MEMORANDUM

TO: APA Council of Representatives, Boards and Committees

FROM: Arthur C. Evans, Jr., PhD, Chief Executive Officer
Deanne M. Ottaviano, General Counsel
Nina R. Tandon, Associate General Counsel

DATE: November 2019

RE: Conflict of Interest Implementation Plan

In August 1991, Council adopted a Conflict of Interest Implementation Plan for Sections 30-7 and 80-2 of the Association Rules, which set forth APA’s policy governing conflicts of interest on the part of Board and Council members. In February 2017, Council adopted an updated Conflict of Interest Policy and Procedures which is now the current APA Conflict of Interest Policy. As part of APA’s goal of following best practices for non-profit organizations, APA Representatives (persons serving on APA Board of Directors or Council of Representatives, other boards and committees, task forces and working groups (“APA Groups”)) are asked to document their attention to controls against conflicts of interest annually by reviewing the training materials and completing an online Conflict of Interest Disclosure Form. APA Representatives on the Board of Directors and Council of Representatives will also receive in-person training during their orientation on how to handle conflicts of interest.

This package includes: (1) APA Conflict of Interest Policy and Procedures; (2) a document titled “Conflict of Interest Self-Awareness Exercise” (designed for APA Representatives’ personal use to assist them in identifying areas of possible conflicts); (3) a copy of APA Policy C1.02 restricting members of APA Groups from providing consulting services; and (4) a copy of the Conflict of Interest Disclosure Form which is now being provided electronically and should be completed online prior to your assuming your role as an APA Representative (in most cases this will be before the beginning of the year). APA Representatives who do not timely complete the Conflict of Interest Disclosure Form will not be allowed to attend any meeting for their APA Group.

APA Representatives should read and retain the enclosures 1-3 and should also complete the Conflict of Interest Self-Awareness Exercise. Note that the educational materials are for personal use only to assist in evaluating areas of potential conflict.

You are also invited to assess the value of this Conflict of Interest Self-Awareness Exercise in assisting you in evaluating and dealing with conflicts of interest in the context of APA business. Suggestions or comments pertaining to the usefulness of the Self-Awareness Exercise should be forwarded to Nina Tandon in the APA Office of General Counsel at ntandon@apa.org. If you have any questions about specific or possible conflicts, please contact Nina Tandon at (202) 414-8074.
APA CONFLICT OF INTEREST PRINCIPLES
ADOPTED FEBRUARY 2017

DEFINITIONS

“APA Group” means any APA task force, working group, board, committee, Board of Directors, or Council of Representatives.

“APA Representative” means an individual serving on an APA Group.

STATEMENT OF RESPONSIBILITY

All individuals acting in the name of or on the behalf of the APA must address any Conflict of Interest (COI) or appearance of a COI. All APA Representatives must fully disclose any potential COI. In addition, each APA Representative is responsible for identifying and declaring any potential COI and for identifying conflicts others may have but have not disclosed.

CONFLICT OF INTERESTS

A COI is any financial interest or substantial benefit that impedes or might impede an APA Representative, from acting in the best interest of the APA.

1. Financial Benefit to Self or Someone Professionally or Personally Close

   A. An APA Representative has a COI if that APA Representative while exercising decision-making authority stands to gain financially from the decision. A voting member of any APA Group whose responsibilities include compensation matters and who receives compensation, directly or indirectly, from the APA for services is precluded from voting on matters pertaining to that individual’s compensation.

   B. An APA Representative has a potential COI if that APA Representative’s decision could result in financial benefit to a professionally or personally close third party.

2. Substantial Benefit to Self or Someone Professionally or Personally Close

   A. An APA Representative has a COI if that APA Representative while exercising decision-making authority stands to gain from increased positional status (e.g., a promotion or public recognition) that could result in increased compensation or remuneration for that APA Representative as a result of the decision.

   B. An APA Representative has a COI when that APA Representative while exercising decision-making authority could impact the relationship of a person with whom that APA Representative has a close professional or personal relationship. A COI also exists if that APA Representative’s decision could result in any personal or professional advantages for the individual with whom that APA Representative has a close personal relationship.
3. Cross-organizational Role Conflicts

A cross-organizational role COI exists when an APA Representative's decision-making role has a direct or indirect influence on another organization within which that APA Representative has a vested interest, or within which another person with whom that APA Representative has a close professional or personal relationship has a vested interest.

