

Conflict of Interest Policy



Revised November 2008

Purpose and General Rule

The purpose of this policy is to provide guidance to the directors, officers, and employees of the International Reading Association (IRA) in identifying and handling potential and actual conflicts of interest involving IRA. In most instances, conflicts of interest can be handled simply by disclosing them to the appropriate individuals within IRA and continuing to exercise good judgment concerning such situations. Indeed, IRA relies on the sound judgment of its directors, officers, and employees to handle these conflict situations appropriately.

IRA is committed to the highest levels of integrity. Directors, officers, and employees of IRA are expected to conduct their relationships with each other, IRA, and outside organizations with objectivity and honesty. In general, IRA directors, officers, and employees are obligated to recognize and disclose ethical, legal, financial, or other conflicts of interest involving IRA, and remove themselves from a position of decision-making authority with respect to any conflict situation involving IRA.

This policy is intended to comply with Pennsylvania law. If there is any inconsistency between the requirements and procedures prescribed in this policy and Pennsylvania law, Pennsylvania law shall control.

This policy cannot describe all conflicts of interest situations that may arise involving IRA. Therefore, directors, officers, and employees must use good judgment to avoid any appearance of impropriety. They should follow principles of honesty and transparency about any situation not specifically described in this document that may pose a potential conflict of interest. If you have any questions about this policy or its application, please err on the side of caution and transparency and seek advice from IRA's Board of Directors or legal counsel prior to entering into such transaction.

Definitions

1. A "**Covered Person**" is any person serving as an IRA director, officer, or employee at the director level or above or a subcontractor or vendor entering into contracts over US\$10,000.

2. A “**Family Member**” is a spouse, domestic partner, parents, siblings, or children of a Covered Person and any other relative who resides in the Covered Person’s household.
3. A “**Material Financial Interest**” in an entity is a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect a Covered Person’s or Family Member’s judgment with respect to transactions to which the entity is a party. This includes all forms of compensation.
4. A “**Conflict of Interest**” is a situation in which an interest or activity influences or appears to influence the ability of a Covered Person to exercise objectivity or impairs the Covered Person’s ability to perform his or her fiduciary responsibilities in the best interests of IRA. By way of example and not by way of limitation, a Covered Person is considered to have a potential conflict of interest in any of the circumstances described below:
 - i) If there is a contract, grant, loan or other transaction between IRA and a Covered Person or Family Member. This does not include, however, routine, incidental transactions conducted in the normal course of IRA business (e.g., routine membership or employee benefits, purchases of services or publications at regular rates; and reimbursement for travel, meals or expenses pursuant to IRA policy).
 - ii) If there is a contract, grant, loan or other transaction between IRA and an entity (a) in which a Covered Person or Family Member has a Material Financial Interest or (b) of which a Covered Person or Family Member is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative.
 - iii) A Covered Person or Family Member competing with IRA in the rendering of services or provision of goods or in any contract, grant, loan or other transaction with a third party.
 - iv) A Covered Person’s or Family Member’s having a Material Financial Interest in an entity that competes with IRA in the rendering of services or the provision of goods.
 - v) A Covered Person’s or Family Member’s serving as a director, officer, employee, agent, partner, associate, trustee or personal representative of an entity that competes with IRA in the rendering of services or the provision of services.
 - vi) If there is an IRA contract, grant, loan or other transaction that involves a Covered Person or Family Member when a reasonable person, with

knowledge of all relevant facts, would question the impartiality of the Covered Person with respect to such contract, grant, loan or other transaction.

Specific Relationships that May Create Conflicts of Interest

A variety of situations, affiliations and relationships may create potential conflicts of interest. Financial or other relationships (e.g., board/officer or other management positions) by a Covered Person or a Family Member with a prospective or actual grantee, lender, borrower, contractor, vendor or supplier could potentially create the appearance of impropriety or interfere with the discharge of the Covered Person's responsibilities on behalf of and in the best interests of IRA and should be disclosed on the Covered Person's Conflict of Interest Information Form.

To avoid even the appearance of a conflict of interest, no IRA publication, including the IRA Conference Program, should include an endorsement, direct or indirect, of a commercial product or service (other than an IRA product or service) by a Covered Person or Family Member, regardless of whether that endorsement takes the form of the use of the name, words, likeness or other attribute.

When deciding what kind of relationships should be disclosed, the Covered Person should consider the situation from the perspective of an outsider and determine whether the relationship is of such a nature that could raise an allegation of an apparent or actual conflict of interest. The Covered Person should then err on the side of transparency, since disclosure helps to alleviate or avoid future misunderstandings.

Disclosure of Commercial Relationships as Part of IRA Elections

Candidates for the IRA Board of Directors, for Vice President and for any other IRA office must disclose all commercial or governmental relationships (including publishing relationships) that generate income. These disclosures shall be made by the candidate on the candidate nomination proposal form submitted to the Nominating Committee. This information will also be included in professional resumes posted on the IRA website.

Gifts

As a general rule, Covered Persons and Family Members may not receive or offer any gift or anything else of significant value for the purpose of influencing the action of IRA or of the recipient. Gifts (except those generally valued at \$100 or less) received from vendors, suppliers, members, consultants, lenders,

borrowers and grantees as part of normal business practice must be given to IRA or shared with IRA generally, and if acknowledgement is appropriate, acknowledged on behalf of IRA. This guideline is not intended to prohibit normal business practices, such as meetings over meals, corporate items given to participants in meetings and conferences, or token hosting gifts, as long as they are of nominal and reasonable value and promote IRA's legitimate business interests. If a Covered Person believes there is an appropriate reason to make an exemption to this policy for an individual situation, he or she should contact the Board of Directors or legal counsel prior to giving or accepting the gift.

