

Conflict of Interest Policy & Disclosure Statement

Adopted June 2024

Purpose

We recognize that Board Members and employees have diverse personal, professional, and financial interests outside of their involvement at The Center Project. The purpose of this Conflict of Interest Policy is to lay out a process by which Conflicts of Interest are identified and handled.

As a non-profit organization, TCP is accountable to both government agencies and members of the public for responsible and proper use of its resources. Conflicts of interest must be taken seriously since they can damage an organization's reputation and expose both TCP and affiliated individuals to legal liability if not handled appropriately. Even the appearance of a conflict of interest should be avoided, as it could undermine public support for the organization.

Board members have a duty to act in TCP's best interests and may not use their positions for their own financial or personal benefit.

Our responsibility is not to eliminate conflicts of interest, but rather to follow a process for handling conflicts of interest effectively. Board Members and employees have an obligation to disclose all relationships which may influence, or appear to influence, the way they carry out their responsibilities at TCP.

Scope

This policy applies to all Board members and employees.

Identifying Conflicts of Interest

What is a conflict of interest?

A conflict of interest exists when a board member or employee has a personal interest that may influence them when making a decision for the organization, or who has competing interests or loyalties.

Conflicts of interest arise when someone has, or appears to have, a vested interest (money, status, knowledge, relationships, reputation) in another organization which puts into question whether their actions, judgment, or decision-making can be unbiased.

Conflicts of interest may be:

- Financial - a situation in which a board member stands to gain or lose financially, directly or indirectly, from a decision they are asked to make

- Non-financial - a situation in which a board member is not impacted financially, but impacted in some other way that may make them appear to be biased, often as a result of family and personal relationships
- Conflict of roles - a situation in which a board member is a decision maker for two organizations about the same matter
- Predetermination - a situation in which a board member is making a decision about something and there is risk of the appearance that their mind was made up before considering all information

A Conflict of Interest does not necessarily preclude someone from being involved in a decision; it simply must be disclosed and reviewed so the Board can make a determination about the appropriate path forward on any issue.

What are some examples of potential conflicts of interest?

It is impossible to list all the possible circumstances that could present conflicts of interest. However, some examples may be helpful to understanding potential conflicts of interest.

Board members, or their family members are defined as the immediate family of an individual - their parents, siblings, partners, and children.

A third party is any business, organization, group, or entity with which TCP is entering, or considering entering, into a transaction with.

- Board members, or their family members, own or invest in any third party that TCP is considering doing business with;
- Board members, or their family members serve on the board of, volunteer with, manage, or is employed by any third party that TCP is considering working with;
- Board members, or their family members, receive or could receive compensation, benefits, gifts, or loans as a result of a transaction TCP is entering;
- Board members, or their family members, serve on the Board of Directors of another non-profit organization that is competing with TCP for a grant or contract;
- Board members, or their family members, have a close personal or business relationship with an individual participant in a transaction being considered by TCP;
- Board members, or their family members, would like to pursue a transactional relationship with TCP for their own personal benefit.

Tangible examples of these might include situations in which a board member, or their family members:

- Owns a service company that TCP would like to hire;
- Is themselves a service provider that TCP would like to hire;
- Is on the board of, volunteers with, or is employed by an organization that TCP would like to partner or work with;
- Would or could reasonably expect to receive gifts, meals, free tickets, etc. as a result of TCP deciding to work or not work with an organization;
- Is involved with another non-profit organization that is applying for the same grants and funding sources as TCP;
- Knows an individual who might receive financial resources from TCP;
- Is interested in being hired by TCP.

In situations where there is uncertainty, Board Members should err on the side of caution and disclose the potential conflict.

Addressing Potential Conflicts of Interest

Due to the nature of Conflict of Interest, each situation should be managed on a case-by-case basis as it arises. There are 3 primary ways to address, mitigate, and resolve conflicts of interest: Disclosure, Independent Review, and Recusal.

Disclosure

Conflicts of interest are very common and are not inherently illegal or improper; they simply create situations that need careful attention.

Board Members must disclose to the best of their knowledge all potential conflicts of interest as soon as they become aware of them, and always before any actions involving the potential conflict are taken.

Board Members must file an annual Conflict of Interest Disclosure Statement, attached to this policy.

Independent Review

When a matter involving a conflict of interest arises, the Board will designate an ad-hoc committee that will be responsible for seeking information from the Board Member or interested parties, assessing the situation, and recommending a decision on the matter.

The individual involved in the Conflict of Interest shall not be present during the discussion or vote on the matter and must not attempt to improperly influence the deliberation or vote.

Recusal

In the case where there is a real or perceived Conflict of Interest that might reasonably be expected to influence a Board Member's objectivity or judgment, that Board Member should recuse themselves from any deliberations or voting related to that Conflict of Interest.

Minutes & Documentation

The minutes of any board meeting at which a matter involving a conflict of interest or potential conflict of interest was discussed or voted upon shall include:

- The name of the conflicted party and the nature of the conflict of interest;
- The decision as to whether the interest does indeed present a conflict of interest; and
- The resolution and justification for the matter at hand.

Confidentiality

The Center Project is committed to protecting the privacy of all individuals. Minutes & documentation regarding conflicts of interest results will be kept confidential. Results will be stored electronically.

Prohibited Acts

TCP shall not make a loan to any board member, employee, volunteer, or any other person.

Board Members shall not receive compensation for the performance of their duties.

Policy Violations

If the TCP Board has reasonable cause to believe an individual has failed to disclose actual or potential conflicts of interest, or is performing duties in violation of this policy, it shall inform the person of the basis for such belief. An ad-hoc committee shall be convened, and the individual will be afforded the opportunity to explain the alleged failure to disclose.

If it is determined that an individual has failed to disclose a Conflict of Interest, or has performed their duties in violation of this policy, the Board shall collectively determine the appropriate course of action, which may include removal from further discussion and voting regarding the issue at hand.

Conflict of Interest Disclosure Statement

Board members and their relatives are required to refrain from any transactions that will benefit themselves or outside agencies at the expense and / or detriment of The Center Project. All board members must disclose any conflicts or potential conflicts of interest to the Board of Directors, and adhere to all related policies during their tenure with TCP.

By signing below, I affirm that:

1. I have read and understand the Conflict of Interest Policy, and have had a copy made available to me;
2. I agree to comply with the policy; and
3. I have no actual or potential conflicts as defined by the policy OR if I have, they are disclosed below.

Please disclose here, to the best of your knowledge:

1. Any entity in which you participate as a director, officer, employee, owner, or member with which TCP has a relationship;
2. Any transaction or relationship in which TCP is a participant as to which you might have a conflicting interest; and
3. Any other situation which may pose a conflict of interest.

Signature: _____

Name: _____

Date: _____