

## The Able Trust

**Conflict of Interest Policy**

Adopted by The Able Trust Board of Directors September 25, 2009

**Policy Statement:** No officer, director, ambassador or employee of The Able Trust shall receive any non-work personal or financial benefits from their role at The Able Trust that may create a conflict of interest or be in conflict with the bylaws of The Able Trust. This policy is intended to supplement but not replace any applicable state or federal laws governing conflict of interest that are applicable to non-profit and charitable organizations.

**Purpose:** A possible conflict of interest could arise in any situation in which The Able Trust has business or financial dealings with an officer, director, ambassador, or employee, or with a corporation, partnership, or other business enterprise of which the above or their immediate family is an employee, officer, director, partner or substantial stockholder. A possible conflict of interest could also arise in connection with a decision to make a grant to, or otherwise support a nonprofit organization of which one of the above is an officer, director, trustee or relative of a client of the nonprofit organization.

A conflict of interest occurs when an officer, director, ambassador, or employee uses his/her position or the knowledge gained from association with The Able Trust in a way that is contrary to or inconsistent with the interest of The Able Trust, for personal benefit or advantage to the individual or the individual's immediate family.

At the same time, The Able Trust recognizes it is inherent in the process of the selection of the members of the Board of Directors, Ambassadors, and employees that they are and will continue to be, active in commercial and volunteer activities. Likewise, The Able Trust does not desire to deprive organizations or agencies, although they may be prospective grant recipients or otherwise supported organizations, from the benefits to be received from the expertise of the referenced individuals.

This document is intended to recognize that conflict of interest situations may arise, and identifies some key situations where that might occur. While it is not practical or possible to identify every situation that may create a conflict, the following will serve as a guide.

**Officers and Directors:** Each member of the Board of Directors, by written statement delivered annually to the President and CEO, discloses the corporations, partnerships, proprietorships, and other business enterprises of which the Director or member of the Director's immediate family is an officer, director, partner, or a substantial stockholder or owner and which have or might reasonably be expected to have business or financial dealings with The Able Trust.

- When any possible conflict of interest of any Director or Officer becomes relevant to any matter requiring action by the Board, that Director shall call it to the attention of the Board, shall not vote on such a matter, and shall not attempt to exert a personal influence in connection therewith. The disclosure shall be recorded in the minutes of the meeting. The Director shall not be present during the Board's final discussion or vote on the issue.
- No officer or director of the Board shall knowingly take any action or make any statement intended to influence the conduct of The Able Trust in such a way as to confer any benefit to such member or to any organization that he/she has significant interest as stockholder, director, or officer.
- Any Director who is excluded from voting on a matter because of such possible conflict of interest is not excluded from disclosing relevant information with respect to any matter which he or she has

knowledge of or answering questions and stating his/her position with respect to any such matter, if such statements and commentary will assist the Directors in their deliberations.

- These guidelines shall not be construed as preventing officers and directors of The Able Trust from entering into a beneficial business relationship, as long as the overriding criteria is to the benefit of The Able Trust, and provided that there is appropriate disclosure on any such agreement according to the procedures in this policy.

**Ambassadors:** Each Ambassador upon appointment by the Board, shall also deliver a written statement annually to the President and CEO, disclosing the corporations, partnerships, proprietorships, and other business enterprises of which the Ambassador or his/her immediate family has a substantial interest, or which has or might reasonably be expected to have business or financial dealings with The Able Trust.

**Employees:** Employee conflict of interest situations can arise in several areas, including acceptance of gifts, outside employment, personal financial interests, and outside activities, to name a few. The following, along with policies in the Employee Handbook should serve as a guide.

Outside Activities: Employees are encouraged to take an active role in educational, cultural, or civic activities. However, such active roles should not be so excessive that it impairs the effective performance and attendance of the employee at The Able Trust. Approval by the President and CEO or his/her designee is required before accepting any outside responsibility that is likely to:

- Involve the use of the employee's time during working hours.
- Involve association with a competing organization.
- Involve acting on behalf of The Able Trust to support any causes and issues which are not related to the mission of The Able Trust and have not been previously approved by the President and CEO.

