

PEORIA FASHION WEEK ACADEMY

CONFLICT OF INTEREST POLICY

Governance & Accountability

Adopted	June 2026
Approved	June 2026
Approved By	Board of Directors
Next Scheduled Review	June 2028

1. PURPOSE

The purpose of this Conflict of Interest Policy is to protect the interests of Peoria Fashion Week Academy when it is considering a transaction, arrangement, decision, contract, partnership, or other matter that may benefit the private interest of a Board member, officer, employee, contractor, key staff member, or other individual in a position of influence.

This policy is intended to promote transparency, accountability, ethical decision-making, and compliance with the Academy's governing documents.

2. PERSONS COVERED

This policy applies to:

- Board Members
- Officers
- Executive Director
- Key Staff
- Employees with decision-making authority
- Committee members with delegated authority
- Contractors or representatives who participate in organizational purchasing, contracting, or financial decisions

3. DEFINITION OF A CONFLICT OF INTEREST

A conflict of interest exists when an individual's personal, financial, professional, family, or business interests could influence, or reasonably appear to influence, that individual's ability to act solely in the best interests of Peoria Fashion Week Academy.

A conflict may be actual, potential, or perceived. The existence of a conflict does not automatically mean that improper conduct has occurred. The conflict must be disclosed and properly managed.

4. EXAMPLES OF POTENTIAL CONFLICTS

Potential conflicts may include, but are not limited to:

- A Board member owning a company that wishes to provide services to the Academy.
- A Board member or staff member recommending a relative for a paid contract.
- An individual receiving money, gifts, discounts, favors, or other benefits from a vendor doing business with the Academy.
- A Board member having a financial interest in a company seeking sponsorship, vendor, or partnership opportunities with the Academy.
- A staff or Board member participating in a decision that could financially benefit themselves or a family member.
- An individual using confidential Academy information for personal or business advantage.
- A Board member directing Academy business toward a company in which they hold an ownership interest.
- An individual using their position with the Academy to obtain personal opportunities, contracts, or benefits.
- An individual serving another organization whose interests may conflict with a decision being considered by the Academy.

5. FINANCIAL INTEREST

A person may have a financial interest if the person, directly or indirectly through business, investment, or family, has an ownership or investment interest in an entity doing business with the Academy; has a compensation arrangement with the Academy or with an entity doing business with the Academy; has a potential ownership, investment, or compensation interest in a transaction being considered; or may receive a financial benefit from a decision made by the Academy.

A financial interest does not automatically constitute a conflict of interest. The Board or appropriate decision-making body shall determine whether a conflict exists after disclosure.

6. DUTY TO DISCLOSE

Any covered person who becomes aware of an actual, potential, or perceived conflict of interest shall promptly disclose the matter and all relevant facts known to the individual.

The individual shall not conceal or intentionally fail to disclose information relevant to the conflict.

7. ANNUAL DISCLOSURE

Each Board Member, officer, and key staff member shall complete a written Conflict of Interest Disclosure Statement at least once each year.

Annual disclosure does not replace the responsibility to disclose new conflicts as they arise.

8. DETERMINING WHETHER A CONFLICT EXISTS

After disclosure of the relevant facts, the individual with the potential conflict may provide factual information if requested. The individual shall then leave the discussion while the remaining disinterested members consider whether a conflict of interest exists.

The determination shall be made by the disinterested members of the Board, committee, or authorized decision-making body.

9. PROCEDURE WHEN A CONFLICT EXISTS

If a conflict of interest is determined to exist:

- The interested individual shall not participate in deliberations concerning the matter, except to provide requested factual information.
- The interested individual shall not vote on the matter.
- The interested individual shall not attempt to influence the decision.
- The interested individual may be asked to leave the meeting during discussion and voting.
- The remaining decision-makers shall determine whether the proposed transaction or arrangement is fair, reasonable, and in the best interests of the Academy.
- When appropriate, alternative vendors, contractors, arrangements, or opportunities should be considered.
- Any approved transaction involving a conflict must be documented in the official meeting minutes or other appropriate organizational record.

10. RELATED-PARTY TRANSACTIONS

The Academy may enter into a transaction involving a Board member, officer, employee, family member, or affiliated business only when the transaction is determined to be in the best interests of the Academy.

The Academy should consider whether the goods or services are necessary, whether the price is reasonable, whether comparable alternatives are available, whether the terms are fair to the Academy, whether the interested person received an improper advantage, and whether the decision was made by individuals without a conflict.

When practical, competitive quotes or comparable pricing information should be obtained.

11. GIFTS, FAVORS, AND BENEFITS

Covered individuals shall not accept gifts, payments, favors, entertainment, discounts, or benefits that could improperly influence organizational decision-making.

