

ORCAS ISLAND HEALTH CARE DISTRICT POLICY # 2

CONFLICTS OF INTEREST POLICY

Section 1. Introduction: This policy has been adopted by the Board of Commissioners (the "Board") of the Orcas Island Health Care District ("District") to ensure that no conflict of interest concerns arise concerning any particular contract entered into by the District or any business transacted by the Board, or any committee of the Board.

Section 2. Commissioners Shall Act Ethically. Board members ("Commissioners") shall have unconflicted loyalty to the interests of the District. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership on other Boards or staffs, and the personal interests of any Commissioner acting as a consumer of the services of any medical clinic contracting with the District (a "Clinic"). Commissioners should avoid the following conflicts:

- A. Any conflict of interest with respect to their fiduciary responsibility. This means, specifically, that there must be no self-dealing or any conduct of private business or personal services between any Commissioner and the District except as procedurally controlled to assure openness, competitive opportunity, and equal access to "inside" information.
- B. Any direct or indirect solicitation or acceptance of personal fees or commissions in connection with any District business.
- C. Use of their position to secure special privileges or exemptions for themselves or their spouse, child, parents, or other related persons from vendors, contractors, any Clinic, the District or its staff.
- D. Use of their position to obtain employment at the District or any Clinic for themselves, family members, or close associates. If a Commissioner desires employment with the District or a Clinic, he or she must first resign from the Board and follow the provisions of the RCW with respect to this subject.
- E. Solicitation or acceptance of gifts or gratuities for personal use for themselves, their family members, close associates or related parties from customers, suppliers, or consultants of the District or a Clinic or anyone else who does business with the District or a Clinic. Unsolicited non-cash gifts of nominal value such as cups, pens, or calendars may be accepted.
- F. Placing themselves in a position that may create or lead to a conflict of interest, or the appearance of one, such as engaging in any outside business activity, financial relationship or investment that conflicts with the District, competes with the District, or may interfere with Commissioner's responsibilities to the District.
- G. Having any personal interest, directly or indirectly, in any transaction with the District or any Clinic unless disclosed in writing in advance to the Board. A decision can then be made by the other members of the Board as to whether a conflict of interest exists.

H. Engaging in any business, other activities, or private employment that would result in the inducement to divulge confidential information about the District or its employees.

I. Using confidential information about the District or obtained from the District for a Commissioner's direct or indirect personal gain or benefit.

Section 3. Disclosure of Conflicts. If a Commissioner or District officer has a real or potential conflict of interest on a matter coming before the Board, he or she shall disclose that real or potential conflict to the Board prior to any participation in discussion or voting on the issue and the Board minutes shall reflect the existence of the real or potential conflict.

Section 4. Participation in Board Meeting. A Commissioner or District officer with a real or potential conflict shall excuse themselves from that portion of the Board meeting where the issue they have a conflict with is under consideration. If any other Commissioner believes that the conflicted Commissioner should not participate in discussions or vote, the issue shall be decided by a majority vote of the nonconflicted Commissioners and the Board minutes shall reflect the Board's decision on the issue.

Section 5. Violations of Policy. The Board has the exclusive authority to enforce this Policy and to take disciplinary action against Commissioners for violations. Violations of this policy may be reported to the State Auditor, the District's attorney or others for investigation.

Policy adopted June 19, 2018.