

POLICY: Conflict of Interest

INTENT

This policy is designed to ensure that all Green Building United (GBU) directors and senior staff ("Leaders") exercise good judgment in dealing with conflicts that could undermine the best interests of the GBU.

POLICY

Leaders must avoid and minimize activities and situations which actually, potentially or apparently conflict with the GBU's interests or interfere with the Leaders' duty to serve the GBU with undivided loyalty ("conflicts"). Conflicts include: (1) having a direct financial or close personal interest in a company, service or product that could be affected (in a positive or negative manner) by a decision of a board, committee or other GBU governing body on which the Leader serves, (2) serving as a partner, Director, officer or trustee of another entity that has an interest in a transaction with the GBU, (3) revealing or misusing confidential information, (4) accepting or offering substantial gifts, excessive entertainment, favors or payments which may reasonably be construed to constitute undue or otherwise improper influence, (5) breaching any fiduciary duty owed to the GBU, (6) participating in any private inurement transactions, which include transactions where the GBU's resources are transferred to an individual solely by virtue of the individual's relationship with the GBU and without regard to accomplishing the GBU's purposes, (7) exploiting opportunities for personal or private benefit that could otherwise benefit the GBU, (8) taking direct action on behalf of the GBU that may result in material personal or private benefit or that may result in a material adverse impact to a personal or private competitor, and (9) competing directly with the GBU.

Leaders shall stand in a fiduciary relation to the GBU and their fiduciary responsibilities are to perform their duties, including their duties as members of a committee, in good faith, in a manner reasonably believed to be in the best interests of the corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Conflicts are not inherently improper. However, Leaders must be conscious of conflicts and act with candor and care in dealing with such situations.

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PRACTICE AND PROCEDURE

1. Disclosure

- a. Leaders must disclose all conflicts to the Board Chair or Executive Director or her/his designee (a) at the next meeting of the Board of Directors (if not previously disclosed), and (b) at any other time immediately following discovery of a conflict. Disclosures must be written and must include sufficient detail so as to allow a complete and objective assessment of the conflict.
- b. The Executive Director will collect copies of all signed conflict of interest statements at the last Board meeting of the year.

2. Conduct

- a. After a Leader discloses a conflict, she/he must abstain from making motions, voting, executing agreements or taking any other similar direct action on behalf of the GBU on matters which directly or predominantly involve the matter of conflict.

Example 1: A Director serves on a committee addressing indoor air quality standards for the LEED™ Green Building Rating System. The Director, in addition to her affiliation with GBU, is employed by a company that manufactures a product that is designed to improve indoor air quality. Recognizing the potential for a conflict, the Director discloses her employment and agrees to conduct her activities in accordance with this policy. She should be encouraged to continue serving on the committee and offering her unique insights into indoor air quality standards, whether or not such insights benefit her employer or adversely affect her employer's competitors. However, she should abstain from voting on indoor air quality standards in the committee. She should also abstain from voting on indoor air quality standards in the Board. She should not abstain from voting on matters that do not directly or predominantly involve air quality standards, such as the complete LEED™ Green Building Rating System.

Example 2: The GBU oversees a grant that is intended to stimulate environmentally advanced architectural practices. As part of this oversight, the Board is tasked with awarding a portion of the grant funds to a qualified architect to develop model architectural practices. The Board believes that a Director serving is the most qualified candidate for the position. Recognizing that its award of grant funds to the Director is not an actual conflict unless the Director is provided payment in excess of the value provided. The staff should research a reasonable, fair market value for the work to be performed by the Director. The Board should then use this research to establish the amount of grant funds to be awarded to the Director. Upon notification of the award, the Director should disclose her interest in these funds to the Board Chair and thereafter abstain from making motions, voting, executing agreements or taking any other similar direct action on behalf of

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the Board on matters which directly or predominantly involve the grant or any of the Director's activities that are funded by the grant.

Example 3: A developer contacts the Board in search of an environmental consultant for her project. Based on the nature of experience sought by the developer, the Board believes that one or more Directors may be qualified to perform the work. Because of concerns that members will perceive a conflict if the developer is only given the name of a Director, the opportunity is broadcasted to all members by posting the solicitation on the GBU website. A Director responds to the solicitation and subsequently enters into a consulting contract with the developer. Immediately after entering into the contract, the Director should disclose this relationship to the Board Chair or Executive Director or designee.

3. Review

- a. If, after disclosing a conflict, a Leader believes that she/he should be able to continue making motions, voting, executing agreements or taking any other similar direct action on behalf of GBU on matters which directly or predominantly involve the matter of conflict, without undermining the best interests of GBU, the Leader may submit a written request to the Board of Directors to permit such conduct. The Board of Directors must conduct a disinterested review of the request but has no obligation to grant it.

4. Documentation

- a. All conflict disclosures and actions taken by the Board of Directors in connection with such disclosures must be noted for record in the minutes of the then-current meeting of the Board of Directors. The Board of Directors may summarize and catalog conflict situations from time to time for reference purposes.

5. Availability

- a. Copies of this policy are available to all Leaders on an ongoing basis. As new Leaders are created, they shall be provided copies of this policy for review and signature.

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6. Disciplinary Action

- a. If GBU Staff or Board members receive complaint of a conflict of interest that has not been appropriately disclosed and handled, the issue will be written up and forwarded to the GBU Board Chair to determine if organizational guidelines have been breached and if communications can resolve the issue. The next level of action is to forward the complaint to the GBU Board Governance Committee for review and action.

Signature

Date

DOCUMENT REVISION HISTORY

Version	Date	Comments
1.0	12/7/2010	Original draft
1.1	12/15/2010	Revisions
1.2	5/31/2011	Updated to be relevant for senior staff in addition to directors.
1.3	7/9/14	Format update
1.4	7/10/18	Replaced DVGBC & Chapter with GBU.