

# CONFLICT OF INTEREST POLICY

## Assistance League of Salt Lake City

This conflict of interest policy is designed to help the Board of Directors, employees and members of Assistance League of Salt Lake City identify situations that present potential conflicts of interest and to provide Assistance League of Salt Lake City with a procedure which will allow a transaction to be treated as valid and binding even though the Board of Directors, members or employees have or may have a conflict of interest with respect to the transaction. The policy is intended to comply with the procedure prescribed in Utah statutes governing conflicts of interest for directors of nonprofit corporations and with the Bylaws of Assistance League of Salt Lake City, Article 2, Section 2.02 (h), 'The activities of this organization shall be conducted without financial benefit to any member of the corporation.'

### DEFINITIONS.

1. A Potential Conflict of Interest is any circumstance described in Part 2 of this Policy.
2. A Responsible Person is any person serving on the Board of Directors, any voting member or non-voting member. Any employee and any non-member volunteer acting as an agent of Assistance League of Salt Lake City.
3. A Family Member is a spouse, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister, of a Responsible Person.
4. A Material Financial Interest in an entity is a financial interest of any kind, which, in view of all circumstances, is substantial enough that it would, or reasonably could, affect a Responsible Person's or Family Member's judgment with respect to transactions to which the entity is a party.
5. A Contract or Transaction is any agreement or relationship involving the sale or purchase of goods, services or rights of any kind, the providing or receipt of a loan or grant, the establishment of any other type of pecuniary relationship or review of a charitable organization by Assistance League of Salt Lake City. The making of a gift to Assistance League of Salt Lake City is not a Contract or Transaction.

### 1. POTENTIAL CONFLICT OF INTEREST DEFINED.

For purposes of this policy, the following circumstances shall be deemed to create Potential Conflicts of Interest:

1. Outside Interests.
  1. A Contract or Transaction between Assistance League of Salt Lake City and a Responsible Person or Family Member.
  2. A Contract or Transaction between Assistance League of Salt Lake City and an entity in which a Responsible Person or Family Member has a Material Financial Interest or of which such person is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative.
2. Outside Activities.
  1. A Responsible Person competing with Assistance League of Salt Lake City in the rendering of services or in any other Contract or Transaction with a third party.
  2. A Responsible Person's having a Material Financial Interest in; or serving as a director, officer, employee, agent, partner, associate, trustee, personal representative of, or consultant to, an entity or individual that competes with Assistance League of Salt Lake City in the provision of services or in any other Contract or Transaction with a third party.
3. Gifts, Gratuities and Entertainment. A Responsible Person accepting gifts, entertainment or other favors from any individual or entity that:
  1. Does or is seeking to do business with, or is a competitor of Assistance League of Salt Lake City; or
  2. Has received, is receiving or is seeking to receive a loan or grant, or seeks to secure other financial commitments from Assistance League of Salt Lake City; or
  3. Is a charitable organization;

Under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person in the performance of duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value.

## 2. PROCEDURES.

1. Prior to Board or committee action on a Contract or Transaction involving a Potential Conflict of Interest, a director or committee member having a Potential Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Potential Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting
2. A director or committee member who plans not to attend a meeting at which such person has reason to believe that the Board or committee will act on a matter in which the person has a Potential Conflict of Interest shall disclose to the chairman of the meeting all facts material to the Potential Conflict of interest. The chairman shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
3. A person who has a Potential Conflict of Interest shall not participate in or be permitted to hear the Board or committee discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert their personal influence with respect to the matter, either at or outside the meeting.
4. A person who has a Potential Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a Potential Conflict of Interest may not vote on the Contract or Transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.
5. Responsible Persons who are not members of the Board of Directors of Assistance League of Salt Lake City, or who have a Potential Conflict of Interest with respect to a Contract or Transaction that is not the subject of Board or committee action, shall disclose to the chairman or the chairman's designee any Potential Conflict of Interest that such Responsible Person has with respect to a Contract or Transaction. Such disclosure shall be made as soon as the Potential Conflict of interest is known to the Responsible Person. The Responsible Person shall refrain from any action that may affect Assistance League of Salt Lake City's participation in such Contract or Transaction.  
  
In the event it is not entirely clear that a Potential Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the chairman or the chairman's designee, who shall determine whether there exists a Potential Conflict of Interest that is subject to this policy.

## 3. CONFIDENTIALITY.

Each Responsible Person shall exercise care not to disclose confidential information acquired in connection with such status or information which might be adverse to the interests of Assistance League of Salt Lake City. Each Responsible Person shall not disclose or use information relating to the business of Assistance League of Salt Lake City for the personal profit or advantage of the Responsible Person or a Family Member. Each Responsible Person shall not disclose or use Assistance League of Salt Lake City's roster, mailing lists or donor names in any form for the personal profit or advantage of the Responsible Person or a Family Member.

#### **4. SELF-DEALING.**

Each Responsible Person shall not receive any advantage over the public in relation to Assistance League of Salt Lake City's Thrift on 33. This includes the following: No Responsible Person shall make purchases outside of store hours or during his or her shift. No Responsible Person shall purchase items that have not been placed on the sales floor, take any merchandise home on approval, or put items on hold. Purchases by a Responsible Person shall be made during normal working hours with payment by cash or credit card. Items that will not be offered for sale in the store or have been designated to other charitable organizations are not available to members.

#### **5. REVIEW OF POLICY.**

1. Each new Responsible Person shall be required to review a copy of this policy and to acknowledge such in writing.
2. This policy shall be reviewed annually by the Board of Directors. Any changes to the policy shall be communicated immediately to all Responsible Persons.