



Bluff Park Neighborhood Association

Conflict of Interest Policy

FINAL

May 11, 2017

Article I. Purpose

The purpose of this Conflict of Interest Policy is to fulfill a requirement of the Bylaws of Bluff Park Neighborhood Association (BPNA) and to protect BPNA when it is contemplating entering into a transaction or arrangement that might benefit the financial interest of one of its officers, directors, or committee members, or might result in a possible excess benefit transaction.

BPNA is a nonprofit 501(c)(3) entity. All directors, officers, committee members of BPNA function as volunteers for the BPNA and do not receive compensation for their work or services. BPNA has no paid employees or staff.

This Policy supplements, but not replace, any applicable state and federal laws governing conflicts of interest

Article II. Definitions

1. Interested Person

In Interested Person is any director, officer or member of a committee with governing board-delegated powers who has direct or indirect Financial Interest, as defined below.

2. Financial Interest

A person has a Financial Interest if the individual has, directly or indirectly, any actual or potential ownership, investment, or compensation arrangement with BPNA or with any entity that conducts transactions with BPNA.

A Financial Interest is not necessarily a conflict of interest in all cases. Under Article III, Section 2 of IRS Form 1023, a person with a Financial Relationship may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III. Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the directors and members of the committees with governing board-delegated powers considering the proposed transaction or arrangement.

In an effort to aid such disclosure, each member (board, officer, committee, or staff) shall complete the Conflict of Interest Questionnaire attached as circumstances warrant, but no less frequently than annually.

2. Determining Whether a Conflict of Interest Exists

The BPNA Board of Directors shall review each member questionnaire and any other disclosures regarding the Financial Interests of its members.

After disclosure of the Financial Interest, the Interested Person shall leave the Board meeting while the remaining Board members discuss and vote on whether a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

After exercising its due diligence, the Board shall determine whether the organization can obtain with reasonable effort a more advantageous transaction or arrangement from a person or entity that would not produce a conflict of interest.

The Interested Person shall not be present in the room during the determination.

If an alternative transaction or arrangement is not possible, the Board shall determine by majority vote of the disinterested Board members whether the transaction or arrangement is in the best interests of BPNA, for its own benefit, and is fair and reasonable.

Based on these determinations, the Board shall make its decision on whether to enter into or allow the transaction or arrangement.

4. Disciplinary Action

If the Board has reason to believe an individual has failed to disclose actual or potential conflicts of interest, it will inform the individual and allow him/her to explain the alleged failure to disclose.

If the Board has reason to believe a conflict of interest exists after the alleged conflict is explained, it will take corrective action.



Bluff Park Neighborhood Association

Conflict of Interest Questionnaire

This questionnaire must be completed at least annually by all board and committee members of the Bluff Park Neighborhood Association (BPNA). The questionnaire is designed to address BPNA's Conflict of Interest Policy. Answers here must relate to relationships that are currently occurring OR have occurred in the preceding 12 months. The named person completing this questionnaire attests that the information below is true, accurate and complete.

Name: _____ Position in BPNA: _____

Signed: _____ Date: _____

| | NO | YES, Explain here or on reverse |
|---|----|---------------------------------|
| Officer of an organization that conducts business or has a business relationship with BPNA? | | |
| Member of the board of an organization with whom BPNA has/had a business relationship? | | |
| Family relationship with anyone who has a noted relationship with BPNA? Family relationships include the relationships of the person <u>and</u> his/her spouse/domestic partner and include sibling, parent, grandparent, child, and grandchild. | | |
| Participant, directly or indirectly, in any employment agreement, compensation relationship, or another arrangement or investment opportunity with a third-party vendor doing business with BPNA that has resulted or could result in personal benefit? | | |
| Recipient, directly or indirectly, of any salary payments, loans, gifts of any kind or free service, discounts, or other fees from any person or organization engaged in any transaction with BPNA? | | |
| Ownership share of a business that does business with BPNA? Ownership means voting power in the corporation, profits, interest in a partnership, or beneficial interest in a trust. | | |

Board of Directors' Assessment and Action

Date: _____ Members Present: _____

Conflict of interest Exists?

_____ No

_____ Yes, Action Taken: _____

Signed _____ by (Printed Name) _____