

2008

Oak Heritage Conservancy

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Conflict of Interest Policy

CONFLICT OF INTEREST POLICY

Oak Heritage Conservancy's effectiveness is greatly dependent upon its credibility. It is essential to maintain our reputation of fairness and objectivity. At the same time, it is predictable that individual board members, as landowners and businesspersons may be potential participants in Oak Heritage Conservancy programs. Therefore, it is appropriate for Oak Heritage Conservancy to adopt specific policies and rules to deal with real or apparent conflicts of interest.

Article I

PURPOSE

Oak Heritage Conservancy's effectiveness depends upon maintaining the highest levels of credibility, confidence and trust with the community (ies) it serves and all parties with whom it works. For this reason, it is crucial that Oak Heritage Conservancy have responsible, well-conceived conflict of interest policies and procedures to avoid real or perceived Conflicts of Interest.

All persons associated with Oak Heritage Conservancy are reminded that the decisions and activities of the board of directors and staff, whether or not addressed in this policy, are governed by an overriding requirement of honesty, good faith, and fiduciary responsibility for the organization and to the communities it serves.

This policy is intended to supplement but not replace any applicable state or federal laws governing Conflicts of Interest applicable to charitable trusts.

Article II

DEFINITIONS

- 1. Conflict of Interest:** A Conflict of Interest exists where a Covered Person (as defined below) has a material Financial Interest (as defined below) in a transaction or project under consideration by a board or committee of Oak Heritage Conservancy, or when that person proposes to act on any issue, matter, or transaction in which Oak Heritage Conservancy has an interest, and in which the Covered Person may have an interest separate from that of Oak Heritage Conservancy.

A Conflict of Interest may also exist in situations in which there is an appearance that a Covered Person is utilizing, for his or her own benefit, inside information that is proprietary to Oak Heritage Conservancy, is acting in his or her own interest rather than the best interest of Oak Heritage Conservancy, has the ability to exercise undue influence over Oak Heritage Conservancy decisions, or is receiving favorable treatment by Oak Heritage Conservancy because of his or her status as a Covered Person.

2. Covered persons:

- a. Any director or officer of Oak Heritage Conservancy.
- b. Any substantial contributor or other land trust associate (such as a volunteer) with an ability to substantially influence the financial and transactional decisions of Oak Heritage Conservancy.

3. Financial Interest: A Covered Person has a Financial Interest if the person has, directly or indirectly, through business, investment or family (including a spouse or domestic partner, or a child, sibling or parent [and the spouses of them]):

- a. An ownership or investment interest in any entity with which Oak Heritage Conservancy has a transaction or arrangement; or
- b. A compensation arrangement with Oak Heritage Conservancy or with any entity or individual with which Oak Heritage Conservancy has a transaction or arrangement; or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which Oak Heritage Conservancy is negotiating a transaction or arrangement.

Article III

PROCEDURES

- 1. General Guidelines:** All Covered Persons shall avoid Conflicts of Interest involving their duties to Oak Heritage Conservancy and any other interest or organization to which they have a duty, or any activity in which they are financially or otherwise interested. It is expected that all Covered Persons will conduct themselves under strict rules of honesty and fair dealing between themselves and Oak Heritage Conservancy. Such persons shall not use their position or knowledge gained during their association with Oak Heritage Conservancy for their private benefit (or the benefit of their family) nor to obtain an unfair advantage over any aspect of their dealings with Oak heritage Conservancy.
- 2. Duty to Disclose:** In connection with any actual or possible Conflicts of Interest, a Covered Person must disclose the matter *to any officer of the corporation* [in writing].
- 3. Determining Whether a Conflict of Interest Exists:** After disclosure of the actual or potential Conflict of Interest, and after any discussion with the disclosing person, he or she shall leave the board or committee meeting while the determination of a Conflict of Interest is discussed and voted on by the remaining board or committee members.
- 4. Procedures for Addressing the Conflict of Interest:** When a transaction or arrangement of Oak Heritage Conservancy involves an actual, potential or perceived Conflict of Interest with a Covered Person, the board or committee shall act as follows:
If a conflict of interest is found, the party with the conflict will remove themselves from further attendance at meetings in which this is dealt with. The Board must investigate and

find there is fairness to all parties and that a no more advantageous arrangement could be reasonably found before proceeding. All votes and discussions on the matter and a document of the investigation shall be recorded in or, attached to the minutes.

5. Violations of the Conflict of Interest Policy: If the board or committee has reasonable cause to believe that a Covered Person has failed to disclose actual or potential conflicts of interest, it shall inform the Covered Person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the Covered Person and making such further investigation as may be warranted under the circumstances, the board or committee determines that the Covered Person has in fact failed to disclose an actual or potential Conflict of Interest; it shall *suspend or remove from position the affected person.*

Article IV

RECORDS OF PROCEEDINGS

The minutes of the board and all committees with board-delegated powers shall contain the following:

A signed statement by each member upon appointment, election or re-election to position, which acknowledges receipt of a copy and agreement to adhere to this Conflict of Interest Policy. In addition the board will see that the conflict of Interest Policy is openly available including posting it on Oak Heritage's web site.

Article V

PERIODIC REVIEWS

Oak Heritage Conservancy shall review its conflict of Interest Policy whenever a substantial change in operations occurs (such hiring staff) or at least every five years.

Article VI

SIGNED STATEMENT

All Covered Persons shall receive and must sign a statement providing that:

As a director, officer, staff member, substantial contributor, or other Oak Heritage Conservancy associate with an ability to influence Oak Heritage Conservancy's decisions, I hereby acknowledge that I have received a copy of Oak Heritage Conservancy's Conflict of Interest Policy; I have read and understand the policy; I agree to comply with the policy; and I understand that Oak Heritage Conservancy is a charitable organization and that in order to maintain its federal tax exemption it must engage in activities which accomplish one or more of its tax-exempt purposes.

Printed Name: _____

