



SOCIETY FOR FOREIGN AFFAIRS

Established 2016

DELTA PHI EPSILON SOCIETY FOR FOREIGN AFFAIRS CONFLICT OF INTEREST POLICY

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APPROVED APRIL 5, 2016

INTRODUCTION. The Society’s reputation and financial health depend on its directors, officers, employees, and volunteers acting in the Society’s best interests, and on transparency to assure members, donors, and government authorities that the Society is properly managed. Inevitably, directors, officers, employees and volunteers will have outside relationships that could affect their judgment when acting on behalf of the Society. This Policy establishes practices to screen for those relationships and prevent them from adversely impacting management of the Society or the Society’s reputation with external parties.

This Policy applies to any member of the Society who is placed in a position that enables them to act on behalf of or make decisions for the Society.

R1. DUTY OF LOYALTY. All directors, officers, employees, and volunteers owe a duty of loyalty to the Society when acting in an official capacity. The duty of loyalty requires these persons administer the Society’s affairs with candor, personal honesty, and integrity. Directors, officers, employees, and volunteers shall not make decisions or take actions in their official capacities that may reasonably be expected to be detrimental to the Society. This duty prohibits directors, officers, employees, and others from advancing their own personal or business interests at the Society’s expense.

R2. DEFINITION OF CONFLICT OF INTEREST. A material conflict of interest for the purposes of this Policy is a relationship with a third party that may reasonably be expected to materially affect the ability of a director, officer, employee, or volunteer to exercise his or her official duties in a fair and impartial manner. “Reasonableness” should be determined according to an “objective observer” standard – therefore, potential conflicts should be assessed for the appearance of a conflict to an outside observer as well as the director, officer, employee, or volunteer’s subjective belief that a conflict actually exists. Material conflicts include, but are not limited to:

- **Financial interests** such as joint ownership of (including partnerships or ownership of stock), employment by, or commission arrangements with a third party that may have a contractual or other financial relationship with the Society;

- **Familial relations**, such as immediate family members, or connections to extended family members that may reasonably be expected to influence the director, officer, employee, or volunteer’s judgment; or
- **Other relationships** as may affect the director, officer, employee, or volunteer’s judgment to the detriment of the Society.

R3. CONFLICT REPORTING. All directors, officers, employees, and volunteers are obligated to report any conflicts of interest that they may have. These reports fall into two categories:

- **Annual reports** of known conflicts with third parties already engaged by the Society, such as vendors; and
- **Ad hoc disclosures** of known or anticipated conflicts as they become known to the director, officer, employee, or volunteer filing the report.

Annual reports should be filed within two weeks of assuming official duties in the Society, and then every 12 calendar months thereafter. Ad hoc reports should be filed as soon as possible. All reports shall be directed to the Society Secretary. The Secretary shall in turn notify the Executive Council of receipt of the report.

R4. RECUSAL REQUIRED. Upon discovery of a material conflict of interest, the director, officer, employee, or volunteer affected must recuse himself or herself from any official activities bearing on that conflict, such as contract negotiations, management of accounts payable or receivable, Executive Council debates, votes, or other activities.

R5. VIOLATIONS AND DISCIPLINE: Knowing or willful failure by a director to adhere to this Policy may be grounds for discipline as determined by the Executive Council. Options for discipline include, but are not limited to:

- A public or private warning from the Council;
- Suspension from Society activities;
- Suspension from the Council, in the case of directors and officers;
- A recommendation to the Society membership to remove the director or officer from the Council;
- Termination of Society membership; or
- Such other measures as may be warranted by the circumstances and nature of the violation.

The Council shall report any violations and disciplinary actions related to this policy to the Society Membership in a prompt and timely manner.

R6. RECORDKEEPING. Records of conflict of interest reports, recusals, and discipline shall be maintained by the Society Secretary and made available for public inspection.