

Conflict of Interest Guidelines for Mentors

As a VMS mentor, it is important to understand that unbiased mentorship is essential to building and maintaining entrepreneur trust. Avoiding even the appearance of impropriety is critical. If the word gets around that CED VMS mentors are looking for clients, jobs or equity – our reputation and ability to attract the best entrepreneurs and mentors will suffer. It is our policy that mentors should not have any relationship with a CED VMS venture where there is any form of compensation or equity. As a CED VMS mentor your primary interest in serving cannot be to scout for investment opportunities, new clients, or a job.

Occasionally, there will be cases where mentors are so excited about a business that they would like to invest or join the team. In these exceptional cases, CED VMS does have a policy and procedure that serves all parties. The key elements of our policy are communication and transparency of information. If you are considering investing in a venture or taking any role involving any form of compensation (including equity or options), the very first step is to notify the CED VMS Program Manager.

A brief summary of the policy:

(a) Investor in a CED VMS Venture

1. You cannot be an investor in a venture that you are mentoring.
2. You must inform the CED VMS Program Manager immediately upon contemplating such an action and immediately recuse yourself from further CED VMS activity related to the venture.

(b) Operational Role as an Employee or Consultant to a CED VMS Venture

1. You cannot receive any compensation from a venture you are mentoring.
2. You must NEVER approach any CED VMS venture to propose your involvement. If you believe that your services as an employee or consultant would benefit them, discuss this with the CED VMS Program Manager to determine any possible next steps.
3. If a venture approaches you, and if you have any possible interest, you must immediately notify the CED VMS Program Manager and recuse yourself from further mentor activities with the venture.
4. Thirty days' notice is required to allow for review by CED VMS staff and counseling of entrepreneur.

A few final words about avoiding conflicts of interest:

All mentors should be alert to the potential for real or perceived conflicts of interest to arise at any stage of a venture's development. If you know you have a conflict, alert the CED VMS Program Manager immediately and recuse yourself from any dealings with the venture in question. If you think you may have a conflict, discuss it with the CED VMS Program Manager immediately to arrive at the proper course of action.