

Geological Society of America's Conflicts of Interest Policy

Purpose

This policy is designed to ensure that the councilors, officers, committee members, and key employees, and employees of the Geological Society of America (GSA) act in GSA's best interest and comply with all applicable legal requirements and, in that regard, that GSA, its councilors, officers and key employees identify situations that present potential conflicts of interest and provide a procedure to manage such situations. Following the procedure outlined in this policy will allow a transaction to be treated as valid and binding even though a person employed or serving the society may have a conflict of interest with respect to the transaction.

Scope

This policy applies to all GSA Council members, officers, committee members and key employees, and employees.

Policy

Councilors, officers and employees of the GSA serve the public trust and have a clear obligation to fulfill their responsibilities in a manner consistent with this fact. All decisions of the council and officers of the corporation are to be made solely on the basis of a desire to advance the best interests of the institution and the public good. The integrity of the GSA must be protected at all times.

Men and women of substance inevitably are involved in the affairs of other institutions and organizations. Effective boards and administrations will include individuals who have relationships and affiliations that may raise questions about perceived conflicts of interest. Although many potential conflicts are and will be deemed inconsequential, every individual trustee and senior administrator has the responsibility to ensure the entire Council is aware of situations that involve personal, familial, or business relationships that could be troublesome. Thus the Council requires each councilor, officer and senior employee annually (a) to be familiar with the terms of the policy; and (b) to disclose to the GSA President any possible personal, familial, or business relationships that reasonably might give rise to a conflict involving GSA.

All terms in *italics* are defined in the section titled "Definitions".

1. Conflict of Interest

The following circumstances shall be deemed to create Conflicts of Interest:

- A. A *Contract or Transaction* between the GSA and a *Responsible Person* or *Family Member*.
- B. A *Contract or Transaction* between the GSA and an entity in which a *Responsible Person* or

Family Member has a *Material Financial Interest* or of which such person is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative or consultant.

- C. A *Responsible Person* competing with the GSA in the rendering of services or in any other *Contract or Transaction* with a third party.
- D. A *Responsible Person* having a *Material Financial Interest* in or serving as a director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative of, or consultant to an entity or individual that competes with the GSA in the provision of services or in any other *Contract or Transaction* with a third party.
- E. A *Responsible Person* accepting gifts, entertainment or other favors, including a loan, from any individual or entity that:
 - i. does or is seeking to do business with or is a competitor of the GSA
 - ii. has received, is receiving or is seeking to receive a loan or grant, or to secure other financial commitments from the GSA
 - iii. is a charitable organization

under circumstances where it might be inferred that such action was intended to influence or possibly would influence the *Responsible Person* in the performance of his or her duties. This does not* preclude the acceptance of items of *Nominal or Insignificant* value or entertainment which are not related to any particular transaction or activity of the GSA.

** (The word 'not' was excluded by error in the 25 September 2016 form and included on April 30, 2019)*

2. Definitions

- A. "Conflict of Interest" is any circumstance described in Section 1 of this Policy.
- B. "Responsible Person" is any person serving as a committee member; society, division or section officer; senior employee or Council member of the GSA.
- C. "Family Member" is a spouse, domestic partner, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister, of a Responsible Person.
- D. "Key employee" is a person who is in a position to exercise substantial influence over GSA and other than directors and officers, may include a person who (i) founded the organization, (ii) is a substantial contributor, (iii) has authority to control a substantial portion of GSA's capital expenditures, operating budget or employee compensation, (iv) manages a discrete segment or activity of GSA that represents a substantial portion of the

activities, assets, income or expenses of GSA, (v) receives compensation primarily based on revenues derived from GSA's activities; and/or (vi) is highly compensated by GSA.

- E. "Material Financial Interest" in an entity is a financial interest of any kind, including any holding of stock or ownership interest, other than holdings of less than 3%, which is substantial enough that it would or reasonably could affect a Responsible Person's or Family Member's judgment with respect to transactions to which the entity is a party. This includes all forms of compensation.
- F. "Contract or Transaction" is any agreement or relationship involving the lease, sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant, or the establishment of any other type of pecuniary relationship by the GSA. The making of a gift to the GSA is not a Contract or Transaction.
- F. "Nominal or Insignificant" is defined as less than \$50.00 per person per incident or less than \$250.00 per person per fiscal year.
- G. Any employee of GSA who is a principle investigator in federally funded research is required to disclose to the Executive Director any activities that might to be conflict of interest that would affect research objectivity, as required by 42 CFR 50, Subpart F, and to review sign this policy. (Motion passed by GSA Executive Committee on 18 February 2015).

