business associates, other than a person who was already employed by Marklund?

Yes

No

*If yes, please describe:*

Have you, or have any of your relatives or business associates, been provided with a gift, gratuity or favor, of a substantial nature, from a person or entity which does business, or seeks to do business, with Marklund?

Yes

No

*If yes, please describe:*

Have you, or any of your relatives or business associate, been gratuitously provided use of the facilities, property, or services of Marklund?

Yes

No

*If yes, please describe:*

Other Interests - A conflict may also exist where an interested party, or a relative or business associate of an interested party, obtains a non-financial benefit or advantage that he would not have obtained absent his/her relationship with Marklund, or where his/her duty or responsibility owed to Marklund conflicts with a duty or responsibility owed to some other organization.

Please indicate if at any time during the past twelve months:

Did you obtain preferential treatment by Marklund for yourself, or for any of your relatives or business associates?

Yes

No

*If yes, please describe:*

Did you make use of confidential information obtained from the organization for your own benefit, or for the benefit of a relative, business associate, or other organization?

Yes

No

*If yes, please describe:*

Did you take advantage of an opportunity, or enable a relative, business associate or other organization to take advantage of an opportunity, which you had reason to believe would be of interest to Marklund?

Yes

No

*If yes, please describe:*