

APPENDIX E2

CONFLICT OF INTEREST POLICY FOR COALITIONS NEVADA STATE DIVISION OF MENTAL HEALTH AND DEVELOPMENTAL SERVICES SUBSTANCE ABUSE PREVENTION AND TREATMENT AGENCY

Background

The purpose of this statement is to provide guidance to the Substance Abuse Prevention and Treatment Agency (SAPTA) and its funded coalition partners. SAPTA funds coalitions that have the responsibility for passing through funding for local substance abuse prevention programming. In granting authority to coalitions to make local funding decisions, the Agency is to some extent transferring some of its authority to local non-profit community-based organizations and must ensure that conflicts of interest are avoided as they would be if SAPTA itself were making the funding decisions. Because this is a policy of the coalition and not a regulation, waivers to the policy may be granted by the Agency. Coalitions are encouraged to communicate with their program analyst if they believe that a potential or actual conflict is possible. This will create a mechanism for SAPTA to work with coalition staff and volunteers to mutually agree upon a solution prior to the issue becoming a problem.

Coalitions should ensure that their policies address issues related to potential and actual Conflicts of Interest define a Conflict of Interest and include the nine components listed below in the “Conflict of Interest Policy Required Components” section. SAPTA will check compliance of this requirement during annual monitor visits of the coalitions. SAPTA recognizes that coalitions working in smaller urban and rural/frontier communities may need more flexibility to address conflicts.

Definition

A “Conflict of Interest” is defined as any financial or other interest which prevents or appears to prevent an impartial action or decision on behalf of the Coalition. A Conflict of Interest, real or appearance of, could apply to:

1. A member of the Board of Directors
2. Employees; including Executive Director and Finance Officer
3. Independent contractor
4. Consultant
5. Volunteer
6. Any other person in a decision-making capacity for the Coalition

A “Conflict of Interest” applies to the personal interests of the individual or an organization and to the interests of others with whom the individual has substantial common financial or other interests.

A conflict occurs when a financial or other interest of an individual could:

1. Significantly impair the individual's objectivity
2. Create an unfair competitive advantage for any person or organization
3. Provide a direct or indirect fiduciary interest or financial gain for that individual

Conflict of Interest Policy Required Components

1. Policy defines a "Conflict of Interest"
2. Policy states who would be subject to a "Conflict of Interest," e.g., spouse, sibling, etc.
3. Policy provides examples of a "Conflict of Interest"
4. Policy states how the Coalition will avoid conflicts; actual, potential or appearance of
5. Policy states the consequences of violations of the "Conflict of Interest"
6. Policy states who must complete and sign a "Conflict of Interest" form
7. Policy states who in the Coalition must approve a completed and signed "Conflict of Interest" form
8. Policy provides for the retention of "Conflict of Interest" forms
9. Policy addresses how and when SAPTA will be contacted regarding a possible or actual conflict