

## USA Fencing – Standard Operating Procedures for Conflicts of Interest Review

### I. INTRODUCTION

The U.S. Fencing Association (“USFA”) is committed to the highest standards of ethics, transparency, and integrity in all of its operations. As part of this commitment, the Ethics Committee plays a key role in reviewing disclosures and potential conflicts of interest (“COIs”) involving USFA Board Members, Committee Members, USFA Officers, employees, and other affiliated individuals. The goal of the Ethics Committee is to preserve stakeholder trust by managing actual, potential, or perceived COIs in a consistent and proportionate manner.

A COI is any situation where personal interests could improperly influence decisions made regarding USFA interests or business. Section 12.10 of the Bylaws requires the Ethics Committee to review COI disclosures for “actual, apparent and potential conflicts of interest” and to provide advice to the USFA Board regarding issues relating to them. USFA’s COI Policy is found within the Bylaws and grants flexibility to the Ethics Committee regarding how it provides this advice. The longstanding practice of the Ethics Committee allows for a range of responses depending on the nature and severity of the conflict. This flexible framework ensures that responses are tailored to the specific circumstances of each case while maintaining fairness and protecting the integrity of USFA’s governance.

To provide better transparency to the USFA Board and Members, the Ethics Committee has determined it is appropriate to provide a written summary of how it handles various levels of COIs. These COI Standard Operating Procedures are intended to provide a standardized process for identifying, categorizing, and managing conflicts of interest during disclosure and review, as a means of ensuring transparency, maintaining integrity, and mitigating risk across all USFA matters.

### II. FRAMEWORK FOR GATHERING DISCLOSURES AND REVIEWING THEM

This section outlines the structured process for collecting, reviewing, assessing, and documenting potential COIs. The framework is designed to ensure timely disclosure, consistent evaluation, appropriate mitigation, and long-term documentation, in line with USFA ethical standards and compliance obligations.

#### A. Step 1: COI Disclosure

**Annual Submission Requirement:** All individuals in decision-making roles – defined as USFA Board Members, Committee Members, officers, employees, or others with the ability to influence material decisions – are required to complete a COI Disclosure Form on an annual basis.

**Due Date:** Completed COI Disclosure Forms must be submitted no later than August 31<sup>st</sup> of each calendar year. If a requirement is added for advance completion of COI Disclosure Forms by prospective Board Members, then the SOPs will be amended to reflect any such change. If necessary, such as for newly appointed Board or Committee Members, or onboarded new officers or employees, the Ethics Committee can solicit and evaluate COI Disclosure Forms at other times.

**Update Requirements:** In addition to the annual submission, individuals must promptly submit an updated COI Disclosure Form when a new potential conflict arises, it appears that a previously submitted form is inaccurate or incomplete, or circumstances materially change.

## **B. Step 2: Initial Review**

The Director of Member Safety & Organizational Compliance, or other staff liaison to the Ethics Committee as may be appointed, shall conduct a preliminary review of all submitted COI Disclosure Forms to ensure completeness and clarity and to flag items that appear to need special review by the Ethics Committee. Items to consider flagging include: (1) any forms with incomplete or vague answers; (2) disclosed relationships or interests that may indicate a potential COI; (3) information that is publicly known or otherwise known to indicate that a COI Disclosure Form is incomplete or misleading; or (4) persons who had COIs flagged in a prior year.

## **C. Step 3: Conflict Level Assessment**

**Review Protocols:** The Ethics Committee will conduct a full evaluation of all COI Disclosure Forms, paying special attention to any items flagged in the preliminary review. The Ethics Committee will apply the standardized COI categories found in Section III to categorize each conflict. The Ethics Committee will consider not only the nature of the relationship or interest but also the specific decision-making role of the discloser, the potential for influence, and the appearance of impropriety.

**Documentation of Determination:** For each evaluated disclosure, the Committee will record: (1) the assigned conflict level; (2) the rationale for the determination; and (3) whether mitigation, recusal, or removal is recommended.

## **D. Step 4: Mitigation Plan (if applicable)**

Where the Ethics Committee determines that the COI requires some type of mitigation, the Ethics Committee will prepare a mitigation plan containing specific actions to reduce or eliminate the risk of improper influence for presentation to the Board. For long-term or ongoing conflicts, the mitigation plan should include a schedule for periodic re-evaluation (e.g., annually or upon change in circumstances).

## **E. Step 5: Recusal or Termination Recommendation (if applicable)**

Where the Ethics Committee determines that the COI is serious enough to warrant recusal or termination, the Ethics Committee will prepare a COI report detailing the circumstances that create a severe COI, why recusal or termination is recommended, and the scope of any recusal recommended to eliminate the COI.

## **F. Step 6: Documentation and Recordkeeping**

All disclosure forms, supporting documents, conflict level determinations, and approved mitigation plans shall be preserved for a minimum of five years from the date of submission or resolution, whichever is later.