A cross-organizational role COI exists when an APA Representative who has the capacity to influence decision-makers of the APA has a relationship with another organization that can be directly or indirectly affected by the APA’s decision.

4. Additional Benefits or Impacts

An APA Representative has a COI when that APA Representative, implicitly or explicitly, threatens adverse action against, or promises a benefit to, another APA Representative (or to a person with whom the other APA Representative has a close professional or personal relationship) whose decision could be influenced by the threat or promise.

Promises may include future financial benefit, or access to participation in other groups. Threats may include marginalization of participation in other groups, filing allegations of ethical violations, or threats of legal actions.
1. PURPOSE

This document includes procedures approved by the Board of Directors to supplement the Conflict of Interest (COI) Principles adopted by Council as APA policy at its February 2017 meeting.

2. STATEMENT OF RESPONSIBILITY OF APA REPRESENTATIVES

All APA Representatives must conduct themselves free from any COI or appearance of a COI when carrying out their duties as a member of an APA Group. The APA requires full disclosure of any actual or potential COI by APA Representatives serving as part of an APA Group. Each APA Representative is responsible for identifying and declaring any actual or potential COI.

3. DEFINITIONS

APA Group: any APA task force, working group, board, committee, Board of Directors, CLT or Council of Representatives.

APA Representative: an individual serving on an APA Group.

Conflict of Interests (COI): any financial interest, or the ability to confer a status benefit, that impedes or might impede an APA Representative from acting in the best interest of the APA while serving on an APA Group.

Duty of Loyalty: The responsibility to place the best interests of the APA above other interests (including your own) when the two compete. The Duty of Loyalty prohibits self-interested transactions that are not in the best interests of the APA and prohibits an APA Representative from competing with the APA.

Duty of Care: The requirement that the APA Representative to discharge duties in good faith and in a manner they reasonably believe to be in the best interests of the organization.

Fiduciary Responsibility: An APA Representative has fiduciary responsibility towards an organization or individual if the APA Representative:

1. Occupies a position of special confidence towards such an organization or individual;
2. Holds in trust property in which another person has the beneficial title or interest, or receives and controls the income of another; or
3. Serves as an officer or director of the organization or in another position with similar responsibilities.

Financial Interest: a financial benefit or liability accruing to an APA Representative or APA Representative’s immediate family. Such interest shall exist by reason of (i) ownership in a business, or an option for ownership of a business, if the ownership interest exceeds, or will exceed, three percent of the total equity of the business; (ii) annual income that exceeds, or may reasonably be anticipated to
exceed, $5,000 from ownership in real or personal property or a business; (iii) salary, other compensation, fringe benefits, or benefits from the use of property, or any combination thereof, paid or provided by a business or governmental agency that exceeds, or may reasonably be anticipated to exceed, $5,000 annually; or (iv) personal liability incurred or assumed on behalf of a business if the liability exceeds three percent of the asset value of the business.

**Interested Person:** Any APA Representative serving on an APA Group who: (1) has a direct or indirect financial interest in a decision; (ii) can confer a substantial benefit by a decision; or (iii) has a fiduciary responsibility to another organization, is an interested person.

**Substantial Benefit:** increased positional status (a promotion) or valued recognition (known expertise) for oneself, or someone professionally or personally close, that could result in increased compensation or remuneration.

