

CONFLICT OF INTEREST AND DISCLOSURE POLICIES & PROCEDURES

General

The directors, Academy volunteer leaders and chief staff officers (collectively referred to as “Leaders”) of the American Academy of Physician Assistants (“AAPA”) must act at all times in the best interests of AAPA. Such Leaders have fiduciary duty to conduct themselves in the best interests of AAPA and to avoid engaging in any real or potential conflict of interest, or creating the perception of conflict of interest. In their capacity as Leaders, they must subordinate personal, individual, business, third-party and other interests. Moreover, the Board of Directors of AAPA has an obligation to ensure that the organization is transparent and maintains an unbiased decision making process.

All capitalized terms used herein shall have the meanings ascribed to them as defined in this Conflict of Interest and Disclosure Policies and Procedures (“Policy”).

Purpose

The purpose of this Policy is to inform Leaders about what constitutes a conflict of interest, assist them in identifying and disclosing actual and potential conflicts, help them to avoid conflicts of interest where necessary, and ensure that all of the deliberations and decisions of Leaders protect the interests of AAPA, particularly when a Leader contemplates entering into any transaction or arrangement that may directly or indirectly benefit the Leader financially (i.e., through business, family, or investment). A Leader may not use his or her position with respect to AAPA, or confidential information relating to AAPA, in order to achieve a financial benefit for himself or herself or for a third party, including another nonprofit or charitable organization. This Policy is intended to supplement but not replace any applicable laws governing conflicts of interest in nonprofit and charitable organizations.

Definitions

“Compensation” means any direct or indirect remuneration, as well as gifts or favors, that may create a real or perceived conflict of interest with the public or members.

“Director” means any member of the Board of Directors.

“Family Member” means a spouse (including former spouses within last five years), ancestor, sibling, child, stepchild, grandchild, great-grandchild, or the spouse (or former spouse) of such persons and any individual who is defined as “Family” in AAPA policy HX-4800.1.

“Financial Interest” means if the person has, directly or indirectly, through business, investment or a Family Member:

- (a) An existing or potential ownership or investment interest in any entity with which AAPA has a transaction, contract, or other arrangement, or
- (b) A compensation arrangement with AAPA or with any entity or individual with which AAPA has a transaction, contract, or other arrangement, or
- (c) An existing or potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which AAPA is negotiating a transaction, contract, or other arrangement, or
- (d) An existing or potential ownership or investment interest in, or compensation arrangement with, any entity whose business or operation has been or will be directly affected by a decision or action of AAPA.

“Leaders” means any Director, Academy volunteer leader or any chief staff officer of AAPA.

What is a Conflict of Interest?

A conflict of interest arises when a Leader has some interest—which may or may not be financial in nature—that suggests divided loyalty on the part of the individual between obligations to AAPA and to the individual’s personal interests or to the interests of some other organization or cause. Such interest arises from a transaction between AAPA and a third party, or the Leader’s relationship with a third party, or the Leader’s relationship to another Leader (personal, professional or otherwise), which might, in fact or in appearance, call into question their duty of undivided loyalty to AAPA.

Conflicts and related confidentiality issues come in various forms. Below are three common types of conflict/confidentiality issues. Guidance on managing these issues can be found under “Administering the Policy” below.

1. Direct Conflict - Where AAPA is considering a decision on a transaction or other arrangement in which the interests of a Leader could, in fact or in appearance, be advanced (directly or indirectly through an affiliate or Family Member) or when the Leader’s interests could reasonably be viewed as affecting his or her objectivity or duty of loyalty to AAPA.
2. Informational Conflict - Where AAPA information is provided to a Leader that could, in fact or in appearance, advance the interests of a Leader or potentially be used to harm AAPA.
3. General Duty of Confidentiality - Where confidential or proprietary AAPA information is shared with Leaders, Leaders have an obligation only to use the information for AAPA purposes and to refrain from disclosing it.

Disclosure

In order to identify any potential conflicts of interest, each Leader is required to annually complete and submit on a form provided by AAPA (a “Disclosure Form”) details of any Financial Interest, as well as paid and unpaid positions and relationships with third party organizations, and arrangements or relationships with AAPA and other Leaders. Directors shall update the Disclosure Form if any disclosure has changed at each Board meeting. All other Leaders are required annually to complete and submit a Disclosure Form, and shall update the Disclosure Form if any material changes or additions to the submitted information arise during the course of the year. On the Disclosure Form, the Leader must list all financial arrangements and transactions with AAPA, whether the Leader or any Family Member has an interest in any third party that provides AAPA with goods or services, and any other organizations with potentially conflicting interests in which the Leader or a Family Member is actively involved, has an investment, or owns at least 5% interest. Each Leader is encouraged to disclose a relationship if there is any uncertainty as to whether the relationship should be disclosed.