3. Procedure

- A. Prior to Council or committee action on a *Contract or Transaction* involving a *Conflict of Interest*, any individual that meets the definition of a *Responsible Person* and has a *Conflict of Interest* and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.
- B. A Councilor, officer, employee, or committee member who plans not to attend a meeting at which he or she has reason to believe that the council or committee will act on a matter in which the person has a *Conflict of Interest* shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
- C. A person who has a Conflict of Interest shall not participate in or be permitted to hear the council's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such a person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- D. A person who has a *Conflict of Interest* with respect to a *Contract or Transaction* that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote; the remaining disinterested directors, even though less than a quorum,

may vote on the matter as set forth herein. The person having a *Conflict of Interest* may not vote on the *Contract or Transaction* and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.

- E. *Responsible Persons* who are not members of the Council of the GSA, or who have a *Conflict of Interest* with respect to a *Contract or Transaction* that is not the subject of Council or committee action, shall disclose to the Chair of the meeting or the Chair's designee any *Conflict of Interest* that such *Responsible Person* has with respect to a *Contract or Transaction*. Such disclosure shall be made as soon as the *Conflict of Interest* is known to the *Responsible Person*. The *Responsible Person* shall refrain from any action that may affect the GSA's participation in such *Contract or Transaction*.

In the event, it is not entirely clear that a *Conflict of Interest* exists, the individual with the potential conflict shall disclose the circumstances to the Chair of the meeting or the Chair's designee. The Chair or the Chair's designee shall determine whether there exists a *Conflict of Interest* that is subject to this policy.

- F. In the event of a *Contract or Transaction*, information shall be provided to Council or the appropriate committee regarding the existence of a competitive bid or comparable valuation, or explanation made of why a competitive bid or comparable valuation is not available.
- G. The existence and resolution of conflicts must be documented in GSA records, including in the minutes of any meeting at which the conflict was discussed or voted on.

4. Interpretation of this policy on conflicts

The areas of conflicting interest listed in Section 1 and the relations in those areas, which may give rise to conflict, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the *Responsible Persons* will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 1 exists does not necessarily mean that a conflict exists or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of the GSA.

However, it is the policy of the Council that the existence of any of the interests described in Section 1 shall be disclosed before any transaction is consummated. Out of an abundance of caution, all *Responsible Persons* shall also disclose the existence of any interests described in Section 1 which may create an appearance or perception of a *Conflict of Interest* to a reasonable person who does not have complete knowledge of the underlying facts. In the event the Council or committee, as applicable, believes a *Conflict of Interest* exists, the procedures set forth in Section 3 shall be followed. It shall be the continuing responsibility of the Council and each *Responsible Person* to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately

make such disclosures.

5. Confidentiality

Each *Responsible Person* shall exercise care not to disclose confidential information acquired in connection with such status or other information whose disclosure might be adverse to the interests of the GSA. Furthermore, a *Responsible Person* shall not disclose or use information relating to the business of the GSA for the personal profit or advantage of the *Responsible Person* or a *Family Member*.

6. Disclosure of Conflicts and Review of this policy

- A. Each newly elected or appointed Responsible Person shall be required to review a copy of this policy.
- B. Prior to the initial election of any Councilor, and annually thereafter, such Councilor shall complete, sign and submit to GSA's Secretary a written statement identifying to the best of the Councilor's knowledge, any entity of which such Councilor is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which GSA has a relationship, and any transaction in which GSA is a participant and in which the Councilor might have a conflicting interest. GSA's Secretary shall provide a copy of all completed statements to the President of the Board.
- C. Each Responsible Person shall annually complete a disclosure form identifying any relationships, positions or circumstances in which the Responsible Person is involved that he or she believes could contribute to a Conflict of Interest. Such relationships, positions or circumstances might include service as a director of or consultant to a nonprofit organization, or ownership of a business that might provide goods or services to the GSA. Any such information regarding business interests of a Responsible Person or a Family Member shall be treated as confidential and shall generally be made available only to the Council, the Executive Director, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.
- C. This policy shall be reviewed annually by each member of the Council, officers, and senior employees. Any changes to the policy shall be communicated immediately to all Responsible Persons.

Exceptions

Any exception to this policy or procedure must be approved in advance by the Executive Director or the President of the Geological Society of America.



The Geological Society of America Conflict of Interest Information Form

_____ I certify that I have reviewed Geological Society of America's Conflict of Interest Policy in connection with completing this Conflict of Interest Information Form.

Are you aware of any relationship between the Geological Society of America and yourself or a family member as defined by the letter or spirit of this policy that may represent a conflict of interest?

No _____

Yes

Print Name: _____

Signature: _____ Date: _____

If yes, please list and describe below the relationships, positions or circumstances in which you are involved that you believe could contribute to a Conflict of Interest (as defined in the Geological Society of America's Policy on Conflicts of Interest).