

**CAPITAL AREA UNITED WAY
POLICY AND PROCEDURES**

SUBJECT: Conflict of Interest Policy

SUBMITTED BY: CAUW Administrative and Personnel Committee/Audit Committee

APPROVED BY: Board of Directors

EFFECTIVE DATE: June 21, 2011

1. Purpose

The purpose of this policy is to state the organization's policies and procedures related to issues of conflicts of interest on the part of board members, standing committee members, officers, and persons employed by Capital Area United Way (CAUW).

2. Introduction

CAUW has a unique role as a leader of philanthropy to benefit health and human services in the tri-county region. One of our most important assets is the trust of the community. As stewards of the community's trust and charitable contributions, we must subject ourselves and our actions to the highest ethical standard at all times.

The following statement applies to board members, standing committee members, officers, and persons employed by CAUW, who have the authority to commit the institution to the purchase of goods or services, or have access to confidential information, or participate in the decision-making process that determines the distribution of CAUW funds.

3. Definition

A potential conflict of interest is a situation that involves a personal, familial, or business relationship between a covered CAUW board member, volunteer or employee and CAUW that can cause the institution to be legally liable or otherwise vulnerable to criticism. Real or perceived conflicts of interest may involve ethical or moral values, but covered conflicts are normally distinguishable and much more visible because of two factors, one or both of which may be present: (1) they involve money or otherwise bear on the fiduciary responsibility of the board to ensure that no covered board member, volunteer or employee uses or is perceived to use his or her institutional affiliations for personal financial gain, direct or indirect, except as CAUW policy may explicitly allow; or (2) they involve one or more aspects of the institution's funds, programs, real property, personal property, personnel, or auxiliary enterprises.

4. Fiduciary Responsibilities

Covered board members, volunteers, and employees have a fiduciary responsibility to CAUW as an institution and a clear obligation to fulfill their responsibilities in a manner consistent with this policy. All decisions of the covered board members, volunteers, and employees are to be made solely on the basis of a desire to advance the best interests of the institution and the public good. The integrity of CAUW must be protected at all times.

5. Conflict of Interest Policy

Men and women of substance inevitably are involved in the affairs of other institutions and organizations. Effective boards and employees will include individuals who have relationships and affiliations that may raise questions about perceived conflicts of interests. Although many such potential conflicts are and will be deemed inconsequential, each individual covered board member, volunteer, and employee has the duty to report all potential conflicts in the manner described in the Disclosure section.

Covered board members, volunteers, and employees shall not knowingly take any action, including voting on matters coming before the board, that constitutes a conflict of interest with CAUW or a breach of fiduciary duty to CAUW.

Covered board members, volunteers, and employees shall follow the rule of verbal disclosure stated below before making any statement intended to influence a CAUW decision involving CAUW funding or the purchase of goods or services in which they have a conflict of interest that is based on a personal, familial, or business relationship, including situations in which the covered board member, volunteer or employee, or an immediate family member, serves on the board of an agency that is eligible to receive CAUW funding. In situations where a conflict exists, the CAUW covered board member, volunteer, or employee may, after full disclosure of the conflict of interest, make a statement intended to influence the decision, but may not vote on the matter.

Employees must avoid appointments, including fiduciary appointments, which may harm United Way, conflict with the performance of their duties for United Way, require the disclosure of confidential CAUW information, or otherwise interfere with their employment relationship with United Way. CAUW staff members will refrain from serving on any Board or Advisory Board that receives allocation funding from CAUW unless such participation has been disclosed to and recommended by the President to the Audit Committee who shall make a recommendation for involvement to the Board of Directors.

6. Disclosure

Covered board members, volunteers, and employees shall disclose all known or potential conflicts of interest in any matter that may come before the board or before any of the board's committees. Such disclosures shall be made to the president of CAUW and to the chair of the board.

On an annual basis, each covered board member, volunteer, and employee is required to disclose in writing on forms provided by the Audit Committee, or its designee, any potential conflicts of interest, or if none, disclose as such. These forms will be submitted to and reviewed by the Audit Committee and provided to the president of CAUW and to the chair of the board. Should potential conflicts arise during the year, the covered board member, volunteer, or employee shall file an amended form.

A covered board member, volunteer, or employee who is uncertain as to whether to disclose a particular relationship or include it on the annual disclosure form should consult the president, or in the case of the president, the board chair. The president or chair may elect to seek the judgment of the Audit Committee before determining whether the relationship should be disclosed.

If the determination is made that the relationship need not be disclosed, the decision shall be reported to the Audit Committee, which may overturn it. If the determination is that disclosure should be made, the covered board member, volunteer, or employee may ask the Audit Committee to review that decision. The information provided by the covered board member, volunteer or employee shall not be disclosed to others unless a decision that the information should be disclosed is not honored by the covered board member, volunteer, or employee and a situation arises in which the conflict of interest policy applies.