



<p>Long Island Woodworkers Club, Inc. Policy</p> <p><b><i>Conflict of Interest</i></b></p>	<b>No: LIW-P0319-BD-0001</b>
	<b>Effective: March 11, 2019</b>
	<p><b>Issued By:</b> Long Island Woodworkers Club, Inc. 4 Pam Court South Setauket, NY 11720</p> <p><b>Published By:</b> Board of Directors</p>

## 1.0 Purpose

The policy is designed to ensure that all institutional decisions are made solely to promote the best interests of the Long Island Woodworkers Club, Inc. without favor or preference based on personal considerations, and to provide the highest ethical conduct. In addition, this policy will provide the Long Island Woodworkers Club, Inc. with a procedure that, if observed, will allow a transaction to be treated as valid and binding even though a director or officer has or may have a conflict of interest with respect to the transaction.

This policy is intended to supplement, but not replace any applicable New York State or federal laws governing conflicts of interest applicable to nonprofit corporations.

## 2.0 Scope

This policy applies to all members of the Board of Directors. Any new member of the Board of Directors shall be given this policy at the time of their election onto the Board of Directors and the policy will be reviewed annually by the board at a regularly scheduled meeting.

## 3.0 Policy

No member of the Long Island Woodworkers Club, Inc. Board of Directors shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with the Long Island Woodworkers Club, Inc. This shall also include the member's business or other nonprofit affiliations, family and/or significant other, employer, or close associates who may stand to receive a benefit or gain. Each individual shall disclose to the board any personal interests which he or she may have in any matter pending before the organization and shall refrain from participation in any discussion or decision on such matter.

## 4.0 Definitions

1. Interested Person. Any Board Member who has a direct or indirect financial interest, defined below, is an Interested Person.



2. Financial Interest. A Board Member has a financial interest, if he or she has, directly or indirectly, through business, investment or family, an ownership or investment interest in any entity with which Long Island Woodworkers Club, Inc. has a transaction or arrangement.

## **5.0 Procedure**

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1. Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence and nature of his or her financial interest to the Board of Directors of the Long Island Woodworkers Club, Inc. considering the proposed transaction or arrangement. As long as transactions are disclosed to the Board, and the transactions are believed to be in the best interests of Long Island Woodworkers Club, Inc., they may lawfully be undertaken.

2. Determining Whether a Conflict of Interest Exists.

a. After disclosure of the financial interest, the Interested Person shall leave the Board or committee meeting which the financial interest is discussed. The remaining Board or committee members shall decide if a conflict of interest exists.

b. The Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Long Island Woodworkers Club, Inc.'s best interest and for its own benefit and whether the transaction is fair and reasonable to Long Island Woodworkers Club, Inc. and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

3. Violation of Conflict of Interest Policy.

a. If the Board or a committee has reasonable cause to believe that a member of the Board or officer of the Long Island Woodworkers Club, Inc. has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis of such belief and afford the person an opportunity to explain the alleged failure to disclose.

b. If, after hearing the response of the person and making such further investigation as may be warranted in the circumstances, and the Board determined that the person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action as is needed in the circumstances, including removal from office.

## **6.0 Records of Proceedings**

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The minutes of the Board shall contain the following information:

a. the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest;



- b. the nature of the financial interest;
- c. any action taken to determine whether a conflict of interest was present;
- d. the Board's decision as to whether a conflict of interest in fact existed;
- e. the names of the persons who were present for discussions and votes relating to the transaction or arrangement;
- f. the content of the discussion, including any alternative to the proposed transaction or arrangement; and
- g. a record of any votes taken in connection with the matter.

## **7.0 Annual Statements**

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Each officer and director of the Long Island Woodworkers Club, Inc. shall annually sign and file with Long Island Woodworkers Club, Inc. a statement which affirms that such person:

- a. has received a copy of the Conflict of Interest Policy;
- b. has read and understands the policy;
- c. has agreed to comply with the policy; and
- d. understands that to maintain its federal tax exemption the Long Island Woodworkers Club, Inc. must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

## **8.0 Revision History**

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<b>Date</b>	<b>Description of Change</b>
February 2019	Original Policy Draft
March 2019	2019 Final Format