



Homeword

Homeword Conflict of Interest Policy

It is in the best interest of Homeword to be aware of and properly manage all conflicts of interest and appearances of a conflict of interest. This conflict of interest policy is designed to help employees, volunteers, directors and officers of Homeword identify situations that present potential conflicts of interest and to provide Homeword with a procedure to appropriately manage conflicts in accordance with legal requirements and the goals of accountability and transparency in Homeword operations.

1. Conflict of Interest Defined. In this policy, a person with a conflict of interest is referred to as an "interested person." For purposes of this policy, the following circumstances shall be deemed to create a Conflict of Interest:

- a) A director, officer, employee, or volunteer, including a board member (or family member of any of the foregoing) is a party to a contract, or involved in a transaction with Homeword for goods or services.
- b) A director, officer, employee or volunteer (or a family member of any of the foregoing) has a material financial interest in a transaction between Homeword and an entity in which the director, officer, employee or volunteer or a family member of the foregoing, is a director, officer, agent, partner, associate, employee, trustee, personal representative, receiver, guardian, custodian, or other legal representative.
- c) A director, officer, employee or volunteer (or a family member of the foregoing) is engaged in some capacity or has a material financial interest in a business or enterprise that competes with Homeword.

Other situations may create the *appearance of a conflict*, or present a *duality of interests* in connection with a person who has influence over the activities or finances of the nonprofit. All such circumstances should be disclosed as provided for in this policy so that the best interests of Homeword are not compromised by the personal interests of stakeholders in the nonprofit.

Gifts, Gratuities and Entertainment. Accepting gifts, entertainment or other favors from individuals or entities can also result in a conflict or duality of interest when the party providing the gift/entertainment/favor does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the interested person in the performance of his or her duties. This does not preclude the acceptance of items or entertainment of nominal or insignificant value that are not related to any particular transaction or activity of Homeword.

2. Definitions.

- a) A "Conflict of Interest" is any circumstance described in Part 1 of this Policy.
- b) An "Interested Person" is any person serving as an officer, employee or member of the Board of Directors of Homeword or a major donor to Homeword or anyone else who is in a position of control over Homeword who has a personal interest that is in conflict with the interests of Homeword.
- c) A "Family Member" is a spouse/domestic partner, parent, child, brother or sister, or spouse/domestic partner of a parent, child, brother or sister of an interested person.
- d) A "Material Financial Interest" in an entity with a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably

could, affect an Interested Person's or Family Member's judgment with respect to transactions to which the entity is a party.

- e) A "Contract or Transaction" is any agreement or contract involving the sale or purchase of goods or services, the providing or receipt of a loan or grant, the establishment of any other type of financial relationship, or the exercise of control over another organization. The making of a gift to Homeword is not a Contract or Transaction.

3. Procedures for directors and officers and members of board committees

- a) Prior to board or committee action on a Contract or Transaction involving a Conflict of Interest, a director or committee member having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting. If board members are aware that staff or other volunteers have a conflict of interest, relevant facts should be disclosed by the board member or by the interested person him/herself if invited to the board meeting as a guest for purposes of disclosure.
- b) A director or committee member who plans not to attend a meeting at which they have reason to believe that the board or committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
- c) A person who has a Conflict of Interest shall not participate in 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 his or her personal influence with respect to the matter, either at or outside the meeting.
- d) A person who has a 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.
- e) The person having a 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.
- f) A person having a Conflict of Interest on a Homeword matter that is not transacted at a board or committee meeting is required to disclose all facts material to the Conflict of Interest to the Executive Committee and to the Executive Director. If staff or other board members are aware of such a conflict, relevant facts should be disclosed. In the event a conflict is determined to exist, the person shall cease to participate in the transaction.

In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the Executive Committee of the board of directors and to the Executive Director, who shall determine whether full discussion is warranted or whether there exists a Conflict of Interest that is subject to this policy.

4. Procedures for staff members

- a) Employees and contractors will disclose to their supervisor any personal or financial interest that they may have in any Homeword transaction in which they are involved. If either the employee or the supervisor determines that a conflict of interest exists, the employee's involvement in the transaction will cease.

5. Policy for purchase of goods and services using federal funds

The Federal Government employs a standard of conflict of interest that applies to Homeword employees purchasing goods and services with federal grant or contract funds. The Federal Government states that even the appearance of impropriety is to be avoided. Homeword follows the Office of Management and Budget Circular A-110 (OMB A-110)

Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations to deal with conflicts of interest.

No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal or other funding sources if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements.

Employees will disclose to their supervisor any personal or financial interest that they may have in any Homeword transaction, or any gifts or favors they have received in connection with the transaction. "Transactions" may include Homeword contracts for services, purchases, loans, or business assistance service. If the financial interest is not substantial or the gift is an unsolicited item of nominal value, the supervisor may allow the employee's continued involvement in the transaction. If the conflict is significant, the employee's involvement in the transaction will cease. The employee may be asked not to be present during consideration of the matter.

Violations of this policy will result in disciplinary action in accordance with the Homeword Personnel Policies. For a complete listing of purchasing guidelines when using federal funding refer to the Office of Management and Budget Circular A-110 at the following address: www.whitehouse.gov/omb/

6. **Confidentiality.** Each director, officer, employee and volunteer shall exercise care not to disclose confidential information acquired in connection with disclosures of conflicts of interest or potential conflicts, which might be adverse to the interests of Homeword. Furthermore, directors, officers, employees and volunteers shall not disclose or use information relating to the business of Homeword for their personal profit or advantage or to the personal profit or advantage of their Family Member(s).
7. **Review of policy**
 - a) Each director, officer, board committee member and employee shall be provided with and shall be asked to review a copy of this Policy and shall be asked to acknowledge in writing that they have done so.
 - b) On becoming an employee supervisor, Homeword employees will receive training from the Executive Director to ensure consistent and accurate application of the Conflict of Interest policy.
 - c) Approximately annually each director, officer, and board committee member shall complete a disclosure form identifying any relationships, positions or circumstances in which they are involved that they believe could contribute to a Conflict of Interest. Such relationships, positions or circumstances might include service as a director of or consultant to another nonprofit organization, or ownership of a business that might provide goods or services to Homeword. Any such information regarding the business interests of a director, officer, or board committee member, or a Family Member thereof, shall be treated as confidential and shall generally be made available only to the Executive Committee, the Executive Director, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.
 - d) This policy shall be reviewed annually by each member of the Board of Directors. Any changes to the policy shall be communicated to all staff and volunteers.