

# **CENTRAL FLORIDA CHAPTER OF ASSOCIATED BUILDERS AND CONTRACTORS, INC.**

## **Policy on Potential Conflicts of Interest**

The Board of Directors of the Central Florida Chapter of Associated Builders and Contractors, Inc. (ABC) has adopted the following policy designed to avoid any possible conflict between the personal interest of Board members, committee chairs, members and staff and the interests of ABC. This policy also applies in any case in which a committee chairperson or committee member may be delegated the authority to transact any business on behalf of ABC.

The purpose of this policy is two-fold. First, the policy seeks to reflect the spirit of ABC's commitment to promote the highest ethical standards in the construction industry and association management profession. Second, the policy seeks to ensure that decisions about ABC operations and the use or disposition of ABC assets are made solely in terms of the benefits of ABC and are not influenced by any private profit or other personal benefit to the individuals affiliated with ABC who take part in the decision. In addition to actual conflicts of interest, board members are also obligated to avoid actions that could be perceived or interpreted in conflict with ABC's interest.

Conflicts of interest may occur when ABC enters into transactions with not-for-profit organizations as well as those that are undertaken with profit-making entities. The best way to deal with this problem is to make known one's connection with organizations doing business with ABC and to refrain from participation in decisions affecting transactions between ABC and the other organization. Such relationships do not necessarily restrict transactions so long as the relationship is clearly divulged, and non-involved individuals affiliated with ABC make any necessary decision.

### **Policy**

Any member of the Board of Directors, committee chairs, and members who may be involved in an ABC business transaction in which there is a possible conflict of interest shall promptly notify the Chairman. Any ABC staff with a possible conflict of interest shall promptly notify the President/CEO. The Director shall refrain from voting on any such transaction, participating in deliberations concerning it, or using personal influence in any way in the matter. The Director's presence may not be counted in determining the quorum for any vote with respect to a business transaction in which he or she has a possible conflict of interest. Furthermore, the Director, or the President/CEO in the Director's absence, shall disclose a potential conflict of interest to the other members of the Board before any vote on an ABC business transaction and such disclosure shall be recorded in the Board minutes of the meeting at which it is made. Any ABC business transaction which involves a potential conflict of interest with a member of the Board of Directors, committee chairs, members and staff shall have terms which are at least as fair and reasonable to ABC as those which would otherwise be available to ABC if it were dealing with an unrelated party.

A written disclosure regarding any possible conflicts and of any adjustments made to avoid possible conflicts of interest shall be kept by the President.

## Definitions

- A. “Involved in an ABC business transaction” means initiating, making the principal recommendation for, or approving a purchase or contract; recommending or selecting a vendor or contractor; drafting or negotiating the terms of such a transaction; or authorizing or making payments from ABC accounts. That language is intended to include not only transactions for ABC’s procurement of good and services, but also for the disposition of ABC property, and the provision of services or space by ABC.
- B. A “possible conflict of interest” is deemed to exist where the Director, staff or close relative, or a member of that person’s household, is an officer, director, employee, proprietary, partner, or trustee of, or, when aggregated with close relatives and members of that person’s household, holds 1% or more of the issued stock in the organization seeking to do business with ABC. A possible conflict is also considered to exist where such a person is (or expects to be) retained as a paid consultant or contractor by an organization which seeks to do business with ABC, and whenever a transaction will entail a payment of money or anything else of value to the official, member, to a close relative, or to a member of that person’s household.

A “possible conflict of interest” exists when an individual affiliated with ABC has an interest in an organization which is in competition with a firm seeking to do business with ABC if the individual’s position gives him or her access to proprietary or other privileged information which could benefit the firm in which he or she has an interest.

A “possible conflict of interest” exists when an individual affiliated with ABC is a trustee, director, officer or employee of a not-for-profit or for-profit organization which is seeking to do business with or have a significant connection with ABC or is engaged in activities which could be said in a business context to be “in competition with” the programs of ABC.

## **Acknowledgment**

This policy statement shall be made available to each Director, committee chairs, members and staff. Such people will be asked to sign the acknowledgment below and the attached disclosure concerning reporting of potential conflicts of interest.

### **ACKNOWLEDGMENT**

I have read and understand ABC’s policy on Potential Conflicts of Interest. I agree to report promptly any such interest which arises in my conduct of ABC business and, in other respects, to comply with the policy and its procedures.

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Name Printed

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Signature

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Date

## DISCLOSURE REGARDING CONFLICTS OF INTEREST

As a Board member, committee chair, member or staff of ABC, I recognize that I owe duties of care and loyalty to the association. One aspect of fulfilling those duties is to avoid conflict of interest in which my allegiance might be split between my responsibilities at ABC and some other professional, business, or volunteer position or responsibility. To help avoid conflicts, on this form I am disclosing other situations or areas in which it might even appear that I have conflicting duties to other entities. I invite any further review by the association of any aspect of these situations or areas that might be considered appropriate. Also, I will take other steps, such as avoiding deliberations and resolution of certain issues or even withdrawing from my position in the association, if it is determined that those steps are necessary to protect against legal liability to the association or to me arising from conflicts of interest.

1. Professional, business or volunteer positions or responsibilities that might give rise to conflicts:

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2. Situations in which I am serving as a vendor, or am employed by or consulting with a vendor, to the association or its members:

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3. I know of no professional, business or volunteer position or responsibility, including vendor situations, that might give rise to conflicts (check here): \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date