### **III. FRAMEWORK OF RESPONSES TO CONFLICTS OF INTEREST**

These procedures apply to all decision makers, including but not limited to board Members, Committee Members, officers, employees, and volunteers required to complete a COI Disclosure Form.

The Ethics Committee stresses that it is up to the Board, and individual Members of the Board, to take concrete actions regarding any COIs. The role of the Ethics Committee is to identify, investigate, and disclose potential or actual conflicts of interest and to provide a recommendation to the Board. After any recommendation is made, it is up to the Board to take action under the Bylaws. Further, because the ultimate responsibility for handling COIs under the Bylaws is reserved for the Board, the Board has the option to take action under the Bylaws even if a COI becomes apparent after the annual review process has been completed or in advance of any action or report by the Ethics Committee.

The Ethics Committee may make one or more of the following determinations, based on its assessment of the facts, the level of risk presented, and the application of the Bylaws requirements:

#### **A. Minor COI Issues**

##### **1. Level 1: Determination That No Action Is Required**

**Overview:** This outcome applies to COI situations involving minor or routine relationships that do not create a meaningful risk of bias or undue influence. These are typically too trivial, too remote, or too attenuated to raise any concern about undue influence, favoritism, or harm to USFA or its interests. They clearly fall outside the scope of actionable conflicts and are treated as routine background relationships or interests.

#### **Example Situations:**

- A Board or Committee Member, or officer or employee, has a child who participates in local fencing tournaments but is not involved in Board decisions affecting that child.
- A Board or Committee Member, or officer or employee, purchases fencing gear for his or her own use from a vendor who also sells equipment at North American Cups.
- A Board or Committee Member, or officer or employee, volunteers at a fencing club that occasionally interacts with USFA but has no decision-making power over funding or policy matters affecting that club.
- A Board or Committee Member, or officer or employee, works in a sporting-related company that has no financial ties to USFA.

**Rationale:** These circumstances do not meet the threshold of an actual or apparent conflict under the USFA Bylaws and therefore require no further action.

**Action:** Retention of record documenting that there is no conflict.

## **2. Level 2: Determination That Additional Information Should Be Sought**

**Overview:** This response is appropriate when a COI Disclosure Form appears incomplete, ambiguous, or inconsistent, requiring additional facts to assess the existence or severity of a conflict. This would include situations where information is publicly known that would indicate that a disclosure is incomplete or misleading as written. In this circumstance, the Ethics Committee may seek additional information in advance of notification of the Board, as a mechanism to try to resolve the issue without or in advance of any Board involvement.

### **Example Situations:**

- A Board or Committee Member, or officer or employee, submits a disclosure that references a “business relationship” without explaining the nature or scope of that relationship.
- A conflict is disclosed only verbally or informally and is not documented in writing.
- A Board or Committee Member, or officer or employee, lists outside employment on a disclosure form but does not identify the employer or describe the duties performed.

**Action:** The Ethics Committee will request clarification or supplemental documentation from the disclosing party and may defer any final recommendation until a complete assessment can be made.

## **B. Moderate Conflicts**

### **1. Level 3: Notification of a Potential Conflict to the Board, with a Recommendation of No Action**

**Overview:** This middle-ground response applies to situations that are still relatively minor but may reasonably raise questions or merit disclosure to maintain transparency. These situations involve low-risk, attenuated, or probably immaterial connections. The purpose of the notification is to document that the matter was considered and resolved with transparency, reinforcing confidence in the ethics process.

### **Example Situations:**

- A Board Member’s child is nationally ranked at a high level and may qualify for international team selection and related funding.
- A Board or Committee Member, or officer or employee, previously worked for a vendor that recently submitted a bid for a USFA contract, though the member has no current ties to the vendor.
- A Board or Committee Member, or officer or employee, is married to someone who actively coaches at North American Cups.
- An employee has a relative who works at a USFA vendor partner, but the scope of the employee’s job is unlikely to put the employee in a position of being able to steer any business to the vendor or to interact with it in any way.

**Rationale:** The potential COI does not justify recusal or other restrictions but is significant enough to be disclosed to the full Board for awareness and accountability.

**Action:** Retention of documentation showing rationale for conclusion; notification to Board and Committee (if relevant) of specific concerns, with rationale of why there is only a minimal potential conflict with no direct impact on USFA duties.

## **2. Level 4: Notification of a Potential Conflict to the Board, with a Recommendation of Action**

**Overview:** This response represents a moderate level of concern and is to be used when a conflict is not inherently disqualifying or incompatible with continued involvement in organizational decisions but still warrants formal disclosure to the Board. These situations typically involve potentially material interests, personal relationships, or external activities that could give rise to an appearance of impropriety, divided loyalties, or future entanglements. While the risks can be managed through a mitigation plan, transparency and potential Board oversight or involvement are necessary for maintaining trust and credibility.

