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1.0 Purpose

The purpose of this Conflict of Interest Policy (Policy) is:

- a) to protect the interest of the Buffalo Niagara Human Resource Association (organization) when the organization is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, or key employee (as defined below) of the organization, and
- b) to ensure that the organization's directors, officers, and key employees act in the organization's best interests and comply with applicable legal requirements. This policy is intended to supplement but not replace any applicable federal and state laws governing conflicts of interest applicable to not for profit organizations.

2.0 Definitions

1. Related Party

- a) Any director, officer, or key employee of the organization,
- b) any relative or family (as those terms defined below) of any director, officer, or key employee of the organization or
- c) any entity in which an individual described in a) or b) of this definition has a 35% or greater ownership or beneficial interest or, in case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%.

2. Key Employee

Any person who is in a position to exercise substantial influence over the affairs of the organization, and any other person designated by the organization's Board of Directors as a key employee for the purposes of this policy.

3. Relative or Family

An individual's spouse, domestic partner, ancestors, brothers and sisters, children, grandchildren, and great-grandchildren are defined as a relative or family for this policy.

4. Related Party Transaction

Related party transaction is defined as any transaction, agreement or any other arrangement in which a related party has a financial interest (as defined by this policy) and in which the organization is a participant of.

5. Financial Interest

A financial interest is defined through business, investment, or family, a direct or indirect ownership or investment interest in (other than an investment of less than 5% in a publically traded entity) , or compensation arrangement with, any entity or individual with which the organization has entered into, or is negotiating, any transaction, agreement or other arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

6. Conflict of Interest

A conflict of interest may exist when a related party: a) owes a duty to more than one person or organization; b) has a financial interests that potentially inconsistent with the interest of the organization; or c) has any interest or engages in a related party transactions.

3.0 Procedures

1. Duty to Disclose

In connection with any actual or potential conflict of interest and/or any actual or proposed related party transaction, a related party must disclose in good faith, the existence of his or her interest and all material facts concerning such interest to the Board of Directors. The Board of Directors shall decide if a conflict of interest and/or related party transaction exists.

2. Procedure for Determining Whether a Conflict of Interest Exists

a) At the request of the Board of Directors, the related party may make a presentation regarding the existence and nature of the related party's interest.

b) The related party cannot be present at or participate in the deliberations or any vote with the respect to the matter. Such related party is also prohibited from attempting to influence in any manner the deliberations or vote on the matter.

c) If the matter involves a related party transaction, the Board of Directors shall determine, through reasonable efforts, whether an alternative transaction, agreement, or arrangement is obtainable that would not result in a related party transaction.

d) Where the Board of Directors determines that an alternative transaction, agreement, or arrangement would not be appropriate under the circumstances, the organization may enter into or continue such related party transaction, provided that the Board of Directors determines by a majority vote of the disinterested members present that the related party transaction is in the organization's best interests and for its own benefit and fair and reasonable to the organization.

4.0 Record of Proceedings

The minutes of the Board of Directors meeting shall contain the name of the related party who disclosed a potential conflict of interest or related party transaction, the nature of the potential conflict of interest or related party transaction, any action taken to determine whether a conflict of interest or related party transaction is in the organization's best interests and for its own benefit and fair and reasonable to the organization and record of any votes taken in the connection therewith.

5.0 Initial Statement and Annual Statements

Prior to the initial election of a director or the employment of a key employee, and annually thereafter (at or prior to the organization's annual meeting), such director or key employee shall complete and sign and submit to the Secretary of the Organization a written statement which:

1. affirms that such director or key employee:
 - a) has received a copy of this policy
 - b) has read and understands this policy
 - c) has agreed to comply with this policy, and
 - d) understands that in order for the organization to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes; and
2. identifies, to the best of such director's or key employee's knowledge, any entity of which such director or key employee is an officer, director, trustee, member, owner, or employee and with which the organization is a participant and in which the director or key employee might have a conflicting interest. Existing directors and key employees shall

be required to annually (at or prior to the organization's annual meeting) submit a completed and signed statement to the Secretary of the organization.

3. The Secretary of the organization shall provide a copy of all completed statements to the President of the organization.

4. The Initial/Annual Conflict of Interest Statement is attached to this policy.

INITIAL/ANNUAL CONFLICT OF INTEREST STATEMENT

The Organization’s conflict of interest policy (the policy) is applicable to each director and key employee of the organization. The purpose of this statement is to help identify actual or potential conflict of interest or related party transactions. Accordingly, and to the best of my knowledge:

1) I am an officer, director, trustee, member, owner, or employee of the following entities with which the organization has a relationship:

2) I may have a conflicting interest with the following transactions in which the organization is a participant.

I affirm that:

- a. I have received a copy of the policy
- b. I have read and understand the policy.
- c. I agree to comply with the policy; and
- d. I understand in order for the organization to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Name (print)

Signature

Date

Received by Secretary: _____

Date _____