

## CEP Magazine – December 2021 COI enforcement needs to be more than a form

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Every once in a while, I read a case that reminds me how easy it would be to properly manage conflicts of interest (COI) with a few basic steps. These cases often illustrate how easy it is to allow COI risks to be mismanaged by simply logging in the completion of forms.

The recent case that reminded me of this involved a government-funded shelter for homeless individuals. One of the manners in which this organization served its population was through the renting of residential homes in which it would house several program participants. As it turns out, several of the homes this organization rented were secretly owned by the CEO of the organization, who failed to disclose these relationships on annual disclosure statements as well as during meetings of the board of directors at which some of the properties were discussed. Along the way, the rents being paid by the organization to these limited liability companies (LLCs) were significantly inflated in comparison with market rates for comparable properties.

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