



## **CONFLICT OF INTEREST POLICY**

### **General Principles for Avoidance of a Conflict of Interest**

Approved by the Board of Directors March, 2000

Amended November 9, 2002

Revised April 14, 2007

Revised January 6, 2017

### **PREAMBLE**

The Geneva Lake Conservancy's effectiveness is especially dependent upon its credibility. We believe it is vital to be professional, fair, and accountable in all our activities as a non-profit community organization. At the same time, it is likely that individual Board members and staff, and members of their families, as landowners, agriculturists, developers, public officials, and business owners, may be potential participants in Geneva Lake Conservancy (Conservancy or GLC) programs. Therefore, the Board of Directors of the Geneva Lake Conservancy has adopted the following Conflict of Interest Policy to ensure that Board directors, Board officers, and staff avoid perceived or real conflicts of interest.

### **DEFINITION**

A conflict of interest exists whenever an "insider," including Board directors and officers, employees, Advisory and Emeritus Board members, substantial contributors (those who give cash or in-kind donations of \$25,000 or more per calendar year), independent contractors, or the spouse, siblings, parents, or children of said person, has:

- a material financial interest,
- an apparent interest, or
- a situation where an interest might be construed to exist in a transaction or project under consideration by the Board of Directors of the Geneva Lake Conservancy.

Further, an insider has an indirect interest in a transaction or project if:

- another entity in which the director or employee has a material interest or in which the director or employee is a general partner is a party to the transaction; or
- another entity of which the director or employee is a director, officer, or Board member is a party to the transaction.

### **POLICY**

- Generally, the Board shall not hire for a fee or for free a director or a member of his/her immediate family to do work for the Geneva Lake Conservancy, except when it is fair

and reasonable or the Board otherwise determines it is in the best interest of GLC, and then, after full discussion and a written contract approved by the Board.

- The Conservancy will not conduct business with any business or professional entity in which a Board member, staff member or family member of a Board member or staff member holds a substantial ownership interest. Board members having an interest in an entity with which the Conservancy is considering establishing a business relationship are obligated to disclose such interest.
- Paid staff members are prohibited from serving as Board members.
- No Conservancy Board member shall be compensated for work performed on behalf of the Conservancy or for services provided to the Conservancy.
- Board members may, as individuals or through their companies, donate services for the Conservancy's benefit for which no compensation is provided.
- Board members may receive reimbursement of expenses (e.g. materials, travel, living and miscellaneous expenses) only when expressly approved by the Board of Directors, the Executive Committee or the Chairman of the Board.

## **LAND TRANSACTIONS**

- The Geneva Lake Conservancy may not buy land, or interests in land, from, sell land or interests in land to or exchange land with any Board or staff member unless approved by the full Board.
- The Geneva Lake Conservancy may accept donations of land or interests in land from Board members or staff, or their family members, or from a corporation, trust, or other entity in which a Board member, staff, or family member of either has a significant pecuniary or advisory interest if these donations meet the organization's mission, existing criteria for land acquisitions and criteria for acceptance of donations. In the event such a gift is proposed, the Board member or staff member shall be deemed to have a conflict of interest and shall not participate in discussion or vote regarding that transaction or any subsequent decisions or actions of the Board regarding that property. All procedures for selecting the project, acquiring or selling the land or conservation easement and avoiding a conflict of interest shall be clearly documented in board meeting minutes and other documents if necessary.
- When selling land or buying land from an insider, the Geneva Lake Conservancy must use a certified appraiser, market the property widely and price it at or above fair market value.

## **DIRECTOR'S OBLIGATIONS**

Each member of the Board of Directors has the following obligations:

- 1- To have an undivided allegiance to the Geneva Lake Conservancy's mission and programs.

- 2- To refrain from using his/her position or information concerning GLC intellectual or physical properties to secure a pecuniary benefit for himself/herself or a third party, including another non-profit organization.
- 3- To promptly disclose to the Board, its Chairman, or the Executive Director the existence of any real or apparent conflict of interest that exists or may arise including, but not limited to, participating as a principal, owner or investor in land development projects in Walworth County.
- 4- To abstain from discussing any issue involved in a conflict of interest, unless requested by the Board, or a committee thereof, to give information on the issue.
- 5- To absent himself or herself from Board or committee discussions on any such project or transactions involving a conflict of interest, unless requested by the Board or committee to give information on the issue.
- 6- To abstain from voting on any such issue.
- 7- If so requested by the Board, to take a temporary leave or absence from the Board of Directors, until such time as the matter giving rise to the conflict of interest has been resolved.

### **STAFF'S OBLIGATIONS**

Each staff member has the following obligations:

- 1 - To have an undivided allegiance to the Geneva Lake Conservancy's mission and programs.
- 2 - To refrain from using his/her position or information concerning GLC or its property to secure a pecuniary benefit for himself/herself or a third party, including another non-profit organization.
- 3 - To promptly disclose to the executive director, or Board Chairman, the existence of any real or apparent conflict of interest that exists or may arise, including but not limited to, participating as a principal, owner or investor in land development projects in Walworth County.
- 4 - To abstain from discussing any issue involved in a conflict of interest, unless requested by the Board, a committee thereof, or the executive director, to give information on the issue.
- 5 - To abstain from participating as a GLC employee in any conflicting program or project while the conflict exists.

### **BOARD'S OBLIGATIONS**

If a transaction or project of GLC involves a conflict of interest, whether real or apparent, by a member of the Board of Directors or staff, the Board shall do the following:

- 1 - Approve of such a project or transaction only if the Board makes specific findings that
  - (A) the transaction or project
    - (i) is fair and benefits GLC and its objectives; and
    - (ii) is approved with full knowledge of the economic benefit to the director or staff member involved in the conflict of interest; and

(B) that the affected director has not participated in the discussion or vote approving the transaction or project and that the affected director or staff member was in fact absent both during the discussion of the transaction or project, and at the time the Board voted thereon.

- 2 - If the Board determines that the nature and magnitude of the conflict of interest warrants the same, the Board shall request that the affected director take a leave of absence from the Board of Directors.
- 3 - Approve of such a project or transaction if such action receives the affirmative vote of a majority of the directors on the Board who have no direct or indirect interest in the transaction.

**EXPLANATION AND ENFORCEMENT**

The above stated Conflict of Interest Policy shall be reviewed annually by the Geneva Lake Conservancy Board of Directors and staff. The directors and the staff shall each sign an annual declaration stating that they each have reviewed, and agree to comply with, the policy. Failure to sign is cause for removal from the Board or as an employee.

Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

I, \_\_\_\_\_, may have a future conflict of interest based on my position in the following organizations or because of the following relationships:

<u>POSITION</u>	<u>ORGANIZATION/RELATIONSHIP</u>
1. _____	_____
2. _____	_____
3. _____	_____

4. \_\_\_\_\_

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5. \_\_\_\_\_

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