**Sample Land Trust**

**Conflict of Interest Policy**

*Adopted* ***[DATE]***

 **I. Policy**

**Sample Land Trust** (“**SLT**”) discloses and documents all real or perceived conflicts of interest involving **SLT** and related parties. **SLT** addresses such conflicts in a manner that will fully protect the integrity and reputation of both **SLT** and the related parties.

 **II. Purposes**

As a public charity, **SLT** must strive for the highest standards of professionalism, accountability, and transparency as it pursues land conservation projects and engages in general business relationships. **SLT** must seek to avoid conflicts of interest whenever possible. The credibility and reputation of **SLT** can be damaged when **SLT** enters into a transaction or arrangement that creates the appearance or reality of a conflict of interest. In instances where **SLT** determines that a conflict of interest does exist, **SLT** must follow a systematic process to justify moving forward despite the conflict and to determine appropriate courses of action to mitigate **SLT**’s participation in the conflict.

**SLT** Board of Directors, its staff, and its committees serve in the public's interest and are obligated to conduct the affairs of **SLT** in a manner consistent with that role. All decisions of directors, officers, and staff must be made in adherence to this fiduciary responsibility.

Finally, **SLT** must ensure that its actions comply with the rules against private inurement and private benefit of the Internal Revenue Service and applicable State of Connecticut rules and statutes.

 **III. Definitions**

 A. Conflict of Interest: A conflict of interest arises when an insider is in a position, or perceived to be in a position, to benefit financially (or to create a benefit for a family member or another organization with which he or she is associated) by virtue of his or her position with **SLT**.

 B. Private Inurement: Private inurement results when the assets of a tax-exempt organization come to the benefit of any private shareholder or individual.

 C. Insiders: The following individuals are considered insiders for the purposes of this policy:

(1) Any current or former member of the **SLT** Board of Directors and its committees;

(2) Any current or former staff of **SLT**;

(3) Any substantial contributor which is defined as any person, corporation or
foundation who has provided financial support to **SLT** in excess of $25,000 or more at any one time, or who has contributed $50,000, cumulatively, within a 5 year period prior to the occurrence of the conflict;

(4) Any relative of a current or former board or committee member, staff, or
substantial contributor;

(5) Any individual who has an ability to influence the decisions of **SLT**; and

(6) Any individual with access to information possessed by **SLT** that is not
available to the general public.

 **IV. Obligations of Insiders**

 A. Disclosure. Each board or committee member, staff, or other insider shall disclose to the Board of Directors, or applicable committee of the Board the existence of any actual, potential, or perceived conflict of interest when such conflict first becomes apparent or perceived by the individual. Such disclosure may be made in writing or verbally at a meeting of Board of Directors and must provide all material facts.

 B. Disclosure Form. Each board and committee member and staff shall also sign a Conflict of Interest Disclosure Form upon commencement of his or her term of office or involvement, and annually thereafter in conjunction with beginning **SLT**’s fiscal year.

 C. Abstention. Each board or committee member, staff, or other insider shall abstain from discussing with another board or committee member or employee any issue, matter, or transaction in which he or she has an actual, potential, or perceived conflict of interest unless specifically asked by the board, committee, or executive director to give information on the issue, matter, or transaction. Each board or committee member with an actual, potential, or perceived conflict of interest shall excuse himself or herself from the room during deliberations and votes on the issue, matter, or transaction at hand and shall formally recuse himself or herself at relevant board or committee meetings so that such abstention may be duly recorded in the minutes.

**V. Obligations & Role of the Board of Directors**

 If a transaction, project, or issue of **SLT** involves an actual or potential conflict, or appearance of a conflict by a member of the Board, the Board shall do the following:

1. Take a position on such project or issue, or to approve such transaction only if the Board finds that
2. the project, transaction, and/or issue is (i) fair and benefits **SLT** and its objectives; and (ii) is approved with full knowledge of the actual or potential conflict, or appearance of a conflict involving an insider; and
3. that the affected insider has not participated in any votes regarding the transaction, project, or issue.
4. If the Board determines that the nature and magnitude of the conflict of interest warrants such action, the Board shall request that the affected insider resign from the Board, or the affected insider will be removed from their position as prescribed by the current Bylaws.
5. The Board will thoroughly document its deliberations and actions in its minutes and, if appropriate, by memorandum.

**VI. Violations of Conflict of Interest Policy**

Board and committee members and staff have a duty to **SLT** to disclose any conflict of interest related to or arising from a transaction or arrangement. Should any board member, committee member or staff fail to disclose a conflict of interest, then the Board of Directors is empowered to take appropriate disciplinary action against the person and to take corrective action to remedy any harm caused by the conflict of interest.

**Sample Land Trust**

Conflict of Interest Disclosure Form

*Adopted* ***[DATE]***

This form must be filed by all insiders, as identified in the **Sample Land Trust** Conflict of Interest Policy adopted by the Board of Directors on ***[DATE]*** upon adoption of the policy, at the beginning of her/his term of service or involvement, and updated on an annual basis. This form may also be used if a previously undisclosed actual or potential conflict, or appearance of a conflict becomes apparent.

\_\_\_\_\_ I have received, read, agree to comply with the Conflict of Interest Policy adopted **[DATE]**.

\_\_\_\_\_ I understand that the corporation is a charitable organization and that it must engage primarily in activities which accomplish one or more of its tax-exempt purposes in order to maintain its tax-exempt status.

\_\_\_\_\_ I have no actual personal or potential conflict, or appearance of a conflict to report, nor to my knowledge does any member of my immediate family.

\_\_\_\_\_ I have the following actual, potential, or appearance of a conflict to report (please specify):

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