

## Board of Directors – Policy on Potential Conflicts of Interests

Fiscal Year July 1, 2013 – June 30, 2014

The Board of Directors of the [REDACTED] has adopted the following policy designed to avoid any possible conflict between the personal interests of Board members or staff and the interests of [REDACTED]

The purpose of this policy is to ensure that decisions about [REDACTED] operations and the use or disposition of [REDACTED] assets are made solely in terms of the benefits to [REDACTED] and are not influenced by any private profit or other personal benefit to the individuals affiliated with [REDACTED] who take part in the decision. In addition to actual conflicts of interest, board members and staff are also obliged to avoid actions that could be perceived or interpreted in conflict with [REDACTED]'s interest.

Conflicts of interest may occur when [REDACTED] enters into transactions with not-for-profit organizations as well as those that are undertaken with profit making entities. The best way to deal with this problem is to make known one's connection with organizations doing business with [REDACTED] and to refrain from participation in decisions affecting transactions between [REDACTED] and the other organizations. Such relationships do not necessarily restrict transactions so long as the relationship is clearly divulged and non-involved individuals affiliated with [REDACTED] make any necessary decisions.

### Policy

1. *Directors:* Any member of the Board of Directors who may be involved in an [REDACTED] business transaction in which there is a possible conflict of interest shall promptly notify the Executive Director. The board member shall refrain from voting on any such transaction, participating in deliberations concerning it, or using personal influence in any way in the matter. The board member's presence may not be counted in determining the quorum for any vote with respect to an [REDACTED] business transaction and such disclosure shall be recorded in the Board minutes of the meeting at which it is made. Any [REDACTED] business transaction which involves a potential conflict of interest with a member of the Board of Directors shall have terms which are at least fair and reasonable to [REDACTED] as those which would otherwise be available to [REDACTED] if it were dealing with an unrelated party.
2. *Staff:* Any staff member who may be involved in an [REDACTED] business transaction in which there is a possible conflict of interest shall promptly report the possible conflict of interest to the Executive Director. If the possible conflict involves the Executive Director, the possible conflict shall then be reported to the Chair of the Board of Directors.

The Executive Director or, where applicable, the Chair, after receiving information about a possible conflict of interest, shall take such action as is necessary to assure that the transaction is completed in the best interest of [REDACTED] without the substantive involvement of the person who has the possible conflict of interest. (This does not mean that the purchase or other transaction must necessarily be diverted, but simply that persons other than the one with the possible conflict shall make the judgments involved and shall control the transaction.)

A written record of any report of possible conflict and of any adjustments made to avoid possible conflicts of interest shall be kept by the Executive Director or, where applicable, the Chair.

Policy on Potential Conflicts of Interests (continued)

3. Definitions:

A. "Involved in an [redacted] business transaction" means initiating, making the principal recommendation for, or approving a purchase contract; recommending or selecting a vendor or contractor; drafting or negotiating the terms of such a transaction; or authorizing making payments from [redacted] accounts. That language is intended to include not only transactions for [redacted]'s procurement of goods and services, but also for the disposition of [redacted] property, and the provision of services or space by [redacted].

B. A "possible conflict of interest" is deemed to exist where the Director, or close friend, or a member of that persons household, is an officer, director, employee, proprietary, partner, or trustee, or when aggregated with close relatives and members of that person's household, holds 1% or more of the issued stock in the organization seeking to do business with [redacted]. A possible conflict is also considered to exist where such a person is (expects to be) retained as a paid consultant or contractor by an organization which seeks to do business with [redacted], and whenever a transaction will entail a payment of money or anything else of value to the official, member, to a close relative, or to a member of that person's household.

A "possible conflict of interest" exists when an individual affiliated with [redacted] is a trustee, director, officer, or employee of a not-for-profit organization which is seeking to do business with or have a significant connection with [redacted] or is engaged in activities which could be said in a business contest to be "in competition with" the programs of [redacted].

4. This policy statement shall be made available to each trustee and each person appointed to an [redacted] position which regularly involves initiation, review or approval of significant [redacted] contracts or other commitments. Such people will be asked to sign the attached acknowledgement concerning reporting of potential conflicts of interest.

I have read and understand [redacted]'s Policy on Potential Conflicts of Interest. I agree to report promptly any such interest which arises in my conduct of [redacted] business and, in other respects, to comply with the policy and its procedures.

\_\_\_\_\_ (Signed) \_\_\_\_\_ (Date)

\_\_\_\_\_ (Print Name) \_\_\_\_\_ (Company)