

Scenic Rivers Land Trust
Conflict of Interest Policy
Adopted: September 12, 2017

Article I: Introduction

Scenic Rivers Land Trust's effectiveness depends upon maintaining the highest levels of credibility, confidence and trust with the community it serves and all parties with which it works. For this reason, this policy was written to help Scenic Rivers Land Trust staff and Board of Directors members identify and avoid or resolve conflicts of interest.

SRLT employees and Board members must read and retain a copy of this Conflict of Interest Policy and Procedure at the outset of their tenure with SRLT and at such time as the policy or procedure is amended.

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 community 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

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 Scenic Rivers Land Trust, or when that person proposes to act on any issue, matter or transaction in which Scenic Rivers Land Trust has an interest, and in which the Covered Person may have an interest separate from that of Scenic Rivers Land Trust.

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 (as defined below), is acting in his or her own interest rather than the best interest of Scenic Rivers Land Trust, has the ability to exercise undue influence over Scenic Rivers Land Trust decisions, or is receiving favorable treatment by Scenic Rivers Land Trust because of his or her status as a Covered Person.

Covered Persons:

- Any director or officer of Scenic Rivers Land Trust.
- Any staff member of Scenic Rivers Land Trust.
- Substantial contributors.
- Parties related to the above.
- Key volunteers, committee members, donors or others who:
 - Have an ability to influence decisions of the organization
 - Have access to information not available to the general public

Financial Interest:

Such person stands to gain some direct or indirect financial benefit in a transaction, direct or indirect, other than one that is so minor that no one would reasonably believe that the interest could affect or influence the judgment or decisions of the person or persons involved. Any person acting as buyer's or seller's agent, attorney, consultant, surveyor or banker (or in any other transaction or potential transaction that is related to or which in any way would be benefited by a transaction) in a transaction shall be deemed to have Financial Interest

Inside Information:

Includes any material information that is identified as confidential or proprietary pertaining to the business and affairs of SRLT, whether related to a specific transaction or to matters pertaining to SRLT's interests, activities, and policies.

Article III: Procedures

General Guidelines:

All Covered Persons shall avoid Conflicts of Interest involving their duties to Scenic Rivers Land Trust 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 Scenic Rivers Land Trust. Such persons shall not use their position or knowledge gained during their association with Scenic Rivers Land Trust for their private benefit (or the benefit of their family) nor to obtain an unfair advantage over any aspect of their dealings with Scenic Rivers Land Trust.

The Board Chair and the Treasurer and/or firms, companies, or entities for whom they work for professional services (the Internal Revenue Service's Form 1099-MISC) cannot be compensated by the organization, if the individual's compensation from the firm, company, or entity is based in whole or in part on distributions from its profits.

The Board Chair and the Treasurer and/or firms, companies, or entities for whom they work shall never be retained to conduct a financial compilation, review, or audit of the land trust's financial records.

Insider Obligations:

Duty to Disclose:

- A. A covered person shall promptly and fully disclose all known material facts of every actual, potential or perceived conflict of interest:
 - i. Existing at the time when he/she becomes a covered person;
 - ii. That arise while she/he is a covered person, at the time such actual or potential conflict arises; and
 - iii. Annually through the conflict of Interest Statement, a copy of which is attached hereto.
- B. A person who is in doubt as to the existence of a conflict of interest is encouraged to disclose all facts pertaining to the transaction or arrangement before undertaking the transaction or arrangement or making any decision in the matter.
- C. As to staff members, other than the Executive Director, and volunteers, disclosure shall be to his or her supervisor. As to the Executive Director and all Board members other than the Board

Chair, disclosure shall be to the Board Chair. As to the Board Chair, disclosure shall be made to the Executive Committee. As to all other insiders, including substantial contributors, disclosure shall be to the Executive Director or the Board Chair.

Recusal:

- A. After such disclosure, abstain from discussing with Board or staff members anything related to the conflict of interest or circumstances unless specifically asked by the Board or a Board Committee to give information on the matter.
- B. Not be present for Board or Board Committee discussions on anything related to the conflict of interest or circumstances unless specifically asked by the Board or a Board Committee to give information on the matter.
- C. Not be present for and abstain from voting on anything related to the conflict of interest or circumstances.
- D. Resign from the Board, if requested to do so by the Board, until such time as the matter giving rise to the conflict of interest or circumstances has been resolved. When in the opinion of the Board the matter has been sufficiently resolved, the resigned director may be invited to rejoin the board.

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.

Procedures for Addressing the Conflict of Interest:

When a transaction or arrangement of Scenic Rivers Land Trust involves an actual, potential or perceived Conflict of Interest with a Covered Person, the board or committee shall act as follows:

1. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
2. After exercising due diligence, the governing board or committee shall determine whether the land trust can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
3. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the land trust's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
4. The conflicted party may not be present during this discussion, unless asked to provide information, and may not vote on an issue where he or she is conflicted.

Violations of the Conflict of Interest Policy:

If the board or committee (or other person responsible for administering the policy — such as the chief executive with respect to staff conflicts) 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 take appropriate disciplinary and corrective action.

Article IV: Records of Proceedings

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

- a. The names of the persons who disclosed an actual, potential, or perceived conflict of interest or otherwise were found to have a conflict of interest;
- b. The nature of the conflict of interest;
- c. Any action taken to determine whether a conflict of interest was present;
- d. The Board or committee's decision as to whether a conflict of interest in fact existed;
- e. The names of the persons who were present for discussions and votes relating to the transaction or arrangement;
- f. The content of the discussion, including any alternatives to the proposed transaction or arrangement considered and any comparability data relied upon; and
- g. A record of any votes taken in connection with the issue, transaction or arrangement.

Article V: Periodic Reviews

To ensure Scenic Rivers Land Trust operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, the board shall conduct periodic reviews of any arrangements made under this policy and of the policy itself.

Annually:

- The content of this policy shall be orally summarized for the Board and each member and employee shall be asked to sign a statement acknowledging that he or she is familiar with, and agrees to abide by, this policy.
- Conduct a review of whether partnerships, joint ventures, and arrangements with management organizations conform to the land trust's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Every three years:

- The Board of Directors and the Executive Director will review and assess this Conflict of Interest Policy and Procedure and its implementation and notify employees, volunteers, Board members, and other covered persons of any changes and/or revisions.

**Annual Acknowledgement and Acceptance
Of
Scenic Rivers Land Trust
Conflict of Interest Policy**

As a director, officer, staff member, or other Scenic Rivers Land Trust associate with an ability to influence Scenic Rivers Land Trust's decisions, I hereby acknowledge that I have:

- Received a copy of Scenic Rivers Land Trust's Conflict of Interest Policy;
- I have read and understand the policy; I agree to comply with the policy; and
- I understand that Scenic Rivers Land Trust is a charitable organization and that in order to maintain its federal tax exemption it must engage in activities that accomplish one or more of its tax-exempt purposes.

Which is in accordance with Scenic Rivers Land Trust Articles of Incorporations, Article 10, and Bylaws, Section 13.

If the undersigned wishes to make any disclosures required by the Conflict of Interest Policy that have not previously been made, the required disclosures are set forth below following the undersigned's signature

Printed Name: _____

Position: _____

Signature: _____

Date: _____

Required Disclosures:
