

NONPROFITS ASSISTANCE FUND POLICY: CONFLICT OF INTEREST

Approved by the Board of Directors on August 21, 2002

The proper governance of Nonprofits Assistance Fund depends upon the active participation of the members of its Board of Directors and advisory committees, who freely donate their time and talents for the benefit of the community. The organization also relies upon the talents and efforts of paid staff members. Nonprofits Assistance Fund is aware that the giving of service by its Board, committee members, and staff may occasionally result in situations involving a dual interest on the part of one or more members which might be interpreted as a conflict of interest. At the same time, Nonprofits Assistance Fund recognizes that it is inherent in the process of selection of members of the Board of Directors, advisory committees, and staff that they are and will continue to be active in the community and dualities of interest will necessarily occur because of the varied interests and backgrounds of these individuals. However, Nonprofits Assistance Fund believes that service by its Directors, advisory committee, and staff members should not be rendered impossible solely by reason of dualities of interest which might be interpreted as conflicts of interest. Nonprofits Assistance Fund believes that the matter of dualities of interest can best be handled through full disclosure of such interests, together with noninvolvement in any vote wherein such an interest may be relevant.

In light of the foregoing, the following policy is established:

1. Any duality of interest on the part of each member of the Board of Directors, advisory committee, and staff shall be disclosed to the other members of the Board or committee.
2. When a member of the Board of Directors or an advisory committee has a duality of interest that he or she reasonably believes is relevant to any matter before the Board or one of its committees, he or she shall call such interest to the attention of the Chairperson of the Board, the Executive Director, or the chairperson of the committee. The individual shall not vote on that matter and shall not use his or her personal influence in the discussion of the matter. However, any individual who is excluded from voting pursuant to this policy may briefly state his or her position on the matter and answer pertinent questions of other members when the individual's knowledge regarding the matter will assist the Board or committee.
3. The minutes of the meeting shall show that the person having a duality of interest disclosed the same and that he or she abstained from voting on the matter.
4. A copy of this policy shall be furnished to each person who is or becomes a member of the Board of Directors or advisory committee or who becomes employed by the organization. Each such person shall be required to review a copy of this policy and to acknowledge in writing that he or she has done so.

5. Each member of the Board of Directors, advisory committee, and staff shall annually complete a disclosure form identifying any relationships, positions, or circumstances in which the person is involved that he or she believes could contribute to a conflict of interest arising. Any such information regarding business interests of such person shall be treated as confidential and shall generally be made available only to the Chairperson, the Executive Director, and any committee appointed to address the conflicts of interest, except to the extent additional disclosure is necessary in connection with the implementation of this policy.