Administering the Policy

- Board Member/Director Candidates
 - Candidates for all elected positions will complete Conflict of Interest Disclosure Form prior to election.
 - Nominating Work Group will review Disclosure Forms submitted by candidates as a part of the endorsement process and inform the Board of Directors if there are potential conflicts that raise concern. Write-in candidates will also be responsible for complying with the Conflict of Interest process.
- Current Board of Directors
 - Directors will complete the Conflict of Interest Disclosure Form at the beginning of each leadership year.

- Directors will also complete the Disclosure Form at each Board meeting if there is a change of disclosure needed.
- Board meeting packets will include this statement from the Chair of the Board:
 “It is my duty to remind you that the American Academy of Physician Assistants maintains an official policy with respect to the disclosure of bias and potential conflicts of interest, and related party transactions. If you have a question about whether you should make such a disclosure and you are about to participate in a meeting where that conflict would apply, you should ask the chair of the meeting whether you should abstain yourself or not participate in the discussion for its duration.”
- Directors will revise Disclosure Forms as soon as they are aware of potential conflicts.
- Non-Board Member Academy Leaders
 - Leaders will complete the Conflict of Interest Disclosure Form prior to beginning service on behalf of the Academy and annually.
 - Leaders will update their Disclosure Forms as soon as they are aware of potential conflicts.
- Chief Staff Officers
 - CSOs will complete the Conflict of Interest Disclosure Form prior to beginning service on behalf of the Academy and annually.
 - CSOs will revise their Disclosure Forms as soon as they are aware of potential conflicts.
 - The CEO and VP of Human Resources will review any submitted conflicts of interest presented by staff.

The Internal Affairs Committee (“IAC”) of the AAPA Board of Directors will administer and monitor compliance with this Policy and make the initial determination whether a particular transaction or relationship or other arrangement may constitute an actual, potential or apparent conflict of interest, with the aid of outside counsel as appropriate. This determination shall be made in any circumstance in which a credible potential for a conflict of interest is identified, either by an individual Leader or by a third party. The Board shall have the final authority over the resolution of all conflict of interest matters.

Evaluating Conflict of Interest

Upon receipt of disclosure/discovery of a conflict of interest the following actions will be taken:

- The IAC will be informed and initiate the evaluation process
- When evaluating whether a particular transaction or relationship constitutes an actual, potential or perception of conflict of interest, the IAC shall consider the following (non-exhaustive) determinants:
 - Abusing one’s role as a Leader for personal or third-party gain or pleasure (including, but not limited to, the solicitation or acceptance of non de minimis gifts or other items of value or indirect inducement to provide special treatment on organizational matters).
 - Placing one’s own self-interest, the interest of one’s company, organization or another entity for which the individual serves in a leadership, employment or ownership capacity, or the interest of any third party above that of AAPA.
 - Engaging in any outside business, professional or other activities that would directly or indirectly materially adversely affect AAPA.
 - Providing goods and services to AAPA as a paid vendor.
- If the IAC determines that a particular relationship or transaction represents an actual, potential or perception of conflict of interest, it shall resolve such actual, potential or perception of conflict in one of the following manners:
 - *Waive* the actual, potential or perception of conflict of interest as unlikely to affect the Leader’s ability to act in the best interests of the organization;
 - Determine that the individual Leader should be *recused from* all deliberations, decision-making and documents related to the particular transaction which gives rise to the actual,

- potential or perception of conflict of interest. This resolution should apply particularly when the transaction or relationship is one which presents a conflict of interest only with respect to one or two discrete programs or activities.
- Determine that the individual Leader must *resign/be removed* from his/her service to AAPA, because the actual, potential or perception of conflict of interest is such that it would prevent the Leader from being able to serve the best interests of the organization.
 - In determining how to deal with a conflict, potential conflict, or a confidentiality issue, the IAC may use the following principles as a guide:
 - Direct Conflict- Where there is a direct conflict (e.g. AAPA is considering a transaction with a consulting company solely owned by a director), the Leader with the conflict should be recused from any consideration of or work regarding the transaction, including documents, deliberation, and voting, unless it is determined that the conflict is such that the Leader cannot continue with AAPA.
 - Informational Conflict- Where information is provided to AAPA that could benefit an outside interest of a Leader and potentially harm AAPA (e.g. where an officer is the sole-owner of a consulting company and AAPA has decided to operate a program that would compete with the consulting company), the Leader with the conflict should be screened such that he or she shall not have access to documents and discussions that could provide him or her a material advantage. The Leader could still receive general updates on the matter in question, but nothing that could provide a material advantage to the Leader.
 - General Confidentiality Requirement- Where information is provided to an AAPA Leader that would not necessarily benefit the outside interests of a Leader, there is still an obligation for the Leader to only use the information for AAPA purposes and to refrain from disclosing it. Leaders are required to certify their compliance with the general confidentiality requirement by executing the attached Conflict of Interest Form and Nondisclosure Agreement in accordance with this Policy.
 - The IAC will accept testimony from the Leader and discuss options with the Leader, including timeframe to take action and possible actions (see above: waive, recuse, resign/be removed).
 - The Board will make the final determination on how to resolve the actual, potential or perceived conflict of interest.

