

Policy No.: MMA1

Employee Conflict of Interest

POLICY STATEMENT

All individuals with the ability to purchase or influence the purchase of goods or services for the organization will do so without favor or preference based on personal considerations. Further, such individuals will report all actual or potential conflicts of interest. Note: This policy is not intended to mitigate any employee's rights or responsibilities under the organization's Compliance Policy.

REASON FOR POLICY

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ENTITIES AFFECTED BY THIS POLICY

This policy applies Material Management

WHO SHOULD READ THIS POLICY

All staff, faculty, employees, and agents representing or engaging in practice within Materials Management

DEFINITIONS

PROCEDURES

PROCEDURE:

1. Employees and members of the voluntary staff of the organization:
 - Shall not engage in any activity, have any personal or financial interest (as defined herein), or have any other relationship that may impair their independence or judgment when acting on behalf of the organization,
 - Shall adhere to a strict rule of honest and fair dealing in all transactions touching upon their duties to the organization, and

- Shall not use their positions or confidential information gained there from for personal advantage.
- Each employee and member of the voluntary staff is responsible for recognizing the possibility that a conflict of interest exists and disclosing it according to the procedure set forth in this policy.
- A conflict of interest is defined as any activity that violates, could potentially violate, or gives the appearance of violating the standard set forth in paragraph (above). It can exist whenever an individual who acts on behalf of the organization receives improper gain or advantage for himself or herself, another individual or organization.

2. Examples of conflicts of interest include, but are not limited to, the following activities by employees, voluntary staff, or by members of their immediate families:

- Solicitation or acceptance of gifts, gratuities, payments, loans or other consideration of any kind, from a supplier of products or services or any other entity doing, or seeking to do, business with the organization. For the purposes of this policy, gifts, gratuities, payments, etc., shall be considered any item or items with a value exceeding \$25 at one time or \$100 in total per year.
- Frequent business meals at an unusual cost. (An occasional lunch or dinner at a moderately priced restaurant or lunch brought in to the institution will not be considered a conflict of interest.)
- Service as a director, trustee, officer, partner, employee, manager or consultant for, or performance of other activity on behalf of, a supplier or any other entity doing, or seeking to do, business with the organization.
- Direct or indirect financial or other interest in or relationships with any supplier or other entity, which has a business, financial or other relationship with the organization. This includes ownership of 1 % or more of the outstanding shares of an entity whose shares are publicly traded.
- Any of the above relationships with a competitor of the organization.
- Disclosure or use of inside information including purchase or bid prices.
- While the immediate family generally refers to parents, grandparents, siblings and children, this policy also applies to any personal relationship where such relationship could lead to or appear to lead to questionable judgments.

3. Procedure for disclosure:

- Any employee who believes he or she has or may have a conflict of interest shall disclose such conflict in writing to his or her department manager.
- All organizational management staff, all purchasing employees, and salaried physicians will complete a conflict of interest disclosure statement annually. These will be sent to and maintained by the Human Resources Department. Any conflicts that occur between annual statements will be communicated to their direct supervisor.
- Any staff physician who believes he or she has or may have a conflict of interest shall disclose such conflict in writing to his or her department chair. The department chair shall forward this notification to the organization's President/Chief Executive Officer.
- Any other member of the voluntary staff who believes he or she has or may have a conflict of interest shall disclose such conflict in writing to the Director of Volunteer Services who shall forward this notification to the organization's President/Chief Executive Officer.
- The Director of Materials Management will be made aware of any conflicts that could affect any purchasing or contract negotiations or decisions.
- Physicians providing care at this facility will fill out a (-----) in requesting new products (see VIP policy)

4. Any person when faced with a situation where a potential conflict of interest could interfere with a sound and objective decision should withdraw himself or herself from that decision to the extent possible. If withdrawal is not possible, all parties involved should be made aware of the conflict, and the ultimate decision should be well documented.

5. Failure to adhere to this policy shall be considered a serious breach of an individual's obligation to the organization.

RELATED DOCUMENTS, FORMS, AND TOOLS

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AUTHORIZING SIGNATURE

Clay Trover, PhD
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Date