



# CODE OF ETHICS AND CONFLICT OF INTEREST POLICY

BD.01, Rev.00, 20 JUN 2017

## **PURPOSE**

TIMBERLINE and its Board of Directors recognize that public trust is a key asset to any philanthropic organization and as such, public trust is critical to protect. To ensure there is trust in our organization we need to remain focused on our mission, be responsible stewards of funds, and behave with the highest ethical standards in all matters. We recognize that ethics is going beyond simple adherence to the law and extends to choosing to do the right thing. We will use the following codes and standards as our guide to assist in keeping in line with values of trust and integrity, especially in decisions made between competing right choices.

## **SCOPE**

No Person shall originate, participate in, or vote on any transaction involving TIMBERLINE in which such Person has a Conflict of Interest.

A Person will be deemed to have a Conflict of Interest if (1) he/she or a Related Party (a) has a Material Financial Interest in or (b) is affiliated with any Entity that proposes to enter into any transaction or business with TIMBERLINE or (2) such Person or a Related Party would otherwise materially benefit, directly or indirectly, from the transaction. The purpose of this policy is to prevent personal material gain, whether actual or apparent, from interfering with performance on behalf of TIMBERLINE, and to ensure compliance with corporate bylaws and IRS regulations regarding 501(c)(3) classification.

## **RESPONSIBILITIES**

Board members, committee members, staff and volunteers will reflect:

1. Personal and Professional Integrity; act in an honest and open manner in all dealings as representative of the organization. Establish respect, fairness and integrity necessary to prove accountability to the public.
2. Responsible Stewardship; exercise care, good faith and due diligence in organizational affairs. For the board of directors, provide credible and effective organizational oversight. At all times act in accordance with the highest ethical standards and in the best interest of the organization, its constituents and reputation.

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3. Commitment to Excellence; strive for excellence and innovation and demonstrate professional respect and responsiveness to constituents and others. Show leadership by example which fosters a culture of respect for individual contributions and ethical practices.
4. Adherence to Laws and Policies; comply with applicable federal, state and local laws as well as organizational policies. Compliance with corporate bylaws and IRS regulations for 501(c)(3) classification.
5. Commitment Beyond the Law; show leadership in ethical behavior. Respect confidentiality of sensitive information. Report all illegal or unethical conduct per applicable policy.

## PROCEDURE

*Disclosure.* To effectuate this Policy each Person shall disclose to the Board of Directors and President all material facts relating to any Conflict of Interest such Person or a Related Party has regarding any transaction to be considered by TIMBERLINE. On an annual basis, each Person shall submit a disclosure list on which the Person identifies all Entities to which such Person or a Related Party is an employee, officer, director or consultant, or in which the Person or a Related Party has a Material Financial Interest. In addition, the Person shall annually sign a statement affirming that he/she has read this policy, agrees to comply with this Policy and acknowledges he/she is not aware of any violations or has disclosed any known violations.

The above referred to form is included with this policy as BD F-01.

*Recusal.* After disclosure of the Conflict of Interest, a Director of TIMBERLINE shall recuse him/herself from the Board's deliberations and any vote regarding any matter in which the Director has a Conflict of Interest unless the Executive Committee determines that recusal is unnecessary in the particular instance. A staff member shall not be the responsible staff person on a transaction in which he/she has a Conflict of Interest.

*Record of Proceedings.* TIMBERLINE shall keep a record of all transactions in which a Person had a Conflict of Interest and the procedures followed in such instance.

## Definitions

Person means any employee, director, member of a committee with governing board delegated powers, volunteer or trustee of TIMBERLINE.

Related Party means a member of the immediate family of the Person (spouse, sibling, parent, grandparent, children, in each case whether biological or by adoption or marriage) living in the Person's household.

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A Person or Related Party is affiliated with an Entity if he/she is an employee, officer, director or member of a committee with board delegated powers of, or a consultant to, the Entity.

Material Financial Interest: A Person or Related Party has a Material Financial Interest in an Entity or a transaction if he/she:

Owns or has a right to acquire, directly or indirectly, equity interest in the Entity, or

Is owed money or other compensation by the Entity, or

Receives compensation or other benefit, whether monetary or non-monetary, from the Entity or transaction, whether directly or indirectly.

Entity is to be broadly defined and includes a corporation, partnership, limited liability company, trust, organization, coalition, commission, university, or institute.

## **Prohibition on Gifts**

No Person or his or her Related Party shall accept anything of value from an Entity that is or may reasonably be expected to do business with TIMBERLINE, including entertainment, tickets, meals, clothing or other items, unless such acceptance is disclosed to the Chair and (i) such gift is of nominal value, (ii) the recipient is not expected to take or refrain from taking any action in connection with the receipt of the gift, (iii) the gift is in keeping with good business ethics or refusing such gift would be contrary to the accepted norms under the circumstances.

Additionally, no Person or his or her Related Party shall accept anything of value in exchange for support of the organization through participation in fundraising and other events. This includes cash prizes for fundraising or other in-kind prizes except those of nominal value made available to all of the participants of an event, such as door prizes of donated goods. Costs of travel and accommodations for events given as prizes are considered high value and are not available to all Persons. The benefits of fundraising prizes are not transferable.

Any Person who is offered anything of value in connection with his or her involvement with TIMBERLINE will report such offer to the Chair, even if the item is not accepted.

This policy shall not apply to payments made to any Person in exchange for the performance of services for TIMBERLINE outside of such Person's capacity as an employee, director, member of a committee with governing board delegated powers, volunteer or trustee of TIMBERLINE.

Any Person who fails to comply with the provisions of this policy may be removed from his or her role with TIMBERLINE, at the discretion of the Board of Directors.

## **Attachments:**

*BD F.01 Conflict of Interest Disclosure and Complaint Form*

*Attachment A – Good Governance for Non-Profits/Board Member Responsibilities*