

Financial Conflict of Interest Policy

1. Purpose

The purpose of the conflict of interest policy is to protect the interest of the Bellefonte Historical and Cultural Association when it is contemplating entering into a transaction that might benefit the private interest of any officer, director or member of the organization. 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.

2. Definitions

A. **Interested person.** Any director, officer or member with governing board-delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

B. A person has a financial interest if they have, directly or indirectly, through business, investment or family:

- 1) An ownership or investment interest in any entity with which Bellefonte Historical and Cultural Association has a transaction or arrangement;
- 2) A compensation arrangement with Bellefonte Historical and Cultural Association or any entity or individual with which Bellefonte Historical and Cultural Association has a transaction or arrangement;
- 3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which Bellefonte Historical and Cultural Association is negotiating a transaction or arrangement.

C. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

3. Procedures

A. Members of the governing board and other Bellefonte Historical and Cultural Association members have a duty to disclose any possible conflict of interest.

B. If a financial arrangement is being contemplated, the person with the possible conflict of interest may make a presentation to the board. The board will then determine whether that person may take part in further discussions. The person with possible conflict will be excluded from voting upon the resolution if the board determines that such a conflict exists.

C. When appropriate, the board will exercise due diligence in investigating alternatives to the arrangement. The best interest of Bellefonte Historical and Cultural Association is to be the guiding principle in deciding whether to enter into any arrangement.

D. The board will investigate any situation in which a possible conflict of interest existed that was not properly reported.

4. Records

Records of the discussion, including members voting, shall be recorded in the minutes of the board.

5. Compensation of board members

A. At the time of the initial adoption of this conflict of interest policy, no member of the board is receiving compensation from Bellefonte Historical and Cultural Association, and there are no plans to change this arrangement.

B. If at any time in the future Bellefonte Historical and Cultural Association considers paying compensation to any of its board members, the members being considered will be excluded from voting upon their compensation, and the board will otherwise strictly follow procedures to avoid conflict of interest.

C. This policy does not preclude board members from receiving reimbursement from Bellefonte Historical and Cultural Association for expenses incurred in pursuing activities approved by the board. These include, but are not limited to, travel expenses, conference registration fees, and reimbursement for expenditures made on behalf of Bellefonte Historical and Cultural Association. Board members will be excluded from voting upon their own requests for reimbursement, and the minutes will reflect this.

6. Awareness

All present and future members of the board of Bellefonte Historical and Cultural Association shall receive a copy of this conflict of interest policy. Minutes will reflect this, and that they have indicated they have read and understood the policy, intend to comply with it, and that they are aware that adherence to the policy is necessary in order to maintain Bellefonte Historical and Cultural Association's status as a charitable organization.

7. Periodic Reviews

To assure compliance with the conflict of interest policy, the board may conduct periodic reviews to determine that all compensation agreements are reasonable and in accordance with the policy. If necessary, the board may seek the assistance of outside consultation for this purpose.

8. **Affirmation** by signature of the Board of Directors or Corporate members with potential conflicts of interest indicates compliance with this policy.

SIGNATURE

PRINTED NAME

DATE