

CONFLICT OF INTEREST POLICY

I. Purpose:

The Society of the Improvement of Conditions for Stray Animals (hereinafter “SICSA”) is a nonprofit, tax-exempt organization. Maintenance of this tax-exempt status is important for both the continued financial stability and the continued tax-exempt status of SICSA. The organization’s finances, and the compliance by its representatives with their fiduciary duties, are subject to scrutiny by and accountable to these authorities as well as to members of the organization. Furthermore, the financial integrity of the organization is important to donors and members of the public

The Board of Trustees and senior staff employees have the responsibility of administering the affairs of SICSA honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the membership. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with SICSA or knowledge gained therefrom for their personal benefit. The interests of the membership must be the first priority in all decisions and actions.

The purposes of this Conflict of Interest Policy are 1) to protect SICSA’s tax-exempt status in the event it contemplates entering into a transaction or arrangement that might benefit the private interest of a Board member or senior staff employee or that might result in a possible excess benefit transaction; and 2) to assist SICSA’s Board of Trustees and senior staff employees in carrying out their fiduciary duties of loyalty and fidelity to SICSA. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

II. Persons Concerned:

This policy is directed not only to the Board of Trustees and senior staff employees but also to anyone who can influence the actions of SICSA. For example, this would include all who make purchasing decisions and anyone who has proprietary information concerning SICSA.

III. Areas in Which Conflict May Arise:

Conflicts of interest may arise in the relations of members of the Board of Trustees and senior staff employees with any of the following third parties:

1. Persons and organizations supplying goods and services to SICSA.
2. Persons and organizations from which the SICSA leases property and equipment.
3. Persons and organizations with whom SICSA is dealing or planning to deal in connection with the purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.

5. Donors and others supporting SICSA.
6. Agencies, organizations, and associations that affect the operations of SICSA.
7. Family members, friends, and other members.

IV. Nature of Conflicting Interest:

A conflicting interest may be defined as an interest, direct or indirect, with any persons or organizations mentioned in Section III. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with SICSA.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with SICSA.
3. Receiving remuneration for services with respect to individual transactions Involving SICSA.
4. Using SICSA's time, personnel, equipment, supplies, or good will for other than SICSA-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with SICSA. Receipt of any gift is disapproved. No personal gift of money should ever be accepted.

V. Interpretation of This Statement of Policy:

The areas of conflicting interest listed in Section III, and the relations in those areas which may give rise to conflict, as listed in Section IV, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the members of the Board of Trustees and senior staff employees will recognize such areas and relation by analogy.

The fact that one of the interests described in Section IV exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of SICSA.

However, it is the policy of SICSA's Board of Trustees that the existence of any of the interests described in Section IV shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the Board of Trustees and senior staff employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

VI. Disclosure Policy and Procedure:

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;

3. A competitive bid or comparable valuation exists; and
4. The Board of Trustees has determined that the transaction is in the best interest of SICSA.

Disclosure to the organization should be made to the Executive Director Manager (or, if he or she is the one with the conflict, then to the President of the Board of Trustees), who shall bring the matter to the attention of the Board.

The Executive Board shall determine whether a conflict exists and, in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable. The decision of the Executive Board on these matters will rest in their sole discretion, and their concern must be to the welfare of the membership.

VII. Violations of This Policy:

If the Executive Board has reasonable cause to believe that someone has failed to disclose actual or possible conflicts of interest, it shall inform the individual of the basis for such belief and afford him or her opportunity to explain the alleged failure to disclose.

If, after hearing the individual's explanation and after making further investigation as warranted by the circumstances, the Executive Board determines the individual has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, up to and including possible expulsion from SICSA.

VIII. Acknowledgement and Review of Policy:

Upon implementation of this policy, all Executive Board members, officers, and staff employees of SICSA shall sign a statement affirming that they:

1. Received a copy of this Conflict of Interest Policy,
2. Have read and understand the policy,
3. Have agreed to comply with the policy, and
4. Understand SICSA is a nonprofit, tax-exempt labor organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes and which are for the benefit of its members.

This statement of affirmation will also be signed by all newly elected Executive Board members and officers and newly hired staff employees upon the commencement of their respective positions.

To ensure that SICSA operates in a manner consistent with its stated purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. These reviews, at a minimum, shall determine whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining. They shall also determine whether partnerships, joint ventures, and

arrangements with other organizations conform to SICSA written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further its stated purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

All Executive Board members, officers and senior staff employees of SICSA shall be required to submit a signed Conflict of Interest Disclosure Statement on an annual basis.