

# Conflict of Interest Policy

## North Carolina Preservation Consortium

The purpose of the following policy and procedures is to prevent the personal interest of staff members, officers, and members of the Board of Directors from interfering with the performance of their duties to NCPC or obtaining personal financial, professional, and/or political gain at the expense of NCPC or its members.

### Definitions:

Conflict of Interest means a conflict, or the appearance of a conflict between the private interests and official responsibilities of a person in a position of trust. Persons in a position of trust include staff members, officers, members of the Board of Directors, committees, and task forces.

Governing Board means the Board of Directors.

Director means an individual member of the Board of Directors.

Staff member means a person who receives all or part of his/her income from the payroll of NCPC or serves in a volunteer staff position.

### Policy:

1. Full disclosure, by notice in writing, shall be made by the interested parties to the full Board of Directors in all conflicts of interest, including but not limited to the following:
  - a) A director is related to another trustee.
  - b) A director is related to a staff member.
  - c) A director is also a staff member. He/she shall not vote on matters which relate to his or her own finances, employment, or other topics where a conflict of interest or the appearance of a conflict of interest may be present.
  - d) A staff member in a supervisory capacity is related to another staff member whom he/she supervises.
  - e) A director or staff member receives payment from NCPC for any subcontract, goods, or services other than as part of his/her regular job responsibilities or as reimbursement for reasonable expenses incurred as provided in the bylaws and board policy.
  - f) A director or staff member is a member of the governing body of a contributor to NCPC.
  - g) A director or staff member may have personal, financial, professional, or political gain at the expense of NCPC or its members.
  - h) A director or staff member engages in activities that may cause a loss of public credibility in NCPC or create a public impression of impropriety.

2. Following full disclosure of a possible conflict of interest or any condition listed above, the Board of Directors shall determine whether a conflict of interest exists and, if so, the Board shall vote to authorize or reject the transaction and/or condition. Both votes shall be by a majority vote without counting the vote of any interested director, even if the disinterested directors are less than a quorum, provided that at least one consenting director is disinterested.
3. An interested director, officer, or staff member shall not participate in any discussion or debate of the Board of Directors, or of any committee thereof, in which the subject of discussion is a contract, transaction, or situation in which there may be a conflict of interest.
4. No director, officer, or staff member shall participate in the selection, award, or administration of a procurement transaction in which federal or state funds are used, where to his/her knowledge, any of the following has a financial interest in that transaction: (1) the staff member, officer, or director; (2) any member of his/her immediate family; (3) his/her partner; (4) an organization in which any of the above is an officer, director, or employee; or (5) a person or organization with whom any of the above is negotiating or has any arrangement concerning prospective employment.
5. A contract or transaction will be rendered voidable without full disclosure of the personal interest of a director, officer, or staff member. Existence of any of the above listed conditions shall likewise render a contract or a transaction voidable unless full disclosure of personal interest is made in writing to the Board of Directors and such transaction was approved by the Board in full knowledge of such interest.
6. The disinterested directors are authorized to impose by majority vote other reasonable sanctions as necessary to recover associated costs against a director, officer, or staff member for failure to disclose a conflict of interest or for any appearance of a conflict.
7. Appeal from sanctions imposed shall be prescribed by law in those courts of the State of North Carolina with jurisdiction over both the parties and the subject matter of the appeal.
8. In the event that NCPC has incurred costs or attorney fees as a result of legal action, litigation, or appeal brought by or on behalf of an interested director or staff member due to a conflict of interest and consequent sanctions and in the event that NCPC prevails in such legal action, litigation, or appeal, NCPC shall be entitled to recover all of its costs and attorney fees from the unsuccessful party.
9. A copy of this policy shall be given to all directors, officers, and staff members upon commencement of such person's relationship with NCPC. Each board member, officer, and staff member shall sign and date the policy at the beginning of his or her term of service or employment and each year thereafter. Failure to sign does not nullify the policy.

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Signature

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Print Name

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Date

Approved by the NCPC Board of Directors, February 20, 2007.