Director's Fees, Honoraria, Expense Reimbursements, and Similar Matters

Covered Persons are encouraged to undertake speaking engagements, serve on boards and write articles, provided the time for such activities does not interfere with their IRA responsibilities. Director's fees, author's royalties, honorariums, and payments for published articles or speaking engagements should only be accepted, however if the materials prepared and all activities undertaken in connection with these activities are on personal time, and IRA resources are not utilized. If a Covered Person believes an exceptional circumstance merits an exception to this policy, the Covered Person should consult the Board of Directors, or legal counsel for advice and appropriate documentation. Travel costs and expenses incurred in connection with any activities that are not IRA-related must be borne by the Covered Person or the organization inviting the Covered Person to participate in the activity and should not be paid or reimbursed by IRA.

Compensated Work Outside IRA by Employees at the Director Level or Above

In an effort to prevent potential conflicts, understand the scope and nature of the outside business commitments of IRA management, and ensure that such outside commitments do not infringe on work responsibilities required on behalf of IRA, IRA employees who hold the position of director or higher or are otherwise at the level of manager may not conduct outside business or other activities for which they receive remuneration if it is related to their expertise as an IRA employee or the business of IRA, without prior approval from the Board of Directors. In requesting permission, the employee should disclose the organization for which the work will be done, the nature of the work, the expected time commitment and remuneration to be received, as well as an evaluation of any potential conflicts of interest that could arise with IRA as a result of the employee's engagement in such activity.

Political Activities

IRA is strictly prohibited from engaging in electoral political activity. Covered Persons are free to engage in these types of political activities on a personal basis, provided the activities do not conflict with their ability to carry out their IRA responsibilities or create confusion between positions or actions that are taken by them personally versus as an IRA representative. Before a Covered Person becomes actively involved in a political campaign or activity, the Covered Person should discuss with IRA's Board of Directors or legal counsel appropriate actions to avoid or minimize the risk of the Covered Person's personal actions being attributed to IRA and also review any other unintended potential impacts such activity could have on IRA. Individual political activities should only occur at the Covered Person's own expense, and without use of IRA's name, resources, facilities, or equipment. Only the IRA Board of Directors can authorize the taking of any position by IRA on legislation, referenda, or the like.

Competing for IRA Individual Scholarships, Fellowships, or Awards

Members of the Board of Directors during their tenure on the Board and IRA staff at the level of Director or above may not compete for IRA scholarships, fellowships, or awards.

Publications

Any manuscript submitted to IRA for publication, whether as a stand-alone work or as part of a larger IRA journal or other publication, shall be submitted to blind review in accordance with IRA's regular publication procedures. Publication decisions shall be made by the appropriate, authorized IRA staff persons. While Covered Persons and Family Members are encouraged to submit manuscripts for publication to IRA, they should not use their position in IRA to influence the IRA staff's decision regarding publication of such manuscripts.

Procedures

1. Prior to IRA Board or committee action on a contract, grant, loan or other transaction involving a Conflict of Interest, a Covered Person having a Conflict of Interest or potential Conflict of Interest and who is in attendance at the meeting shall disclose to the Board of Directors or committee all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.
2. A Covered Person who plans not to attend a meeting at which he or she has reason to believe that the Board or committee will act on a matter in which the Covered Person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the

disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.

3. A Covered Person who has a Conflict of Interest shall not participate in or be permitted to hear the Board's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
4. A Covered Person who has a Conflict of Interest with respect to a contract, grant, loan or other transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The Covered Person having a conflict of interest shall not vote on the contract, grant, loan or other transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. The Covered Person's ineligibility to vote shall be reflected in the minutes of the meeting.
5. Covered Persons who have a Conflict of Interest with respect to a contract, grant, and loan or other transaction that is not the subject of Board or committee action shall disclose to the Board of Directors any Conflict of Interest that such Covered Person has with respect to such contract or transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Covered Person. The Covered Person shall refrain from any action that may affect IRA's participation in such contract or transaction.
6. If it is not entirely clear that a Conflict of Interest exists, the Covered Person with the potential conflict or any other person who becomes aware of the potential conflict may disclose the circumstances to the Board of Directors, who shall determine whether there exists a Conflict of Interest that is subject to this policy.

Confidentiality

Each Covered Person shall exercise care not to disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of IRA. Furthermore, a Covered Person shall not disclose or use information relating to the business of IRA for the personal profit or advantage of the Covered Person or a Family Member.

Review of Statement

1. Each new Covered Person must annually review a copy of this policy and shall be reminded of the obligation to conform to it.
2. Each Covered Person must annually complete a Conflict of Interest Information Form identifying any relationships, positions or circumstances in which the Covered Person is involved that he or she believes could create a Conflict of Interest. Such relationships, positions or circumstances might include service as a director or officer of, or consultant to, a nonprofit or for-profit organization that competes with IRA or ownership of a business that might provide goods or services to IRA. Any such information regarding business interests of a Covered Person or a Family Member shall be treated as confidential and shall generally be made available only to the Board of Directors, except to the extent additional disclosure is necessary in connection with the implementation of this policy. When deciding what kind of relationships should be disclosed, a Covered Person should consider the situation from the perspective of an outsider and decide whether the relationship is of such a nature that it could raise an allegation of an apparent or actual conflict of interest. In close situations, the Covered Person should err on the side of disclosure and transparency, since disclosure helps to alleviate or avoid future misunderstandings.
3. This policy shall be reviewed annually by the IRA Board of Directors. Any changes to the policy shall be communicated immediately to all Covered Persons.