Nominal gifts or customary business courtesies may be accepted when they are reasonable, infrequent, do not create an expectation of favorable treatment, and do not influence organizational decisions. Cash gifts or cash equivalents offered personally in connection with Academy business should not be accepted.

12. FAMILY AND PERSONAL RELATIONSHIPS

A conflict may exist when a decision involves a spouse, domestic partner, parent, child, sibling, grandparent, grandchild, in-law, household member, close personal relationship, or business partner.

The individual must disclose the relationship whenever it could reasonably affect impartial decision-making.

13. CONFIDENTIAL INFORMATION

No individual shall use confidential or proprietary information obtained through their Academy role for personal gain or for the benefit of an outside organization or individual.

Confidential information may include financial information, donor information, student information, contracts, vendor information, sponsorship negotiations, personnel information, strategic plans, and unreleased programs or partnerships.

14. CORPORATE AND BUSINESS OPPORTUNITIES

Individuals may not personally take advantage of a business, investment, sponsorship, partnership, or other opportunity that properly belongs to the Academy when the opportunity was discovered through their Academy role or use of Academy resources.

15. VIOLATIONS OF THIS POLICY

If the Board or appropriate leadership has reasonable cause to believe that an individual failed to disclose an actual or potential conflict, the individual shall be informed of the concern and provided an opportunity to explain.

If a violation is determined to have occurred, appropriate action may include additional disclosure requirements, recusal from particular matters, removal from a committee or assignment, corrective action, termination of a contract, employment discipline, Board action, removal from office or Board service when permitted by the Bylaws, or other action considered appropriate.

16. RECORDKEEPING

Meeting minutes or other official records involving a conflict of interest should document:

- The name of the individual with the disclosed interest.
- The nature of the interest.
- Whether the individual participated in providing factual information.
- Whether the individual left the meeting.
- The determination regarding whether a conflict existed.
- The names of individuals participating in the final decision.
- The vote or decision reached.
- Any alternative options considered when appropriate.

17. COMPENSATION MATTERS

A voting member of the Board who receives compensation from the Academy for services shall not vote on matters directly related to their own compensation.

An individual shall not participate in setting or approving their own compensation. Compensation decisions should be based on reasonable and appropriate information whenever possible.

18. NO PERSONAL BENEFIT FROM CHARITABLE ASSETS

Academy assets shall be used to advance the organization's charitable and educational purposes. No Board Member, officer, employee, or private individual shall receive improper personal benefit from the Academy's income, assets, contracts, or activities.

19. RESPONSIBILITY FOR ADMINISTRATION

The Board of Directors is responsible for oversight of this policy. The Executive Director may administer the policy in daily operations, except when a matter involves the Executive Director.

Matters involving the Executive Director should be referred to the Board Chair or another disinterested Board officer. Matters involving the Board Chair should be referred to the Vice Chair or another disinterested Board member.

20. POLICY REVIEW

This policy shall be reviewed at least every two years, or earlier when the Bylaws are amended, organizational circumstances change, applicable legal requirements change, or the Board determines that additional safeguards are necessary.

ANNUAL CONFLICT OF INTEREST DISCLOSURE STATEMENT

Name: _____

Position/Role: _____

1. Do you or a member of your immediate family have an ownership, investment, employment, or financial interest in any business or organization that currently does business with Peoria Fashion Week Academy?

☐ No ☐ Yes

If yes, explain:

2. Do you or a family member have a financial or personal interest that could reasonably affect your ability to make an impartial decision on behalf of the Academy?

☐ No ☐ Yes

If yes, explain:

3. Have you received any gifts, compensation, favors, discounts, or other benefits from an Academy vendor, contractor, sponsor, donor, or potential business partner that could reasonably create a conflict?

☐ No ☐ Yes

If yes, explain:

4. Do you serve as an officer, director, employee, consultant, owner, or significant volunteer for another organization that could create a conflict with your Academy responsibilities?

☐ No ☐ Yes

If yes, explain:

5. Are you aware of any other relationship, transaction, or circumstance that could create an actual, potential, or perceived conflict of interest?

☐ No ☐ Yes

If yes, explain:

CERTIFICATION

I certify that the information provided in this disclosure is complete and accurate to the best of my knowledge.

I have received and reviewed the Peoria Fashion Week Academy Conflict of Interest Policy.

I agree to promptly disclose any new actual, potential, or perceived conflict that arises during my service with the Academy.

I understand that when a conflict exists, I may be required to refrain from participating in discussion, decision-making, or voting related to the matter.

Signature: _____

Date: _____

BOARD ADOPTION

The Peoria Fashion Week Academy Board of Directors adopted and approved this Conflict of Interest Policy in June 2026.

Board Chair/President: _____

Signature: _____

Board Secretary: _____

Signature: _____

Date: _____