

New York State Women, Inc.

Conflict of Interest Policy

Conflict of interest arises whenever the personal or professional interests of a board member are potentially at odds with the best interests of the nonprofit. Such conflicts are common: A board member performs professional services for an organization, or proposes that a relative or friend be considered for a staff position. Such transactions are perfectly acceptable if they benefit the organization and if the board made the decisions in an objective and informed manner. Even if they do not meet these standards, such transactions are usually not illegal. They are, however, vulnerable to legal challenges and public misunderstanding. Loss of public confidence and a damaged reputation are the most likely results of a poorly managed conflict of interest. Because public confidence is important to most nonprofits, boards should take steps to avoid even the appearance of impropriety.

A. The members of the Board of Directors of the organization should neither solicit nor accept gratuities, favors, or anything of monetary value for personal use or gain from contractors/vendors. This is not intended to preclude bona-fide organization fundraising activities.

B. No member of the Board of Directors of the organization shall participate in the selection or award of a contract with a vendor where, to his/her knowledge, any of the following has a financial interest in that contract:

1. The member of the Board of Directors;
2. Any member of their immediate family;
3. Their partner;
4. An organization in which any of the above is an officer, director or employee;
5. A person or organization with whom any of the above individuals is negotiating or has an arrangement concerning prospective employment.

C. **Disclosure**--Any possible conflict of interest shall be disclosed by the person or persons concerned.

D. **Board Action**--When a conflict of interest is relevant to a matter requiring action by the Board, the interested person(s) shall call it to the attention of the Board and said person(s) shall not vote on the matter. In addition, the person(s) shall not be present unless requested nor participate in the final decision or related deliberation regarding the matter under consideration. When there is a doubt as to whether a conflict exists, the matter shall be resolved by vote of the Board of Directors, excluding the person(s) concerning whose situation the doubt has arisen.

E. **Record of Conflict**--The official minutes of the Board of Directors shall reflect that the conflict of interest was disclosed and the interested person(s) did not participate in the final discussion or vote and did not vote on the matter.

_____	_____
Name of Board Member	Title of Board member
_____	_____
Signature of Board Member	Date