

Oakdale Neighbors Conflict of Interest Policy

1. Rationale

As a ministry initiated and sustained by God, the organization has a mandate to conduct all of its affairs decently and above reproach both in the sight of God and man. That accountability includes a commitment to operate with the highest level of integrity and to avoid conflicts of interest. This duty is underscored by Standard #6 of the Evangelical Council for Financial Accountability (ECFA).

As a nonprofit, tax-exempt entity, the organization depends on charitable contributions from the public. Maintenance of its tax-exempt status is important both for its continued financial stability and for the receipt of contributions and public support. Therefore, the IRS and state corporate and tax officials view the operations of the organization as a public trust, accountable to both governmental authorities and members of the public.

Among the organization and its Board, officers, and management employees, there exists a fiduciary duty, which carries with it a broad and unbending duty of loyalty. The Board, officers, and management employees are responsible for administering the affairs of the organization honestly and prudently, and for exercising their best care, skill, and judgment for the sole benefit of the organization. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the organization or knowledge gained there from for their personal benefit. The interests of the organization must have the first priority, and all purchases of goods and services must be affected on a basis that secures for the organization full competitive advantages as to product, service, and price.

2. Persons Concerned

This statement is directed to Directors and officers, as well as those employees annually designated by the Board who influence the actions of the organization or its Board, or make commitments on their behalf. For example, this would include all who make purchasing decisions, all other persons who might be described as “management personnel,” and all who have proprietary information concerning the organization.

3. Areas in Which Conflicts May Arise

Conflicts of interest may arise in the relations of Trustees, officers, and management employees with any of the following third parties:

1. Persons or entities supplying goods and services to the organization.
2. Persons or entities from which the organization leases property and equipment.
3. Persons or entities with whom the organization is dealing or planning to deal in connection with the gift, purchase, or sale of real estate, securities, or other property.
4. Persons or entities paying honoraria or royalties for products or for services delivered by the organization for its agents or employees.
5. Other ministries or nonprofit organizations.
6. Donors and others supporting the organization.

7. Stations or programmers that carry the organization's programming.
8. Agencies, organizations, and associations that affect the operations of the organization.

4. Nature of Conflicting Interest

A material conflicting interest may be defined as an interest, direct or indirect, between any person or entity mentioned in Section 3: Areas in Which Conflicts May Arise, and a Trustee, officer, or management employee, which might affect, or might reasonably be thought by others to affect, the judgment or conduct of a Trustee, officer, or management employee of the organization. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with the organization.
2. Holding office, serving on the Board, participating in management, or being otherwise employed (or formerly employed) in any third party dealing with the organization.
3. Receiving remuneration for services with respect to individual transactions involving the organization.
4. Using the organization's personnel, equipment, supplies, or goodwill for other than organization-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing with the organizations. (Receipt of any gift is disapproved except gifts of nominal value, which could not be refused without discourtesy. No personal gift of money should ever be accepted.)
6. Obtaining an interest in real estate, securities, or other property that the organization might consider buying or leasing.
7. Expending staff time during the organization's normal business hours for personal affairs or for other organizations, civic or otherwise, to the detriment of work performance for the organization.

As noted above, conflicting interests may be indirect. A Trustee, officer, or management employee will be considered to have an indirect interest in another entity or transaction if any of the following also have an interest:

1. A family member of a Trustee, officer, or management employee. (Family member is defined for these purposes as all persons related by blood or marriage.)
2. An estate or trust of which the Trustee, officer, or management employee or member of his family is a beneficiary, personal representative, or trustee.
3. A company of which a member of the family of the Trustee, officer, or management employee is an officer, director, or employee, or in which he has ownership or other proprietary interests.

5. Interpretation of This Statement of Policy

The areas of conflicting interest listed above and the relations in those areas which may give rise to conflict, are not exhaustive. Conceivably, conflicts might arise in other areas or through other relations. It is assumed that the Directors, officers, and management employees will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 3 or 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances that it is necessarily adverse to the interests of the organization. However, it is the policy of the Board that the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of directors, officers, and management employees to scrutinize their transactions with outside business interests and relationships for potential conflicts and to immediately make such disclosures.

All directors, officers, agents, and employees of this organization shall disclose all real or apparent conflict or dualities of interest that they discover or that have been brought to their attention in connection with this organization's activities. "Disclosure" shall mean providing properly, to the appropriate person, a written description of the facts comprising the real or apparent conflict or duality of interest.

An annual disclosure statement shall be circulated to directors, officers, and certain identified agents and employees to assist them in considering such disclosures, but disclosure is appropriate and required whenever conflicts or dualities of interest may occur. The written notices of disclosures shall be filed with the President or such other person designated by the President to receive such notifications. At the meeting of the top governing body, all disclosures of real or apparent conflict or duality of interest shall be noted for the record in the minutes. The Board shall then determine whether a conflict exists and is material, and in the presence of an existing material conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable as to the organization. The decisions on these matters are the sole discretion of the Board. The Board's first concern must be the welfare of the organization and the advancement of its purposes.

An individual director, officer, agent, or employee who believes that he or she or an immediate member of his or her immediate family might have a real or apparent conflict of interest, in addition to filing a notice of disclosure, must abstain from:

1. participating in discussions or deliberations with respect to the subject of the conflict (other than to present factual information or to answer questions),
2. using his or her personal influence to affect deliberations,
3. making motions,
4. voting,
5. executing agreements, or
6. taking similar actions on behalf of the organizations where the conflict or duality of interest might pertain by law, agreement, or otherwise.

At the discretion of the top governing body or a committee thereof, a person with a real or apparent conflict or duality of interest may be excused from all or any portion of discussion or deliberations with respect to the subject of the conflict.

A member of the top governing body or a committee thereof, who, having disclosed a conflict or duality of interest, nevertheless shall be counted in determining the existence of a quorum at any meeting in which the subject of the conflict is discussed. The minutes of the meeting shall reflect the individual's disclosure, the vote thereon, and the individual's abstention from participation and voting.

The Executive Director shall ensure that all directors, officers, agents, employees, and independent contractors of the organization are made aware of the organization's policy with respect to conflicts or duality of interest.

Oakdale Neighbors Board of Directors
Conflict of Interest Statement

I have carefully read the foregoing Statement of Policy concerning Conflicts of Interest. In signing this certificate, I have considered not only the literal expression of the policy, but also its intents. I hereby certify that, except as hereinafter stated, I, to the best of my knowledge: (1) have none of the relations described in Section 4 with any person or firm of the classes listed in Section 3; and (2) have no interests conflicting with the interests of this organization, nor do I have any relationship that may appear conflicting.

THE EXCEPTIONS ARE:

If any situation should arise in the future which I believe may involve me in a conflict of interest, I will promptly and fully disclose the circumstances to the President or the Chairman of the Board, directly or through my immediate superior.

(Signature)

(Date)