



POLICY STATEMENT

Name of Policy: Conflict of Interest

Originally Passed June 1979

Reviewed: November 2012

Last Reviewed: November 2021

Revised: February 2022

POLICY

The American Diabetes Association and its subsidiaries (collectively, ADA) requires all members of the Board of Directors, members of Board appointed committees and their related subcommittees, journal/periodical editors, and staff to act solely in the best interest of the ADA without regard to their personal or business interests. There are separate documents that lay out COI Guidelines for Science and Health Care Volunteers, the Professional Practice Committee, Research Grant Application Reviewers, and those involved in Public Health Service Funded Grants from the ADA.

The ADA recognizes that there may be instances where a person in the positions listed above may appear to have a conflict of interest if that person has a business or personal interest that is related to an interest of the ADA. As part of its commitment to independence and transparency, the ADA may ask that person to take one or more of the following steps in response to the potential conflict: further disclose the conflict, abstain from discussion or vote on the related issue, or move to a location where the discussion cannot be heard. Such action is not intended to suggest that the person would not act in the best interest of the ADA or that the person cannot be trusted to act in the best interest of the ADA. Instead, the action protects the ADA by removing any credible opportunity for an outside person to suggest that a decision was made under the influence of a conflict of interest.

IDENTIFYING CONFLICTS OF INTEREST

To identify potential conflicts of interest with appropriate due diligence, Officers, Directors, members of select Board appointed committees and their related subcommittees, journal/periodical editors, and staff of the Association and its subsidiaries must annually disclose any potential conflicts of interest. The disclosed information should be updated by the individual during the year based on changed circumstances of the individual.

Through review of the annual disclosures and review of the agendas of relevant Board, Committee and other meetings, appropriate efforts will be made in advance of the meetings to identify potential conflicts of interest. However, each person has the responsibility to report his/her own conflicts of interest (actual or perceived) as those conflicts may arise during a meeting.

The following list outlines several types of transactions that should be considered a potential conflict of interest. Although it is impractical to list every situation that leads to a conflict of interest, this listing includes the minimum circumstances that should be disclosed. In addition, these circumstances not only apply to the individual serving in the Association's designated

position, but also his/her immediate family, defined as spouse/domestic partner, sons, daughters, parents, brothers, sisters, and any person living in the same household as the individual.

1. Direct Transactions with the American Diabetes Association

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| <ul style="list-style-type: none"> 1. Individual’s employer receives ADA research grant. 2. Individual is a direct recipient of a grant, stipend, or honoraria from ADA (e.g., campership). | <ul style="list-style-type: none"> 3. Individual is an employee, partner, or owner of a company providing goods or services to ADA or otherwise financially benefits from an ADA action or transaction. |
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2. Transactions and Relationships with “Industry”

Definition of Industry: Any corporation, partnership, sole proprietorship, or other legal entity, both for-profit and not-for-profit, engaged in the manufacture, distribution, sale, or reimbursement of diagnostic or therapeutic drugs, devices, supplies, or service for clinical care, research, or education. This definition includes most pharmaceutical and medical device companies. This definition does not include a physician or other clinician’s practice plan, or reimbursement for clinical services provided to a clinician’s patients; nor does it include professional associations, not-for-profit volunteer health organizations, academic institutions or hospitals that provide products or services related to medical care, medical research, or accredited medical education.

Examples of relationships with Industry that may constitute a Conflict of Interest include:

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| <ul style="list-style-type: none"> a) Individual’s employer receives Industry research funding and the individual is a Principal Investigator. b) Individual is a direct employee or paid consultant to Industry. c) Individual is a recipient of other Industry benefits, such as travel. d) Individual is a participant in a speaker’s bureau sponsored by Industry. | <ul style="list-style-type: none"> e) Individual is a member of an Industry advisory board or an instructor/speaker at a CME sponsored by Industry. f) Individual is a stockholder/investor of an Industry company or inventor of a diabetes-related product. g) Individual is an employee, partner, or owner of a company providing goods or services to Industry, and the individual is directly involved. |
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3. Transactions and Relationships with Other Companies/Organizations

Examples of relationships with companies/organizations outside of Industry that may constitute a Conflict of Interest include:

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| <ul style="list-style-type: none"> a) Individual serving as a senior volunteer to another nonprofit or charity. b) Individual employed as senior staff of another nonprofit or charity. | <ul style="list-style-type: none"> c) Individual benefits financially from a 3rd party because of a decision/action by ADA. |
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4. Acceptance of Gifts

Individuals may not accept gifts from any entity or person which does (or is seeking to do) business with the ADA, or is a competitor of the ADA, which includes diabetes-related organizations/companies. Examples of gifts include entertainment (including meals or alcohol), or other benefits (e.g., transportation). Please also refer to the ADA Anti-Bribery Policy.

This restriction does not include acceptance of gifts, entertainment, or other benefit of minor value (less than \$250 per item or occasion) which are of such a nature as to indicate that they are merely tokens of respect, independent friendship, or convenience.

MANAGING CONFLICTS OF INTEREST

Conflicts of interest exist to varying degrees based on the issue under discussion and the nature of the conflicting interest. Based on the situation, senior volunteers and staff presiding over the discussion are responsible to ensure appropriate action is taken. e.g., for the individual to publicly disclose the conflict, or for the individual to recuse him or herself from the discussion, vote, or room as appropriate and to ensure the disclosure and action is documented in the minutes of the meeting. Any identified conflict of interest, along with a mitigation plan, should be reported to the Audit & Governance Committee, which is charged with the oversight of this Conflict of Interest Policy.

When a person has been asked to refrain from discussion or vote due to a conflict of interest, the affected person may not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting or discussion. Further, a person who has been asked to refrain from participation in a matter at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote on that matter. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.

Persons with a less significant conflict of interest may be asked to disclose that interest to the meeting prior to any participation in the discussion or vote. Such disclosure will be reflected in the minutes of the meeting.

Several documents in addition to this policy provide specific guidance to manage Conflicts of Interest for specific groups. The Science & Healthcare Council Executive Committee will develop and maintain implementation guidance in collaboration with the Board's Audit & Governance Committee in the following documents:

- Conflict of Interest Guidelines for Science and Health Care Volunteers [\[link to doc\]](#);
- Conflict of Interest Guidelines for the Professional Practice Committee [\[link to doc\]](#);
- Conflict of Interest Guidelines for Grant Application Reviewers [\[link to doc\]](#); and
- Conflict of Interest Guidelines for Public Health Service Funded Grants from the ADA [\[link to doc\]](#).

COMPENSATION TO MEMBERS OF THE BOARD OF DIRECTORS

When a member of the board of directors of an exempt organization receives direct compensation from the organization in a capacity such as a paid staff member, consultant, or Board member, the director is vulnerable to allegations of conflict of interest. As such, voting Board members may not receive compensation for any type of service to the ADA other than reimbursement for

reasonable expenses incurred. In addition, past Board members may not receive compensation that was deferred as a result of providing services during the individual's term as a voting Board member. The amount of the forfeited compensation may be credited toward the Board member's fundraising requirement and acknowledged as a donation to the program of the Board member's choice. Examples of compensation include:

- editors or authors of the organization's publications who receive honoraria, royalties, or support for office operations;
- paid consultants or independent contractors;
- lessors of office space; and
- purveyors of goods and services such as printing or office supplies

ADDITIONAL RESPONSIBILITIES RELATED TO PROPRIETARY/CONFIDENTIAL INFORMATION

Through the course of serving in the positions listed in the *POLICY* section above, volunteers and staff will be exposed to proprietary and confidential ADA information. Such information may not be disclosed or used for the personal benefit or advantage of another, where such disclosure may do the ADA harm or provide financial benefit to the persons receiving the information. Examples include:

- Disclosure of part or all of ADA financial information to a person who might disclose the information in a manner that brings discredit upon the ADA. This limitation excludes information that is publicly available at the time;
- Disclosure of plans regarding an ADA initiative to a person who may use this information to influence the plans of a competitor organization; and
- Disclosure of plans or activities of the ADA before broad public disclosure to others who might improperly accrue financial benefit.

POLICY REVIEW

The Conflict of Interest Policy will be reviewed by the Board of Directors at least once every three years for confirmation or adjustment.