### 4. TYPES OF CONFLICTS

a. **Financial Benefit to Self or Someone Professionally or Personally Close.** An APA Representative who is exercising decision-making authority, and who also stands to gain financially from the decision personally has a direct COI. An APA Representative will also have a potential COI if their decision could result in financial benefit to a professionally or personally close third party. For instance:
   - i. A financial interest in any entity or with an individual with which the APA has a transaction or arrangement;
   - ii. A compensation arrangement with any entity or with any individual with which the APA has a transaction or arrangement;
   - iii. A potential financial interest in, or compensation arrangement with, any entity or individual with which the APA is negotiating a transaction or arrangement.
   - iv. An APA Representative whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the APA for services is precluded from voting on matters pertaining to that APA Representative’s compensation.

b. **Substantial Benefit to Self or Someone Professionally or Personally Close.** An APA Representative who is exercising decision-making authority, and who also stands to gain from increased positional status (e.g., a promotion) that could result in increased compensation or remuneration from the decision, has a direct COI. That APA Representative will also have a potential COI if their decision could result in a substantial benefit to a professionally or personally close third party.

c. **Cross-organizational Role Conflicts.** Cross-organizational role conflicts exist when an APA Representative’s role in the APA’s decision-making process has a direct or indirect influence on another organization within which they or a significant other has a vested interest. For example, when specialty recognition is granted by the APA, if the process by which it is granted is influenced, or decided upon, by someone who has a vested interest in any specialty under consideration, the potential for a COI exists. An APA Representative who makes decisions for the APA or has the capacity to influence decision makers of the APA, and who, at the same time, has a relationship with another organization that can be directly or indirectly affected by the decisions, has a potential COI.
5. **EDUCATION**

   a. Provide education and training annually for APA Representatives and APA Staff on types of COI (below), identification and disclosure of COI, resolution of COI issues, continuing obligation for disclosure and for education by providing the following references:
      
      i. Clear and concise instructions for all APA Representatives and APA Staff. This could include methods and procedures for self-identification, reporting and resolving a potential COI, use of a decision tree as guidance identifying and disclosing of COI, and the processes working with an APA Representative who may have a COI.
      
      ii. Video training to include vignettes of common COI issues with questions for APA Representatives and APA Staff.
      
      iii. Educative materials posted on APA website including links to the COI Policy, Disclosure Form, Association Rules, Bylaws, and video training.
      
      iv. In-person consultations as needed on COI for APA Groups, APA representatives and APA Staff.

   b. For APA Staff specifically, education and training to work with APA Groups and APA Representatives regarding timeliness of submission of the annual COI Disclosure Form, handling of disclosures, understanding levels of recusals (e.g. recusal, discussion/no discussion, not being seated/attending meeting, etc.) and consequences for failure to disclose.
      
      i. Process for notification for all nominees to any APA Group to be apprised of APA COI Policy and the duty to disclose to avoid or minimize the potential for issues.

6. **ONLINE SUBMISSION/RECORDKEEPING**

   a. Process for mandatory online automated intake and review of COI Disclosure Form (Appendix A) for APA Representatives to streamline submission process and keep records of COI disclosures.
      
      i. Office of General Counsel receives forms and provides copies to APA Staff Liaisons for their review and follow up discussions with their APA Group chair.

7. **PROCEDURES FOR IDENTIFYING AND RESOLVING A COI**

   a. This decision-making model for identifying a COI has three intersecting components: 1) the role definitions, 2) functions the person has in making decisions, and 3) the bases of the potential or real COI. All APA Groups should be trained on the model, assessed on their competencies to apply the model, and maintain competencies on an annual basis. (See Decision Trees, Appendix B).

   b. Processes.
      
      i. Identification of a Potential COI: An interested person shall use the principles above and the COI decision-making processes to determine if a COI exists and the level of action required, and report such COI to the APA Group Chair.
      
      ii. **Self-Recusal:** When a COI is self-identified during a meeting, the self-recusal should include removal from the room whenever the COI creates any risk that
the interested person stands to gain from the information shared during the discussion.

iii. Identification of COI by Others. If an interested person does not self-identify a potential COI, and a third party believes a COI may exist, the third party should first informally discuss the potential COI with the interested person. If the situation remains unresolved or if informal discussion is not appropriate or possible, the third party shall make a report to the APA Group Chair who shall investigate the third party allegations as follows:
   1. Collect the relevant facts.
   2. Request a response(s) from the interested person.
   3. Determine whether a COI exists using the decision-making model.

