

Conflict of Interest Policy

The purpose of this Conflict of Interest policy of the Sheridan Community Land Trust, hereinafter referred to as SCLT, is to safeguard the integrity of SCLT when it is contemplating decisions and actions that have the potential for benefiting the private interest of any director, officer, committee member, or work group member. This policy is intended to supplement, but not replace, any applicable state and federal laws governing Conflict of Interest applicable to nonprofit and charitable organization. It is the intent of this document to encourage trustworthy decision-making and prudent behavior on the part of all those associated with SCLT. The board of directors hereby adopts the following policy regarding conflict of interest.

Preamble

SCLT's effectiveness depends upon maintaining the highest levels of credibility, confidence, and trust with the communities it serves and all parties with whom it works. It is essential to protect the organization's reputation for objectivity and fairness by identifying and appropriately dealing with actual, potential, and perceived conflicts of interest.

All persons associated with SCLT are reminded that the decisions and activities of the board of directors, committee members, work group members, and staff, whether or not addressed in this policy, are governed by an overriding requirement of honesty, good faith, and fiduciary responsibility for the organization and to the communities it serves.

Definition of Conflict of Interest

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 or a committee of SCLT or when that person proposes to act on any issue, matter, or transaction in which SCLT has an interest, and in which the covered person may have an interest separate from that of SCLT. 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 SCLT, is acting in his or her own interests rather than the best interests of SCLT, has the ability to exercise undue influence over SCLT's decisions, or is receiving favorable treatment by SCLT because of his or her status as a covered person.

Covered Persons

This definition applies to all employees, board members, members of board or advisory committees, major donors (individuals, corporations or foundations who make a gift or a pledge of \$5,000 or more at any one time or \$10,000 or more within a 5-year period), and individuals such as volunteers or former employees who, by virtue of their continued involvement with SCLT, 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 SCLT. 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.

Statement of Policy

SCLT will not engage in any transaction or arrangement involving a Conflict of Interest without establishing appropriate safeguards to protect the interests of SCLT and the communities it serves. To that end:

- a. Each board member, committee member, work group member, and staff member must promptly, fully and timey comply with the disclosure requirements set forth in this policy, or as otherwise adopted by the Board in accordance with this policy.
- b. All transactions, contracts or arrangements involving a Conflict of Interest must be reviewed by the board or a designated body of disinterested persons.
- c. The Board, or designated body, must determine by a majority vote of disinterested persons that appropriate safeguards are in place to protect the interest of SCLT and are consistent with the purposes of this Policy.
- d. Where appropriate, the Board or designated body shall seek advice of legal counsel.

General Guidelines

All persons shall avoid conflict of interest involving their duties to SCLT 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 SCLT. Such persons shall not use their position or knowledge gained during their association with SCLT for their private benefit nor to obtain an unfair advantage over any aspect of their dealings with SCLT.

Obligations of Covered Persons

Each covered person is obliged:

1. To annually disclose to the board, executive director, committee of the board on which he or she serves, or work group on which he or she serves, the existence of any actual, potential, or perceived conflict of interest. (SCLT will provide the annual form for these disclosures at the annual board retreat.)
2. To abstain from discussing with board members, employees, committee members, or work group 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, a board committee, or a work group to give information on the issue, matter, or transaction.
3. To absent himself or herself from board, committee, or work group discussions on any issue, matter or transaction involving a conflict of interest, unless requested by the board, committee, or work group to give information on the issue, matter, or transaction.
4. To abstain from voting on any such issue, matter, or transaction.
5. When requested by the board, to resign from the board of directors, advisory board, committee, or work group 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, committee or work group.

Obligations of the Board in Conflicted Situations

When a transaction, contract, or project of SCLT involves an actual, potential, or perceived conflict of interest with a covered person, the board shall act as follows:

1. Approve such transaction, contract, or project only after making specific findings that:
 - (i) The transaction, contract, or project is fair and benefits SCLT and its objectives; and
 - (ii) 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; and
 - (iii) When the covered person is a director, the director 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; and
 - (iv) A more advantageous arrangement could not have been obtained with reasonable effort.

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, committee, or work group resign.

I have read and agree to abide by the SCLT Conflict of Interest Policy.

Signature Date

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