



Policy on Conflicts of Interest and Disclosure of Certain Interests

This conflict of interest policy is designed to identify situations that present potential conflicts of interest and to protect the interests of the Wisconsin Society of Science Teachers (WSST) when it is contemplating entering into a contract, transaction or arrangement that might benefit the private interest of an officer, director or other interested person of WSST.

1. Conflict of Interest Defined

A. Outside Interests

- (1) A contract, transaction or arrangement between WSST and an Interested Person.
- (2) A contract, transaction or arrangement between WSST and a person or entity with which an Interested Person has a Material Financial Interest.

B. Outside Activities

- (1) An Interested Person competing with WSST in the rendering of services directly or indirectly through any contract, arrangement or transaction with a third party.
- (2) An Interested Person having a Material Financial Interest with a person or entity that competes with WSST in the provision of services or in any other contract, transaction or arrangement.

2. Definitions

A. "Conflict of Interest" is any circumstance described in Part 1 of this policy.

B. "Interested Person" is any director, officer, council member, committee member (if committee has Board delegated powers), or employee of WSST that has a Material Financial Interest in a contract, transaction or arrangement.

C. "Family Member" of an Interested Person is a spouse, domestic partner, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister.

D. "Material Financial Interest". A person has a "Material Financial Interest" if the person has, directly or indirectly through business, investment or Family Member:

- (1) An ownership, investment or other interest in any entity which WSST has or is negotiating a contract, transaction or arrangement;
- (2) A compensation arrangement with any person or entity with which WSST has or is negotiating a contract, transaction or arrangement;

(3) A potential ownership, investment, compensation or other interest, with any person or entity with which WSST is negotiating a contract, transaction or arrangement.

For purposes of this policy, (i) "compensation" includes all forms of compensation and gifts, entertainment or other favors that are not insubstantial, (ii) "other interest" includes serving as an officer, director, trustee or representative (with or without compensation) of a third party, and (iii) Material Financial Interest does not include an ownership interest of less than one tenth of 1% of a publicly held corporation.

E. "Contract, Transaction or Arrangement" includes but is not limited to (i) the sale, purchase, license or lease of goods, services, real estate or other property or rights of any kind, (ii) the providing or receipt of grants or other financial commitments, and (iii) the payment or receipt of compensation, honorariums, royalties or other fees or costs. The making of a gift to WSST without consideration is not a contract, transaction or arrangement under this policy.

3. Procedures

A. Prior to Board of Directors or committee action on a contract, transaction or arrangement involving a conflict or potential conflict of interest, an Interested Person having a conflict or potential conflict of interest and who is in attendance at the meeting shall disclose all facts material to the conflict of interest. Such disclosure shall be reflected in the minutes of the meeting.

B. An Interested Person who plans not to attend a meeting at which he or she has reason to believe that the Board of Directors or committee will act on a matter in which the Interested Person has a conflict or potential conflict of interest, shall disclose to the chair of the meeting all facts material to the conflict of interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.

C. An Interested Person who has a conflict of interest shall not participate in or be permitted to hear the Board of Director's or committee's discussion of the matter except to disclose the material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.

D. An Interested person who has a conflict of interest with respect to a contract, transaction or arrangement that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a conflict of interest may not vote on the contract, transaction or arrangement and shall not be present in the meeting room when the vote is taken. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.

E. An employee of WSST who is not a member of the Board of Directors or committee shall disclose to his/her supervisor or to the CFO/COO any conflict or potential conflict of interest that such employee has with respect to a contract, transaction or arrangement which the employee has reason to believe will be acted on by the Board or committee. Such disclosure shall be made as soon as the conflict of interest is known to the employee. The Executive Director shall inform

the Board or committee of the conflict of interest, where appropriate. The employee shall refrain from any action that may influence WSST's participation in such contract, transaction or arrangement.

F. In any matter before the Board of Directors or committee involving a conflict or potential conflict of interest, a majority vote (excluding the Interested Person) shall determine whether or not there exists a conflict of interest with an Interested Person. In the case of an employee, the CFO/COO shall make the initial conflict of interest determination.

G. The Board of Directors or committee, if applicable, shall determine whether the disclosed interest is such that WSST (i) should not proceed with the proposed contract, transaction or arrangement, (ii) should modify the proposed contract, transaction or arrangement to eliminate the conflict, (iii) should seek another equally advantageous contract, transaction or arrangement that does not present a conflict of interest, or (iv) should take such other measures deemed to be in the interest of WSST. The Board of Directors or committee, if applicable, may authorize or ratify a decision concerning a contract, transaction or arrangement involving an Interested Person, provided:

- (a) Authorization or ratification is effected by a majority vote, without counting any director or committee member who is also an Interested Person; and,
- (b) The Board or committee concludes that the contract, transaction or arrangement is fair and reasonable and in the best interests of WSST.

4. Compensation

- (a) Any voting member of the Board of Directors who receives compensation, directly or indirectly, from WSST for services is precluded from discussing and voting on matters pertaining to his/her compensation.
- (b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from WSST for services is precluded from voting on matters pertaining to his/her compensation.

5. Records of Proceedings

The minutes of the Board or committee meeting, if applicable, shall contain: (a) the name(s) of the Interested Person(s) who disclosed or otherwise was found to have an actual or potential conflict of interest; (b) the nature of the interest; (c) the decisions made or actions taken by the Board with respect to the proposed transaction or arrangement; (d) and the names of the persons who were present for the discussions and any votes taken in connection with the proceedings.

6. Violations of Conflicts of Interest Policy

- (a) If the Board or committee has reasonable cause to believe that 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.
- (b) If after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

7. Confidentiality

Each member of the Board of Directors, the council or any committee and all employees shall exercise care not to disclose confidential information that might be adverse to the interests of WSST.

Furthermore, a member of the Board of Directors, the council or any committee and all employees shall not disclose or use information relating to the business of WSST for their personal profit or advantage or that of a Family Member.

8. Review of Policy

A. Each member of the Board of Directors, officer, member of the council or committee with authority delegated by the Board and all employees shall be required to review a copy of this policy and to acknowledge in writing that he or she has done so.

B. Each member of the Board of Directors, officer and member of a committee with authority delegated by the Board shall annually complete a disclosure form identifying any relationships, positions or circumstances in which he or she is involved that could contribute to a conflict of interest. Such relationships, positions or circumstances might include service as a director of or consultant to a nonprofit organization, or ownership of a business that might provide goods or services to WSST. Any such information shall be treated as confidential.

C. This policy will be reviewed annually by each member of the Board of Directors. Any changes to the policy will be communicated immediately to the whole Board of Directors and all Employees.

CERTIFICATION

I certify (a) that I have reviewed the attached copy of the WSST Conflicts of Interest and Disclosure of Certain Interests Policy, (b) I have provided a disclosure listing of any areas of conflict covered by this policy, and (c) that I will promptly notify the WSST President and update the disclosure statement in the event of any changes.

Signature _____

Date _____

Print Name _____