### **Example Situations:**

- A Board or Committee Member, or officer or employee, also performs consultant work with a vendor, but not in a decision-making role.
- A Board member has a close relative who works with a business partner of USFA.

**Rationale:** The potential conflict does not justify recusal or other restrictions but is significant enough to be disclosed to the full Board for awareness and accountability.

**Action:** Retention of documentation showing rationale for conclusion; notification to Board and particular Committee (if relevant) of specific concerns with rationale of why there a mitigation plan is recommended; development and submission of mitigation plan.

## **C. Severe Conflicts**

### **1. Level 5: Recommendation of Recusal from Specific Matters**

**Overview:** This recommendation arises when the Ethics Committee determines that a person has a direct or perceived COI that could seriously compromise objectivity or appear to do so, leading to the potential to compromise his or her ability to act in the best interests of USFA. These situations involve actual, apparent, or potential conflicts of interest that, while not warranting removal or termination, still threaten the integrity of a specific decision or process if not addressed.

### **Example Situations:**

- A Board or Committee Member, or officer or employee, is the principal or an employee of a fencing equipment company that provides services to USFA or submits bids for contracts.

- A Board or Committee Member, or officer or employee, is in a leadership position at a fencing club that is the subject of a disciplinary proceeding or has a personal or coaching relationship with an athlete that has an ongoing conduct investigation.
- A Board or Committee Member, or officer or employee, is a party to ongoing litigation against USFA.
- A Board or Committee Member, or officer or employee, has a financial stake in a company that provides accounting or auditing services to USFA.

**Rationale:** Recusal from relevant discussions and votes is a standard remedy to protect both the decision-making process and the credibility of the organization, as well as the conflicted person as well. The affected individual would be restricted from participating in any deliberations or votes related to the conflict or receiving confidential information relating to the same. Where an employee is involved, the Ethics Committee will include a proposal regarding how the employee can perform his or her duties while being firewalled from certain topics that present a COI.

## 2. **Level 6: Recommendation that the Board Take Steps to Remove the Member from the Board or Committee, or Terminate the Employment of the Officer or Employee**

**Overview:** This is the most serious response and is reserved for situations where the conflict is pervasive, unresolvable, or so serious that it undermines the individual's ability to fulfill fiduciary duties to USFA, such that there would be an irreconcilable conflict that is impossible to solve with recusal. Conflicts of interest that are so severe, willful, or damaging that they justify termination of a Board member or employee typically involve intentional misconduct, concealment, or serious breaches of duty or trust. These are situations where disclosure or recusal or disclosure would be inadequate to protect the organization.

An additional situation where this might arise is where a Board Member or Committee Member, or officer or employee, refuses to update a COI Disclosure Form or repeatedly continues to provide a misleading COI Disclosure Form, which in effect makes it impossible for the Ethics Committee or the Board to evaluate the extent of any conflict or the willingness of the person to take steps to mitigate the conflict to allow the person to conduct USFA business in accordance with all requirements in the Bylaws to proceed in the best interests of USFA free of conflicts. Where this arises, the willful failure to provide relevant information to allow consideration of the conflict can warrant a recommendation of removal or termination.

### **Example Situations:**

- A Board or Committee Member, or officer or employee, has repeatedly failed to disclose conflicts, even after being advised of disclosure obligations.
- A Board or Committee Member, or officer or employee, arranges for USFA to enter into a contract with a company he or she secretly owns or controls, without disclosing the ownership interest.
- A Board or Committee Member, or officer or employee, accepts personal payments or gifts from a vendor in exchange for awarding contracts or favorable treatment.

- A Board or Committee Member, or officer or employee, has submitted a false or materially misleading conflict-of-interest disclosure and refuses to update it or to provide full and clearly material information.
- A Board or Committee Member, or officer or employee, has taken steps that threaten imminent harm to USFA interests or has been entirely derelict in carrying out his or her USFA responsibilities.

**Rationale:** In these rare cases, recusal is insufficient to protect the interests of the organization. Removal of the person or termination is recommended to prevent further risk and ensure that all Board Members or employees are acting in the best interests of USFA, as required by the Bylaws.

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The Ethics Committee's ability to recommend responses across a spectrum, from no action to recommendations of recusal or removal, ensures that USFA can manage conflicts of interest in a principled, proportionate, and transparent manner. This tiered approach reflects the complexity of real-world relationships while preserving the USFA commitment to ethical governance.

All decisions of the Ethics Committee will be documented and, where appropriate, reported to the Board to ensure oversight and institutional integrity.

The Ethics Committee will review these COI Standard Operating Procedures annually to ensure alignment with the Bylaws and any organizational changes.