8. LEVELS OF ACTIONS WHEN A COI EXISTS. The APA Group should be consulted as necessary, as to the appropriate action to be taken as set forth below. In the instance where a Chair of an APA Group may have a COI, a substitute should be appointed and assume responsibility for determining the appropriate action. The following actions include but are not limited to addressing a founded COI:

   a. Recusal from Discussion and Vote. The COI shall be disclosed or identified, and the interested person shall be permitted to make a statement, but not participate in the ongoing discussion nor provide further input or vote. The interested person will be permitted to stay in the room.

   b. Recusal from Voting. The COI shall be disclosed or identified, and the interested person will be permitted to participate in the discussion or provide specific but brief input, which may be limited by the Chair. The interested person shall not vote.

   c. Removal from the Room. Whenever the COI creates any risk that the interested person stands to gain (see Types of COI) from the information shared during the discussion, the interested person shall not participate in the discussion and shall leave the room.

9. ACCOUNTABILITY FOR COI

   a. Identification of COI after the Fact.
      i. If at any time during the year, the information in the annual statement changes materially, and the interested person has reasonable cause to believe that a COI exists, the interested person shall disclose such changes by revising the annual disclosure form within 30 days of the material change, and inform the APA Group chair.
      ii. If at any time during the year, an APA Representative has reasonable cause to believe that another APA Representative of their Group has an actual COI and did not disclose, the APA Representative should first raise the issue with the interested person. If the interested person disagrees or fails to disclose the COI, the APA Representative shall bring the issue forward to the Chair of the APA Group for discussion and resolution.
      iii. Should the Chair determine that the issue is at an impasse and cannot be resolved, any APA Representative of the APA Group may initiate the appeals process.
         1. If the Appeals process determines that the interested person failed to disclose and/or recuse in the face of an actual or possible COI, the
relevant APA Group shall take appropriate disciplinary and corrective action against the interested person, which may include:
   a. Removal from office;
   b. Recusal from future voting on any matter related to the COI;
   c. Submit a complaint to the APA Ethics Office for a formal evaluation of a potential ethics violation.

10. APPEALS. In the instances where an APA Group or APA Representative reaches an impasse on how to handle issues stemming from a potential issue, the chair of the APA Group and Staff Liaison should contact the Office of General Counsel for assistance in working through the issues. Some examples include:
   i. Failure to submit annual COI Disclosure Form
   ii. Failure to disclose a COI
   iii. Failure to disclose COI on an ongoing basis.
Appropriate remedies for one or more of these failures may include, but not be limited to, refusing an APA Representative’s attendance at a meeting, and removal of an APA Representative from an APA Group.
CONFLICT OF INTEREST SELF-AWARENESS EXERCISE
(for personal use only)

It is important that each member of the APA Council, the Board of Directors, and/or officers of the APA read and become familiar with the Resolutions regarding Conflict of Interest adopted as part of the Association Rules by the Council of Representatives of the American Psychological Association (“APA”) on August 11 & 13, 1988 (amended 1991). Under the resolutions, should a conflict arise, it is the individual's responsibility to fully disclose the nature of the conflict and abstain from voting on the issue(s) in conflict. Should the matter discussed during the meeting involve APA confidential or proprietary information, the individual must recuse himself/herself from the meeting. Confidential APA information should not be disclosed or used for personal advantage of another person, organization, or business entity.

In order to help each individual evaluate areas of possible conflict(s) of interest, you are requested to complete this exercise and retain a copy in your files along with the enclosed information packet. You should periodically review and, if necessary, update the document whenever changes occur in your status, which may affect areas covered in the exercise. The review should occur minimally on a yearly basis.

Please note that this exercise is for your own personal use. The purpose is educative and the goal is to help provide guidelines for situations where a serious conflict of interest may arise. The examples are illustrative and not intended to be inclusive.

