

ACNA Conflict of Interest Policy

Adopted by the ACNA by a majority vote of the Board of Directors
Date: August 18, 2015

Bylaws Article XV – Conflict of Interest Policy

Section 1 - Purpose

The purpose of the conflict of interest policy is to protect the interests of the American Cannabis Nurses Association (ACNA) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of the Executive Officer or other Member of the Board of Directors of the organization or might result in a possible excess benefit transaction. 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.

Section 2 - Definitions

1. Interested Person

The ACNA Executive Officers, Board Members, or any member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which ACNA has a transaction or arrangement,
- b. A compensation arrangement with ACNA or with any entity or individual with which ACNA has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which ACNA is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3, part 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3 - Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Directors and members of any committees with governing board delegated powers considering the proposed transaction or arrangement.

2. 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, he/she shall leave the Board of Directors meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the Board of Directors meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The Board of Directors shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the Board of Directors shall determine whether ACNA can obtain with reasonable efforts a more advantageous transaction or arrangement 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 under circumstances not producing a conflict of interest, The Board of Directors shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in ACNA's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the Board of Directors has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the Board Member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

b. (1) Appropriate disciplinary or corrective action will depend upon assessment of "harm done" or risk to ACNA. This may include:

- Re-voting on some Board action, without the vote of the individual who failed to disclose the conflict of interest
- Removal of a Board member who, by not disclosing, compromised the organization's integrity
- In the event that no harm has been done but the recognition of potential harm is acknowledged, the Board shall take appropriate steps to assure the situation doesn't happen again and will restate to appropriate parties the ACNA policy regarding conflict of interest.

Section 4 - Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a 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 governing board's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5 - Compensation

a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6 - Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7 - Periodic Reviews

To ensure that ACNA operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, annual reviews shall be conducted at ACNA Board of Director's meetings. Annual reviews shall include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 8 - Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Conflict of Interest Statement

As a Director, Officer or Employee of ACNA, I acknowledge that I:

- Received a copy of the Organization’s Conflict of Interest Policy dated August 18, 2015;
- Read and understood the policy;
- Agree to comply with the spirit and intent of the policy and will disclose any potential conflicts, other than those stated below, as they may arise before completion of my next conflict of interest statement; and
- Understand that the Organization is a charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Based on a review of the Organization’s Conflict of Interest Policy, are you aware of any interest that you or a related person may have that could give rise to a conflict of interest? If yes, please complete Attachment A to this form.

Yes No

My answers above are accurately stated to my knowledge and belief.

Dated: _____

Signature

Printed Name

Title

Attachment A – ACNA Individual Conflict of Interest Statement

Name:

Position:

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could contribute to a conflict of interest:

_____ I have the following conflict of interest to report (please specify other relevant nonprofit and for-profit boards you (and your spouse) sit on, any relevant for-profit businesses for which you or an immediate family member are an officer or director, or a majority shareholder and, where relevant, the name of your employer and any businesses you or a family member own. Note the nature of specific conflict of interest potentially faced.

1. _____

2. _____

3. _____

I hereby certify that the information set forth above is true and complete to the best of my knowledge.

Signature: _____