

Conflict of interest policy sample

A short sample policy written for small clubs, with a yearly statement for board members to sign.

A sample to adapt, not legal advice. Charities applying for 501©(3) status will find the IRS's own sample policy in the instructions for Form 1023. Have your board adopt the final version by vote and record it in the minutes.

The policy

Sample policy

[Club name] conflict of interest policy

- 1. Purpose.** This policy helps [Club name] make decisions in the interest of the club and its members, and not in the private interest of any board member, officer or committee chair.
- 2. What a conflict is.** A conflict of interest exists when a board member, officer or committee chair, or a member of their family or a business they are part of, could gain from a decision the club makes. Examples: the club hiring a board member's business, buying from a relative, or renting a space a board member owns.
- 3. Telling the board.** Anyone covered by this policy who has, or may have, a conflict tells the board as soon as they know of it, and before the board discusses the matter.
- 4. Deciding.** The person with the conflict may answer questions, then leaves the discussion and does not vote. The rest of the board decides whether the arrangement is fair and in the club's interest, by a majority of those without a conflict.
- 5. Recording.** The minutes record the conflict that was disclosed, who left the discussion, the decision, and the vote.
- 6. Yearly statement.** Every board member, officer and committee chair signs the statement below when they take office and once a year after that.
- 7. Not following the policy.** If the board believes someone did not disclose a conflict, it gives them a chance to explain, then decides what to do, which may include removal under the bylaws.

Adopted by the board on [date].

Yearly statement

I have read the [Club name] conflict of interest policy, I agree to follow it, and I have listed below any interests that could create a conflict.

Interests that could create a conflict (or "none")

Name

Role

Signature

Date

Sources

- IRS instructions for Form 1023, which include a sample conflict of interest policy: <https://www.irs.gov/pub/irs-pdf/i1023.pdf>



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<https://renuzy.com/resources/conflict-of-interest-policy>