

PEEC Conflict of Interest Policy

Purpose

The purpose of this policy is to protect PEEC's interests when it is considering taking an action or entering into a transaction that might benefit the private interests of a director, officer or other personnel, result in the payment of excessive compensation to a director, officer or other personnel, or otherwise violate state and federal laws governing conflicts of interest applicable to nonprofit, charitable organizations.

As a nonprofit, charitable organization, PEEC is accountable both to government agencies and members of the public for responsible and proper use of its resources. Directors, officers and other personnel have a duty to act in PEEC's best interests and may not use their positions for their own financial or personal benefit.

Conflicts of interest must be taken seriously since they can damage PEEC's reputation and expose both PEEC and affiliated individuals to legal liability if not handled appropriately. Even the appearance of a conflict of interest should be avoided, as it could undermine public support for PEEC.

Applicability

This policy applies to all directors, officers, and other PEEC personnel.

Background Information

A potential conflict of interest arises when a PEEC personnel, or that person's relative or business (a) stands to gain a financial benefit from an action PEEC takes or a transaction into which PEEC enters; or (b) has another interest that impairs, or could be seen to impair, the independence or objectivity of the PEEC personnel in discharging their duties to PEEC.

Examples:

Potential conflicts of interest include situations in which a PEEC personnel or that person's relative or business:

- has an ownership or investment interest in any third party that PEEC deals with
- serves on the board of, participates in the management of, or is otherwise employed by or volunteers with any third party that PEEC deals with
- receives or may receive compensation or other benefits in connection with a transaction into which PEEC enters;
- serves on the board of directors of another nonprofit organization that is competing with PEEC for a grant or contract;
- has a close personal or business relationship with a participant in a transaction being considered by PEEC;
- would like to pursue a transaction being considered by PEEC for their personal benefit.

In situations where you are uncertain, err on the side of caution and disclose the potential conflict as set forth in this policy.

Disclosing Potential Conflicts of Interest

Board members must file a disclosure statement in the form attached to this policy upon joining the board and annually at the November board meeting. Non-board personnel should complete the form upon hire and then annually in November. All personnel should update this form at the time that a new or potential conflict of interest arises.

Determining Whether a Conflict of Interest Exists

After there has been disclosure or discovery of a potential conflict and after gathering any relevant information from the involved PEEC personnel, the board shall determine whether there is a conflict of interest and how to mitigate it, if necessary. Involved PEEC personnel shall not be present for deliberation or vote on the matter and must not attempt to influence the determination of whether a conflict of interest exists.

In determining whether a conflict of interest exists, the board shall consider whether the potential conflict of interest would cause a transaction entered into by PEEC to raise questions of bias, inappropriate use of PEEC's assets, or any other impropriety.

If the board has determined that the transaction is fair, reasonable, and in PEEC's best interest, the board should decide on a course of action to mitigate the conflict and/or vote on whether or not to undertake the transaction. The results of that vote shall be entered into the board minutes, along with a brief discussion of the reasons for the course of action and vote.

By signing below, I affirm that:

- I have read this policy;
- I agree to comply with the policy;
- I have no actual or potential conflicts as defined by the policy or if I have, I have previously disclosed them as required by the policy or am disclosing them below.

Disclose here:

- any transaction in which PEEC is a participant to which you might have a conflicting interest; and
- any other situation which may pose a conflict of interest.

Name:

Signature:

Date:

ANNUAL CONFLICT OF INTEREST STATEMENT

Name _____ Date _____ Position _____

Are you a voting Director? Yes No Are you an Officer? Yes No

Which office do you hold? _____

I affirm the following:

I have received a copy of the PEEC Conflict of Interest Policy. _____ (initial)

I have read and understand the policy. _____ (initial)

I agree to comply with this policy. _____ (initial)

Disclosures:

A. Do you have a financial interest (current or potential), including a compensation arrangement, as defined in the Conflict of Interest Policy? Yes No

If yes, please describe:

If yes, has the financial interest, including a compensation arrangement, been approved by the Board of Directors? Yes No When? _____

B. In the past three (3) years, have you had a financial interest, including a compensation arrangement, as defined in the Conflict of Interest policy? Yes No

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by, the Conflict of Interest Policy that is currently in effect. I will update this form as necessary.

Signature

Date

Adopted February 2013; revised June 2017.