****

 **National Grants Management Association**

**Conflict of Interest Disclosure and Confidentiality Agreement**

**Section 1**. **Purpose**. The purpose of the conflict of interest policy is to protect the nonprofit Association’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or committee member of the Association. As the members of the Board and NGMA, committee members have relationships with other entities that might do business directly or indirectly with the National Grants Management Association (NGMA), it is essential that decisions made by each Board member are in keeping with their fiduciary obligation to this organization. This policy is intended to supplement, but not replace, any applicable state and Federal laws governing conflict of interest applicable to nonprofit and charitable organizations. Furthermore, by signing this agreement, individuals agree to keep confidential, any proprietary, financial, trade secrets, copyrighted works, and other information of NGMA.

**Section 2**. **Definitions**. For purpose of this Agreement the following terms shall have the following meanings:

1. “Compensation” shall mean direct or indirect remuneration as well as gifts or favors that are not insubstantial.
2. “Financial Interest” shall mean any person who has, directly or indirectly, through business, investment, or family relationship, any of the following:
3. An ownership or investment interest in any entity with which the Association has a transaction or arrangement; or
4. A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement; or
5. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement.

A Financial Interest is not necessarily a conflict of interest. A person who has a Financial Interest may have a conflict of interest only if the appropriate Board of Directors or committee decides that a conflict of interest exists.

1. “Interested Person” shall mean any director, officer, or member of a committee (with powers delegated from the Board of Directors) who has a direct or indirect Financial Interest. If a person is an Interested Person with respect to any entity in the corporate organization of which the Association is a part, he or she is an Interested Person with respect to all entities in that system.

**Section 3**. **Duty to Disclose**. Directors, candidates for Board membership, and committee members shall disclose in writing (and update at least annually) all Financial Interests that may create an actual or potential conflict of interest.

**Section 4**. **Determining Whether a Conflict of Interest Exists**. After disclosing the Financial Interest and all material facts, and after any preliminary discussion, the Interested Person shall leave the Board of Directors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board of Directors or committee members shall decide if a conflict of interest exists. The mere fact that a person is employed by a member of the Association does not in and of itself create a conflict of interest.

**Section 5**. **Procedures for Addressing the Conflict of Interest**.

1. An Interested Person may make a presentation at the Board of Directors or committee meeting, but after the presentation, the Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the conflict of interest.
2. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Association’s best interest, for its own benefit, and whether the transaction or arrangement is fair and reasonable to the Association. In conformity with the above determination, the Board of Directors or committee shall make its decision as to whether to enter into the transaction or arrangement.

**Section 6**. **Violations of the Conflict of Interest Policy**.

1. If the Board of Directors 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.
2. If, after hearing the member’s response and after making such further investigation as may be warranted by the circumstances, the Board of Directors or committee determines that the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Section 7**. **Records of Proceedings**. The minutes of the Board of Directors or committees with powers delegated from the Board of Directors shall contain:

1. The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors’ or committee’s decision as to whether a conflict of interest in fact existed; and
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

**Section 8. Confidentiality.** Each Officer, Board Member, and committee member shall protect against the disclosure of confidential, propriety, financial, trade secrets, and copyrighted works of NGMA. Individuals agree not to disclose to any person, institution, entity, company, or other party any “confidential information” directly or indirectly related to the activities performed pursuant to this agreement. Individuals agree that their obligations and representations regarding confidential and proprietary information (including the continued confidentiality of information transmitted orally), shall be in effect during the term of this agreement and shall survive the expiration or termination (regardless of the cause of termination) of this agreement. NGMA shall retain title and all rights to the confidential and proprietary information which has been disclosed. Upon expiration or termination of this agreement, or upon request of NGMA for any reason, individual agrees to return promptly to the NGMA all confidential and proprietary information and to not retain any copies, extracts or other reproductions, in whole or in part, of such returned confidential or proprietary information or any memoranda, notes, records and/or other documents related to such information.

I shall disclose any potential conflicts of interest in accordance with this policy and keep confidential proprietary information of NGMA:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name Date