



ILLINOIS GREEN ALLIANCE CONFLICT OF INTEREST POLICY

INTENT

This policy is designed to ensure that all officers, directors, committee members and other persons serving in a leadership capacity of, for, or on behalf of the Illinois Green Alliance or the U.S. Green Building Council exercise good judgment in dealing with conflicts that could undermine the best interests of the organization.

POLICY

Volunteer leaders ("Leaders") must avoid and minimize activities and situations which actually, potentially or apparently conflict with Illinois Green Alliance's interests or interfere with the leaders' duty to serve Illinois Green with undivided loyalty ("conflicts"). Conflicts include:

- (1) having a direct financial or close personal interest in a company, service or product that could be affected (in a positive or negative manner) by a decision of a board, committee or other Illinois Green governing body on which the Leader serves,
- (2) serving as a partner, director, officer or trustee of another entity that has an interest in a transaction with Illinois Green,
- (3) revealing or misusing confidential information,
- (4) accepting or offering substantial gifts, excessive entertainment, favors or payments which may reasonably be construed to constitute undue or otherwise improper influence,
- (5) breaching any fiduciary duty owed to Illinois Green,
- (6) participating in any private inurement transactions, which include transactions where the Illinois Green Alliance's resources are transferred to an individual solely by virtue of the individual's relationship with Illinois Green or Organizing Group and without regard to accomplishing Illinois Green's purposes,
- (7) exploiting opportunities for personal or private benefit that could otherwise benefit Illinois Green,
- (8) taking direct action on behalf of Illinois Green that may result in material personal or private benefit or that may result in a material adverse impact to a personal or private competitor, and (9) competing with Illinois Green.

Leaders shall stand in a fiduciary relation to Illinois Green and their fiduciary responsibilities are to perform their duties, including their duties as members of a committee, in good faith, in a manner reasonably

believed to be in the best interests of the corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Conflicts are not inherently improper. However, Leaders must be conscious of conflicts and act with candor and care in dealing with such situations.

PRACTICE AND PROCEDURE

A. Disclosure.

Leaders must disclose all conflicts to the Board Governance Chair or her/his designee (a) at each annual meeting of the Board (if not previously disclosed), and (b) at any other time immediately following discovery of a conflict. Disclosures must be written and must include sufficient detail so as to allow a complete and objective assessment of the conflict.

Leaders must disclose all conflicts of interest to the entire committee at each annual meeting of the Board of Directors (if not previously disclosed), and (b) at any other time immediately following discovery of a conflict.

The Board Governance Chair must forward a copy of all signed conflict of interest statements to the (a) Board Chair, and (b) to the Executive Director.

B. Conduct.

After a Board Governance Chair discloses a conflict, she/he must abstain from making motions, voting, executing agreements or taking any other similar direct action on behalf of Illinois Green or Organizing Group on matters which directly or predominantly involve the matter of conflict.

Example 1: A Leader serves on a committee addressing indoor air quality standards for the LEED Green Building Rating System and also on an Illinois Green's committee. The Board Governance Chair, in addition to her affiliation with Illinois Green, is employed by a company that manufactures a product that is designed to improve indoor air quality. Recognizing the potential for a conflict, the Leader discloses her employment and agrees to conduct her activities in accordance with this policy. She should be encouraged to continue serving on the committee and offering her unique insights into indoor air quality standards, whether or not such insights benefit her employer or adversely affect her employer's competitors. However, she should abstain from voting on indoor air quality standards in the committee. She should also abstain from voting on indoor air quality standards in the Board. She should not abstain from voting on matters that do not directly or predominantly involve air quality standards, such as the complete LEED Green Building Rating System.

Example 2: Illinois Green oversees a grant that is intended to stimulate environmentally advanced architectural practices. As part of this oversight, the Board is tasked with awarding a portion of the grant funds to a qualified architect to develop model architectural practices. The Board believes that a Leader serving on Illinois Green's Board of Directors is the most qualified candidate for the position. Recognizing that its award of grant funds to the Leader is not an actual conflict unless the Leader is provided payment in excess of the value provided. The staff should research a reasonable, fair market value for the work to be performed by the Leader. The Board should then use this research to establish the amount of grant funds to be awarded to the Leader. Upon notification of the award, the Leader should disclose her interest in these funds to the Board Chair and thereafter abstain from making motions, voting, executing agreements or taking any other similar direct

action on behalf of Illinois Green on matters which directly or predominantly involve the grant or any of the Leader's activities that are funded by the grant.

Example 3: A mid-western developer contacts the Board in search of an environmental consultant for her project. Based on the nature of experience sought by the developer, the Board believes that one or more Leaders or members of the Board may be qualified to perform the work. Because of concerns that members will perceive a conflict if the developer is only given the name of a Leader, the Board broadcasts the opportunity to all members by posting the solicitation on Illinois Green's website. A Leader responds to the solicitation and subsequently enters into a consulting contract with the developer. Immediately after entering into the contract, the Leader should disclose this relationship to Illinois Green or Chair.

C. Review.

If, after disclosing a conflict, a Leader believes that she/he should be able to continue making motions, voting, executing agreements or taking any other similar direct action on behalf of Illinois Green on matters which directly or predominantly involve the matter of conflict, without undermining the best interests of Illinois Green, the Leader may submit a written request to the Board of Directors to permit such conduct. The Board of Directors must conduct a disinterested review of the request but has no obligation to grant it.

D. Documentation.

All conflict disclosures and actions taken by the Board of Directors in connection with such disclosures must be noted for record in the minutes of the then-current meeting of the Board of Directors. The Board of Directors may summarize and catalog conflict situations from time to time for reference purposes.

E. Availability.

Copies of this policy are available to all Leaders. As new Leaders are created, they shall be provided copies of this policy.

F. Disciplinary Action

If the Illinois Green Staff or Board members receive complaint of a conflict of interest that has not been appropriately disclosed and handled at Illinois Green, the Board Governance Chair will be asked to speak with the group's committee leader to resolve the issue. If the complaint continues, the issue will be written up and forwarded to the Board Executive Committee to determine if organizational guidelines have been breached and if communications from Illinois Green Board Executive Committee can resolve the issue.

(Please continue the compliance acknowledgment form on the next page)

Illinois Green Alliance Chapter Conflict Of Interest Policy Compliance Acknowledgement Form

Return to: Brian Imus, Executive Director
Illinois Green Alliance
222 Merchandise Mart Plaza, Suite 1502
Chicago, IL 60654
bimus@illinoisgreenalliance.org

I have received a copy of the Illinois Green Alliance's Conflict Of Interest Policy, have read it, and understand its contents.

I will not engage in any activities prohibited by the Illinois Green Alliance's Conflict Of Interest Policy. I understand that any such action or failure to act can subject me to disciplinary action including possible expulsion from the organization. In any instances in which I am in doubt, I will promptly consult Illinois Green's Executive Director or Board Governance Chair. In addition, if I become aware of a potential or actual conflict of interest problem, I will immediately report the facts to Illinois Green's Executive Director or Board Governance Chair.

Signature

Printed Name

**Illinois Green
Role/Position**

Date
