Oregon Association of Minority Entrepreneurs
2130 N Kilpatrick St #17408 • Portland, OR 97217
(503) 249-7744 • oame@oame.org• www.oame.org

OAME CONFLICT OF INTEREST POLICY

Purpose
The purpose of this conflict-of-interest policy is to protect the interests of the Oregon Association of Minority Entrepreneurs (OAME) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a board member, officer, or committee member of the Association. 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.

Definition of Conflict of Interest
A conflict of interest arises when a board member, officer, or committee member has a personal or financial interest that could influence their decision-making on behalf of the Association.

This includes, but is not limited to, situations where:

1. The individual or their family member has a financial interest in an entity with which the Association has a transaction or arrangement.

2. The individual or their family member receives any compensation, gifts, or favors from an entity with which the Association has a transaction or arrangement.

3. The individual serves on the board of another organization that has competing interests with the Association.

4. The individual, owns a business and is employed by OAME but cannot fulfill OAME job role expectations.

5. The individual, owns a business, engages their business in services for OAME without prior Board approval and later seeks compensation.

6. The individual, owns a business, and promotes a product or service they own or have a stake thru meetings meant to advance OAME community initiatives.

Duty to Disclose

In connection with any actual or potential conflict of interest, an interested person must disclose the existence of their financial interest and all material facts to the board of directors or a designated committee considering the proposed transaction or arrangement.

Procedures for Addressing the Conflict of Interest

1. Determining Whether a Conflict of Interest Exists
   - After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the board or committee members shall decide if a conflict of interest exists.

2. Managing the Conflict of Interest

- If a conflict of interest is determined to exist, the board or committee shall take appropriate steps to manage the conflict. This may include:
  - a. Requiring the interested person to recuse themselves from discussions and votes on the matter.
  - b. Appointing a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
  - c. Determining whether the Association can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
  - d. If a more advantageous transaction or arrangement is not reasonably possible, the board or committee shall determine by a majority vote whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. The transaction or arrangement may only be entered into if approved by a majority of the disinterested directors.

Specific Considerations for Business Owners on the Board

Given that each board member owns a business that is a member of OAME, special attention must be paid to potential conflicts of interest that may arise from this dual role. To manage these potential conflicts:

1. Disclosure of Interests

- Each board member must annually disclose any potential conflicts of interest related to their business, including transactions or arrangements between their business and OAME.

2. Recusal from Decision-Making
   - Board members must recuse themselves from discussions and voting on any matter that directly benefits their business. This ensures impartiality in decision-making.

3. Review and Approval of Transactions
   - Any transaction between OAME and a business owned by a board member must be reviewed and approved by a majority of disinterested directors to ensure it is fair, reasonable, and in the best interest of the Association.

Violations of the Conflict-of-Interest Policy

1. If the board or committee has reasonable cause to believe a member has failed to disclose actual or potential 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 further investigation as warranted by the circumstances, the board or committee determines the member has failed to disclose an actual or potential conflict of interest, it shall take appropriate disciplinary and corrective action.