Records of Proceedings

The minutes of the reviewing group considering the actual, potential or perception of conflict of interest shall contain:

- The names of persons found to have a material 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 decision as to whether a conflict of interest in fact existed.
- The names of the persons who were present for discussions and votes relating to the actual or potential conflict of interest; the content of the discussion, including any alternatives to the proposed transaction or arrangement; and a record of any votes taken in connection therewith.

Periodic Reviews

The Board of Directors shall periodically consider whether and how this Conflict of Interest Policy should be revised or amended to better meet the policy's objectives.

The attached Conflict of Interest Disclosure Form shall be completed, signed and submitted by all Leaders on an annual basis. Additionally, each Director is required to update the Disclosure Form, if needed, prior to each Board meeting.

CONFLICT OF INTEREST FORM AND NON-DISCLOSURE AGREEMENT

To help avoid and manage any potential conflicts of interest, you are disclosing ownership of other proprietary interests, responsibilities, circumstances, or other reasons why you [or, by extension, any member of your family; see: Conflict of Interest and Disclosure Policies and Procedures (“Policy”)] might have any actual, apparent or potential conflict of interest with your duty to the American Academy of Physician Assistants (“AAPA” or the “Academy”) with respect to the conflicts identified in the attached Policy and any others.

You hereby invite further review by AAPA of any aspects of these circumstances that might be appropriate. In addition, you agree to take other steps, such as avoiding deliberation on, resolution of, or voting on certain issues, or even withdrawing from serving in a leadership position with AAPA, if it is determined that such steps are necessary to protect the integrity of AAPA and avoid the breach of your duties of care, loyalty and obedience to AAPA.

Finally, during such time as you continue to serve AAPA, you agree to promptly notify the Board of Directors, which is the point of contact for AAPA leadership, if and when you determine that any additional actual, potential or perceived conflict of interest with your duties to AAPA arises subsequent to the execution of this form. Information reported to the Board of Directors will be reviewed in accordance with the attached Policy.

All capitalized terms used herein shall have the meanings ascribed to them as defined in the attached Policy.

Disclosure of actual or potential conflicts of interest (please attach additional pages if necessary):

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|--------------|
| Please list: |
|--------------|

Do you or any of your Family Members have personal or business relationships, activities, or interests which could potentially appear to the public as impairing your objectivity making decisions on AAPA matters?

| | | |
|--------------|----|--------|
| Yes | No | Unsure |
| Please list: | | |

Examples:

- Your spouse receives a grant to create CME
- A family member is a pharma executive

Do you or any of your Family Members receive compensation (not reimbursement for expenses) or other material financial benefits from AAPA?

| | | |
|--------------|----|--------|
| Yes | No | Unsure |
| Please list: | | |

I agree not to disclose any Academy confidential or proprietary information except as required by law and not to use the AAPA's name, or any affiliation with the Academy in a manner that would incorrectly imply an AAPA endorsement of a non-AAPA product or service, or that would imply AAPA support of a personal opinion or activity.

| | |
|-----------------|------------|
| I agree | I disagree |
| Please explain: | |

Examples of proprietary information:

- Confidential AAPA member information
- Any contracts or business dealings that are not publicly available
- Ask to be invited to a state congressional event using your AAPA title
- Use your AAPA title for any personal gain or to leverage personal views
- Submit comments to a state or federal agency on behalf of AAPA without AAPA's express written consent

NONDISCLOSURE AGREEMENT

I agree that any confidential information disclosed to me by any persons affiliated with AAPA or by third parties, in connection with my affiliation with AAPA, will be treated as such. I will not use or disclose such information except as may be authorized by AAPA, and will use best efforts to prevent its unauthorized disclosure.

Confidential information may include all such information relating to AAPA's members, operations, policies, plans, goals, or objectives.

Confidential information shall not include information previously known to me, AAPA membership, the general public, or previously recognized as standard practice in the field.

I acknowledge that unauthorized disclosure of confidential information could cause irreparable harm and significant injury to the Academy and its members. I agree that, upon request, I will return to AAPA all materials supplied to me by them, including agendas, minutes and supporting documents. I understand that disclosure of confidential information may result in termination or removal from office.

I have read the foregoing Conflict of Interest Policy, Disclosure Form, and Nondisclosure Agreement and agree to abide by their terms.

I have completed the Conflicts Disclosure Form and agree to abide by all of the above terms and conditions and understand that the Academy agrees not to disclose any information reported on this completed form, except to its Board of Directors, officers, attorneys, accountants, auditors, or others to the extent necessary to comply with the law or on a “need to know” basis or as necessary to implement the Policy.

Signature

Printed Name

AAPA Position

Date