Outside Employment: The Able Trust does not object to employees holding other jobs provided that there is no conflict of interest and that the position at The Able Trust is primary. Outside employment that interferes with the employee's obligations to The Able Trust is prohibited.

- Before accepting any supplementary position, it is required that the employee notify his/her immediate supervisor who shall notify the President and CEO. This is to determine if there is a conflict of interest or if it would adversely affect his/her job.
- If the position at The Able Trust should suffer due to the additional employment, The Able Trust reserves the right to request the employee resign from the supplemental employment.

Personal Financial Interest – employees: All employees are required to disclose all outside interests that may influence official decisions and actions. This would include:

- A situation where an employee or any member of his/her immediate family has a direct or indirect financial interest in an outside enterprise that has in the past engaged or may in the future engage in transactions as a vendor or supplier of goods and services to The Able Trust.
- A situation where an employee or any member of his/her immediate family has a direct or indirect financial interest in any outside business enterprise that "competes" in any way with The Able Trust.

**Acceptance of Gifts:** Employees and Directors acting in an official Able Trust capacity should avoid accepting gifts or favors for personal use or benefit which extend beyond accepted business practices for a non-profit foundation.

- Under no circumstances may a gift be accepted which may place the employee or Director under the influence or obligation to a third party in dealing with or representing the interests of The Able Trust.
- Employees and Directors may receive gifts of a nominal value defined as no greater than \$100, unless a greater amount has been approved by the President/CEO. Examples of greater amounts are complimentary conference registrations when asked to speak, related travel, etc.
- No employee or Board member may use his/her position to solicit any discount on personal or family purchases of equipment, materials, or services from present or prospective vendors of The Able Trust.

Family or members of the immediate family for the purposes of this policy are spouses, children, parents, brothers and sisters and any others living in the same household.

#### PROCEDURE IN DETERMINING CONFLICT OF INTEREST

Officers and Directors: The President and CEO should take appropriate steps to ensure that any business with officers and directors of the Board meet the overriding need of The Able Trust and not that of the members. However, when there appears to be a conflict of interest the Board of Directors shall take appropriate steps as follows.

- The Executive Committee shall examine all of the facts of the transaction/event and determine if it has been handled in a way that does not and will not create a conflict of interest. Concerns arise especially when significant verbal contracts are put in place or when contracts are awarded without considering a bid process, if feasible.
- If a better transaction/event for The Able Trust is not reasonably attainable under circumstances that would not create a conflict of interest, the Executive Committee shall determine, by a majority vote of disinterested members of the Committee whether the transaction/event is in The Able Trust's best interests, and whether the transaction/event is fair and reasonable to The Able Trust.

Employees: Issues of potential or actual conflict of interest activities or relationships on the part of employees shall be reported immediately and confidentially to the President and CEO. If the President and CEO is unable to resolve the matter internally, she/he will bring the matter to The Able Trust Executive Committee, which shall proceed as above in resolving the matter.

OFFICIAL REPRESENTATION OF THE ABLE TRUST: For purposes of this document and other policies and procedures related to the ethical and legal operations of The Able Trust, the following individuals are recognized as the official representatives of The Able Trust, authorized to make public commentary and communicate as official spokesperson of The Able Trust on policy, legal, and other matters related to the governance and operations of The Able Trust.

Chairperson of the Board  
 President and CEO  
 Chair, Marketing and Development Committee  
 Additional individuals at the discretion and direction of the Chair or President/CEO.

Other Directors and Staff are not prohibited from widely delivering messages that have been established through the efforts of the organization's communication staff and consultants, nor are they in any way prevented from promoting the programs, services and mission of The Able Trust. However, all inquiries

related to official statements, all media requests, and similar communications should be referred to the President or Chair for spokesperson designation.

**ACKNOWLEDGEMENT:**

Each officer, director and employee shall sign a statement affirming that he/she:

- Has received a copy of the Conflict of Interest Statement;
- Has read and understands the policy;
- Has agreed to comply with the policy;
- Understands that The Able Trust is a charitable foundation and in order to maintain its federal tax exemption, must engage primarily in activities that accomplish one or more of its tax exempt purposes.

Statements of acknowledgement of officers, directors and employees shall be kept in appropriate files in the office of the President and CEO.

Approved by Able Trust Board of Directors on September 25, 2009.