

Kennebec Estuary Land Trust Policy 201

Revision 2 - Approved by the Board on 08/15/2023

Conflict of Interest Policy

1. Introduction:

1.1 Purpose:

The purpose of this policy is to encourage responsible decision-making and prudent behavior on the part of all those associated with the Kennebec Estuary Land Trust. Further, its purpose is to protect the organization's reputation for objectivity and fairness by identifying and appropriately dealing with actual, potential or perceived conflicts of interest. It has been prepared in response to the requirements of Standard 4, Practice A, B and C of [reference 11.1](#).

1.2 Responsible Committee:

The responsible committee is the Governance Committee which operates in accordance with the Responsibilities and Functions (Ref. 11.2) as approved by the Committee. In summary, its duties are to oversee the Board, general administration, accreditation, by-laws, personnel, business conduct, and organization development.

2. Finances:

There are no financial requirements related to this policy.

3. Reports:

Board minutes shall reflect discussions of conflict of interest issues including full disclosure and any actions taken as a result of the discussion. Meeting Minutes, or other records, must document that any conflicted party is absent for the applicable vote.

4. Definitions of Conflict of Interest:

4.1 A conflict of interest exists when a covered person (as defined below) has a material financial interest in a transaction or project under consideration by the Board of Directors or a committee of the Kennebec Estuary Land Trust or when that person proposes to act on any issue, matter, or transaction in which the Kennebec Estuary Land Trust has an interest, and in which the covered person may have an interest separate from that of the Kennebec Estuary Land Trust which affects the covered person's objectivity and fairness to make a decision in the best interest of the Land Trust.

4.2 A conflict of interest may also exist in situations in which there is an appearance that a covered person is utilizing, for his or her own benefit, inside information that is proprietary to the Kennebec Estuary Land Trust, is acting in his or her own interests rather than the best interests of the Kennebec Estuary Land Trust, has the ability to exercise undue influence over the Kennebec Estuary Land Trust's decisions, or is receiving favorable treatment by the Kennebec Estuary Land Trust because of his or her status as a covered person.

5. Covered Persons:

5.1 This policy applies to all employees, Board members, members of advisory committees, substantial donors (individuals, corporations or foundations), and individuals such as consultants, independent contractors, volunteers or former employees who, by virtue of their continued involvement with the Kennebec Estuary Land Trust, either have access to inside information that could place them in a conflicted situation or could give the appearance of having the ability to unduly influence the Kennebec Estuary Land Trust.

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5.2 The policy also applies to close relatives of these persons, including a spouse, domestic partner, child, sibling, parent, stepparent, parent- or sibling-in-law, grandchild, or grandparent.

6. General Guidelines:

All persons shall avoid conflict of interest involving their duties to the Kennebec Estuary Land Trust and any other interest or organization to which they have a duty, or any other activity in which they are financially or otherwise interested. It is expected that persons subject to this policy will conduct themselves under strict rules of honesty and fair dealing between themselves and the Kennebec Estuary Land Trust. Such persons shall not use their position or knowledge gained during their association with the Kennebec Estuary Land Trust for their private benefit nor to obtain an unfair advantage over any aspect of their dealings with the Kennebec Estuary Land Trust. Directors and staff members will not knowingly engage in prohibited activities resulting in private enurement or impermissible private benefit.

6.1 New Board and staff members will receive information about KELT's conflict of interest policy during orientation.

6.2 Each Board member will be given a written copy of this conflict of interest policy and will be asked to sign a Conflict of Interest Disclosure Form (Ref: 11.3) annually; an acknowledgement that they have read, understand and agree to abide by the policy.

7. Obligations of Covered Persons:

Each covered person is obliged:

7.1 To disclose to the Board, executive director, or committee of the Board on which he or she serves, the existence of any actual, potential, or perceived conflict of interest.

7.2 To abstain from discussing with Board members, employees, or committee members 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 or a Board committee to give information on the issue, matter, or transaction.

7.3 To absent himself or herself from Board and committee discussions on any issue, matter or transaction involving a conflict of interest, unless requested by the Board or committee to give information on the issue, matter, or transaction.

7.4 To abstain from voting on any such issue, matter, or transaction.

7.5 When requested by the Board, to resign from the Board of directors, advisory board or committee until such time as the matter giving rise to the conflict of interest has been resolved. When, in the opinion of the Board president, the matter has been sufficiently resolved, the director may be invited to rejoin the Board, advisory board or committee.

8. Obligations of the Board in Conflicted Situations:

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When a transaction, contract, or project of the Kennebec Estuary Land Trust involves an actual, potential, or perceived conflict of interest with a covered person, the Board shall act as follows:

8.1 Approve such transaction, contract, or project only after making specific findings that:

- a) The transaction, contract, or project is fair and benefits the Kennebec Estuary Land Trust and its objectives.
- b) The transaction, contract, or project is approved with the Board's full knowledge of its financial or other benefit to the covered person who has the conflict of interest.
- c) When the covered person is a director, the covered person did not participate in the vote approving the transaction, contract, or project and was, in fact, absent both during the discussion of the transaction, contract, or project and when the Board voted on it.
- d) A more advantageous arrangement could not have been obtained with reasonable effort.

8.2 When warranted by the nature and magnitude of the conflict of interest, request that a conflicted member of the Board of directors, advisory Board, or other committee resign.

8.3 The Board will document in its minutes how actual or potential conflicts of interest are handled when they arise, and what management action was taken.

9. Transactions with Insiders:

KELT will have a clear written procedure (Ref. 11.4) for engaging in transactions with insiders ensuring that there is no private inurement or impermissible private benefit. This procedure shall cover purchases and sales of property, including marketing practices.

10. Board Compensation:

10.1 Board members are not compensated except for reimbursement of expenses and, in limited circumstances, for professional services that would otherwise be contracted out.

10.2 The President and the Treasurer shall not be compensated for professional services.

10.3 No loans shall be provided to directors or officers.

11. References:

11.1 Land Trust Alliance, Land Trust Standards and Practices, Revised 2019

11.2 Governance Committee Responsibilities and Functions 228

11.3 Conflict of Interest Disclosure Form (206)

11.4 Conflict of Interest Procedure (202)

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12. Revisions:

12.1. History:

Rev #	Date	Section and Paragraph Number	Description of revision
0	07/14/10	All	Initial Issue
1	01/16/18	5.1	After "...committees" deleted "major".
		6	Added fourth sentence, "Directors and staff...private benefit."
		6.1	After "Board..." added "and staff".
		6.2	"this" was "the". After "...of interest policy" deleted "annually". After "...asked to sign" added "a Conflict...annually".
		8.3	After "...minutes how" added "actual or potential". After "...when they arise" added ", and what ... was taken".
		9	In the first sentence after "...written procedure" added "(Ref. 11.4)
		10.2	"shall not" replaced "are not allowed to".
		10.3	Added.
		11.1	"2017" was "2004"
		11.3	Added.
		11.4	Added.
2		3	Reflect updated Indicator Element 4A2 (5/11/18)
		5	Reflect updated Indicator Element 4A1 (3/26/19)

12.2. Approval Authority:

Rev #	Meeting Date	Committee	Meeting Secretary	Comment
0	12/14/10	Board of Directors	Pam Tetley	Approved by the Board
1	01/16/18	Board of Directors	Dixie Stedman	Approved by the Board
2	08/15/23	Board of Directors	Travis Wolfel	Approved by the Board

13. Document Information

Document name:	Conflict of Interest Policy 201
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Last edited by:	Dennis Dunbar
Comments:	This policy was reviewed and updated by the Governance Committee

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