

## CONFLICT OF INTEREST POLICY

The Directors of Sense of Security owe a duty of loyalty to the organization, which requires that in serving Sense of Security they act, not in their personal interests or in the interests of others, but rather solely in the interests of Sense of Security. Directors must have undivided allegiance to Sense of Security's mission and may not use their positions as Directors, information they have about Sense of Security, or Sense of Security's property, in a manner that allows them to secure a pecuniary benefit for themselves or their relatives.

**Conflict of Interest Definition:** a situation in which the personal, professional, financial, business or other concerns of a board member or key staff member affect his or her ability to put the welfare of the organization before personal benefit. Conflict of interest relates broadly to ethical behavior, which includes not just legal issues but considerations in every aspect of governance.

### **1. FULL DISCLOSURE.**

Board members and staff members in decision-making roles must make known their professional, financial, or personal connections or connections between their immediate family members and groups doing business with the organization or groups that are collaborating with the organization. Board members are required to self monitor and inform the Board President whenever a potential or perceived conflict arises. The Board President must remind those in conflict if necessary and an annual disclosure questionnaire is required of Board members. The Board President is ultimately responsible for actions taken regarding a board member's actions. If the Board President is in conflict, oversight duty falls to the Board Vice President.

### **2. CONDUCT OF PERSONAL BUSINESS AND PERSONAL BENEFIT.**

The conduct of personal business between any Director and Sense of Security is prohibited.

Business transactions of Sense of Security in which a Director has an interest shall not be prohibited, but they shall be subject to close scrutiny. Such proposed transactions shall be reviewed carefully to determine that they are in the best interests of Sense of Security and that they will not lead to conflict of interest. For the purposes of this policy, a Director has an interest in a proposed transaction if he/she has a substantial financial interest in it, or has a substantial financial interest in any organization involved in the proposed transaction, or holds a position as trustee, director, general manager, or principal officer in any such organization.

A Director with a dual interest in a proposed transaction shall not vote on the matter and, depending upon the circumstances, may be excluded from any discussion of the matter.

A Director shall not use inside information of Sense of Security for his/her personal benefit, or use such inside information or his/her position as Director to the detriment of Sense of Security. Inside information is information obtained through the Director's position that has not become public information.

### **3. BOARD MEMBER ABSTENTION FROM DISCUSSION AND VOTING.**

Board members who have an actual, potential, or perceived conflict of interest may not participate in discussions, advocate on their own behalf formally or informally, or vote on matters affecting transactions between the organization and the other group. Board members should not be present at a meeting when matters in which they have an interest are considered.

**4. STAFF MEMBER ABSTENTION FROM DECISION-MAKING.**

Staff members who have an actual, potential, or perceived conflict may not be substantively involved in decision-making affecting such transactions.

**5. TASK FORCE OR COMMITTEE APPOINTMENT FOR ACTION.**

If necessary, the Board President (or Board Vice President should the situation involve the Board President) must determine if there has been a violation of the organization’s policy and can appoint a task force or committee to investigate the matter with the help of legal counsel. All circumstances involved will be considered and a recommendation on action to take made to the Board President.

**6. REVIEW.**

The Board of Directors will review the Conflict of Interest Policy annually.

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Signature

Date