1) Have you held or do you hold a position as a director, officer or member of a policy making body, or a position of trust or as a fiduciary, in the following types of organizations that may present, in certain situations, a conflict with your duties and responsibilities to the APA?

   a. University, College, or Professional School engaged in the education or training of psychologists.
   b. Practicum, internship, residency, or post-doctoral program for training of psychologists.
   c. State psychology examining board or similar committee.
   d. Professional or scientific organization or body, or other corporate body representing the interests of psychology in the public arena or responsible for products or services related to the field of psychology.
   e. Policy making board or committee that establishes guidelines or policies related to the professional education, training or practice of psychologists.
   f. State or federal legislative body or employee of such a body that has jurisdiction over issues affecting the field of psychology.
   g. Organization, religious affiliation or club, whose interest(s) and activities may be in conflict with the policies and goals of the APA (NRA, Abortion Rights, etc.).
   h. Committee or other entity appointed by governmental or regulatory agency at the local, state or federal level which develops, recommends, oversees, or implements policy that affects the field of psychology.
   i. State psychological association, division of APA, or committee (or other entity) within another organization that may establish policy in conflict with that endorsed by APA.
   j. Publisher of a test, book, or journal or developer of a psychological instrument that would tend to influence your actions as a member of APA governance.
2) Have you received or do you receive any compensation, financial or otherwise, from any groups or organizations that may present, in certain situations, a conflict with your duties and responsibilities to APA?
   a. Employment by any group or organization charged with the responsibility of establishing policy, guidelines or standards affecting the field of psychology.
   b. Receipt of royalties for the sale or any tests, books or other materials, which are psychological in nature.
   c. Retention as a paid consultant by any entity within or affiliated with APA or to assist an organization seeking affiliation or other benefits from APA or seeking to cease affiliation or benefits from APA.

3) Have you consulted or do you consult with or have ownership in or maintain financial interest in any organization or company that transacts business with the APA or with other organizations related to issues in the field of psychology?
   a. Publishing companies, bookstores, test developers or marketing organizations.
   b. Consulting firms providing services to the APA or other groups.
   c. A company whose products are psychological in nature.

4) Have you accepted gifts, favors, trips, special considerations, etc. from individual’s organizations that transact business with the APA or other organizations that affect the field of psychology?
APA POLICIES AND PROCEDURES
CONTRACTS PROCESS

C1.02 ACQUISITION OF GOODS AND SERVICES

(Excerpt from Policy)

Members as Consultants

APA expects its members who are in governance to provide services to APA on a voluntary basis with only expenses being reimbursed. In exceptional circumstances, the CEO, DCEO or his or her designee may determine that it is necessary to retain such an APA member as a consultant to APA on a compensated basis to perform a discrete task. The terms and conditions of any such consultancy will be determined by the CEO, DCEO or his or her designee, in consultation with the OGC, taking into account normal and customary compensation arrangements for similar services, conflict of interest principles, government contract regulations and any other relevant legal or policy considerations. To assure independence in discharging their fiduciary duties to APA/APASI, voting members of the Council of Representatives and the Board of Directors are not eligible to serve as paid consultants to APA and/or APASI except to the extent that they serve as editors of APA publications as appointed by the Publications and Communications Board. Editors who serve as members of the Council of Representatives and the Board of Directors should disclose payments from APA for editorial services and recuse on matters related to their editorial services in accordance with governing conflict of interest procedures. Any APA/APASI member who serves as a consultant and also serves on any other APA or APASI board, committee, task force, commission, or ad hoc leadership group, whether appointed or elected 1) must assure that other members of the group are aware of the paid consulting; and 2) must recuse him or herself from voting on or participating in the resolution of a matter involving any subject related to the consulting work until 6 months after the consultancy has been terminated. Members are not eligible to be considered by the CEO, DCEO or his or her designee to serve as compensated consultants if the consulting work is the direct result of initiatives they were instrumental in introducing, pursuing or supporting while serving in a governance capacity unless the consulting work will commence three years or more after the date the member ceased serving in a governance capacity.
DISCLOSURE STATEMENT REGARDING CONFLICT OF INTEREST

As a member of an APA Group of the American Psychological Association (APA Representative), I recognize that I owe duties of care and loyalty to the association. One aspect of fulfilling those duties is to avoid conflicts of interest in which my allegiance might be split between an association position or responsibility and some other professional, business, personal, or volunteer position, interest or responsibility. I understand that disclosure of actual or perceived conflicts is intended to assist the APA in resolving conflicts of interest and that disclosing an actual or perceived conflict does not necessarily mean that a conflict of interest exists or that the conflict would unduly influence my actions or my ability to serve on an APA Group.

