

**POLICY NUMBER:** 3001  
**POLICY TITLE:** Conflict of Interest  
**CLASSIFICATION:** Board

**DATE(S) AMMENDED/APPROVED:** August 17, 2015; June 21, 2022; November 13, 2024  
**NEXT REVIEW DATE:** 2027

## PURPOSE:

## POLICY:

It is the Policy of CAHIP to maintain the highest ethical standards between CAHIP and both present and past leaders to clearly define what conflicts of interest might occur. No person dealing with CAHIP shall receive special favor or consideration because of that individual's current or former position with CAHIP. No person acting on behalf of CAHIP should have a material, financial stake in transactions concerning the Association without the full knowledge and written consent of the Board of Trustees.

## PROCEDURE:

**Definitions:** For purposes of this Policy and Procedure:

1. *Conflict of interest* means any transaction in which a current or former CAHIP Leader has a material financial interest. A *conflicted individual* is a CAHIP Leader with a conflict of interest relative to a particular transaction.
2. *CAHIP Leaders* means any member of CAHIP Board of Directors or any Member of a CAHIP Entity.
3. *CAHIP Entity* (Referred in #2 above) means any CAHIP state-wide or local chapter level Board, Commission, Committee, Advisory Group, Working Group, Task Force or Foundation.
4. *Former CAHIP Leaders* means individuals who were a CAHIP Leader during any part of the 12 months preceding a vote concerning a transaction in which the Former CAHIP Leader has a material, financial interest. All CAHIP Board members will sign this Policy & Procedure each year.
5. *Material Financial Interest* means any direct or indirect benefit, including salary and/or compensation received directly by a CAHIP Leader or by a CAHIP Leader's immediate relatives (parents, children, siblings, spouses and the spouse's immediate relatives), co-residents or roommates, or any corporation, partnership or business in which such person is an officer, partner, director, executive or major stockholder.
  - a. In the case of CAHIP staff, material financial interest shall exclude regular salary, bonuses, benefits and other compensation paid them in the normal course of their duties on behalf of CAHIP.
  - b. In the case of a member of a CAHIP Entity, material financial interest shall exclude salary, compensation or benefit resulting from holding a position common to the general membership. (For example, a Board Member voting to spend money on behalf of a group supporting guarantee issue of health insurance does not have a conflict of interest even though such a legal requirement would likely increase their income as many members of CAHIP would likewise benefit)

*Major stockholder* means ownership or control of five percent (5%) or more of the outstanding stock of a business Entity.

## **Disclosure:**

1. A CAHIP Leader shall disclose any material financial interest in transactions contemplated or entered into by CAHIP as soon as such interest is known. Such notification must be made, in writing, to the President and President-Elect. If the potential conflict involves the President or President-Elect, additional notification shall be made to the Executive Director who would operate in the role as "Staff Ethics Officer."
2. When CAHIP Leaders or Former CAHIP Leaders are aware of potential conflict of interest concerning a Former CAHIP Leader such information shall be disclosed in the same manner as for current CAHIP Leaders.
3. All incoming CAHIP Leaders shall sign a copy of this policy constituting compliance as directed by the Executive Director.

**FINANCIAL IMPACT:**

None.

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

Position: \_\_\_\_\_

Signature: \_\_\_\_\_

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