I have reviewed the APA Conflict of Interest Principles and Procedures (“APA Conflicts Policy”). To help avoid conflicts, on this form I am disclosing other situations or areas in which it might even appear that I have conflicting duties to other entities. I invite any further review by the association of any aspects of these situations or areas that might be considered appropriate. Also, I will take other necessary steps, such as avoiding deliberation and resolution of certain issues, if those steps are necessary to protect against liability to the association or to me arising from conflict of interest. I also recognize that conflicts may arise during the course of my tenure on the APA Group as agenda items come before the APA Group and that my personal circumstances may change over time and I agree to update this form and inform my APA Group Chair as set forth in the APA Conflicts Policy. I will follow the APA Conflicts Policy in discharging my duties as a member of an APA Group.

Please complete each question below to the best of your knowledge. You may list your answers directly on this form or you may provide your answers on a separate sheet of paper.

1. To the best of your knowledge, do you or an immediate family member hold or plan to hold a material financial interest in any business which furnishes goods or services, or is seeking to furnish goods or services, to the APA?
   No:
   
   Yes:

   If yes, please list the name of each business and the type of goods or services involved.

   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________

2. Do you or an immediate family member have any professional, business, or volunteer positions or responsibilities that might give rise to conflicts on policy or business matters that may come before your APA Group? By way of example, are you or a family member now, or anticipate becoming within the next 12 months, a Trustee, Director, Officer, Committee member, employee or consultant to an organization that may have business with APA?
   No:
   
   Yes:

   If yes, please list the name of each organization, position held, responsibilities, term of position and a description of the potential or actual conflict. If the organization is not a nationally known organization, please provide a brief description of the organization.
3. Do you or an immediate family member, receive compensation from or are employed by or consult with an organization or person who engages in business with the association or its members or who might benefit financially from actions you or your APA Group may take:

   No:

   Yes:

   If yes, please list the types of business and the relationships:

4. Do you or an immediate family member have any arrangement with APA or APASI whereby you or they receive compensation for services provided, including but not limited to a consultant agreement with APA or APASI, editor agreement with an APA Journal or receive honoraria from APA:

   No:

   Yes:

   If yes, please list any and all arrangements you or a family member have with the APA or APASI whereby you or they receive compensation for services provided:

5. Do you or an immediate family member have a personal, family or business relationship with any officer, director or key employee of APA:

   No:

   Yes:

   If yes, please list those relationships and whether it is personal, family or business. If business, please describe the type of business relationship

6. Are you involved in, or do you anticipate becoming involved in, public representation and advocacy, including lobbying, on behalf of any organization?

   No:

   Yes:
If yes, please list the name of each organization and describe the nature of the activities you are or will be involved in.

________________________________________________________________________

________________________________________________________________________

Are you involved in any other personal relationship, activity or interest which may raise a conflict of interest or impair your objectivity on any policies or issues of your Council/Committee?

No: Yes:

If yes, please describe each relationship, activity or interest.

________________________________________________________________________

________________________________________________________________________

7. I know of no professional, business, or volunteer position or responsibility, including vendor situations that might give rise to conflicts, actual or perceived (check here):

Affirmation:

In consideration of my participation on an APA Group, I assign to the American Psychological Association all rights, including copyright, in any work products including but not limited to any publications or tools created in connection with my participation on the APA Group.

I acknowledge that my work for APA may involve confidential and/or privileged matters relating to internal business, legal or other issues that APA does not generally disclose to the public and I agree to maintain these confidences during my service to the APA Group. I understand that this duty to keep these issues confidential continues indefinitely and does not end with my service to the APA Group.

I understand that I am expected to comply with the APA Conflicts Policy. To my knowledge and belief, I am in compliance with the APA Conflicts Policy and have disclosed my affiliations. I understand that I have continuing responsibility to comply with the APA Conflicts Policy, and I will promptly disclose any affiliations required to be disclosed under the APA Conflicts Policy.

I certify that my answers to this COI form pertain to my position on the following APA Group(s):

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Signature   Date

Printed Name