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Conflict of Interest Disclosure Procedures

Please complete the questionnaire below, indicating any potential conflicts of interest. If you answer "yes" to any of the questions, please provide a written description of the details of the specific action, policy or transaction in the space allowed. Attach additional sheets as needed.

A conflict may exist where an interested party directly or indirectly benefits or profits as a result of a decision, policy or transaction made by FREE. The interested party would not have obtained this benefit were it not for his/her relationship with FREE.

I. Application of Policy

This policy is intended to supplement, but not replace, federal and state laws governing conflicts of interest applicable to nonprofit corporations. It applies to board members, the executive director, and management staff, as well as their relatives and associates, and to who are hereinafter referred to as "interested parties."

II. Definition of Conflict of Interest

A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of Freedom House Reentry Education and Employment Corporation (hereinafter "FREE"). The variety of situations that raise conflict of interest concerns include, but are not limited to, the following:

A. Financial Interests - A conflict may exist where an interested party directly or indirectly benefits or profits as a result of a decision, policy or transaction made by FREE. Examples include situations where:

- FREE contracts to purchase/lease goods, services, or property from an interested party.
- FREE offers employment to an interested party, other than a person who is already employed by FREE.
- An interested party uses their relationship with a FREE client to obtain employment, a contract or other benefit.
- An interested party is provided use of the facilities, property, or services of FREE in a manner that would not be available to other community members.
- FREE adopts a policy that specifically creates a financial benefit to an interested party.

A. Other Interests - A conflict also may exist where an interested party obtains a non-financial benefit or advantage that he/she would not have obtained absent his/her relationship with FREE. Examples include where:

- An interested party seeks to make use of confidential information obtained from FREE or a FREE client for his/her own benefit (not necessarily financial).
- FREE adopts a policy that provides a significant non-financial benefit to an interested party.

A. Financial interest is not necessarily a conflict of interest. A conflict of interest exists only when the board decides that a person with a financial interest has a conflict of interest.

A conflict of interest exists only when the Board of Directors decides there is a conflict.

III. Disclosure of Potential Conflicts of Interest

An interested party is under a continuing obligation to disclose any potential conflict of interest as soon as it is known or reasonably should be known

- Board members and the executive director complete an Affirmation of Compliance form (Appendix B) when they join the board or staff and annually thereafter.
- Any interested party completes the Disclosure of Potential Conflict of Interest Statement (Appendix A) to disclose any potential conflicts of interest.

Disclosure Statements and Affirmations of Compliance will be submitted as follow:

- For board members, the disclosure statements will be provided to the board president.
- The president's disclosure statement shall be provided to the secretary of the board.
- In the case of staff and consultants/volunteers, the disclosure statements shall be provided to the executive director.
- In the case of the executive director, the disclosure statement shall be provided to the president of the board.

The secretary of the board or the person designated by the board as the reviewing official is responsible for bringing potential conflicts to the attention of the board or the executive director. The secretary of the board shall file copies of all disclosure statements with the official corporate records of REE.

IV. Procedures for Review of Potential Conflicts

Whenever there is reason to believe that a potential conflict of interest exists between the FREE and a board member or the executive director, the board shall determine the appropriate response. The designated reviewing official has a responsibility to bring a potential conflict of interest to the attention of the board for action at the next regular meeting of the board or during a special meeting called specifically to review the potential conflict of interest. FREE shall refrain from acting until such time as the proposed action, policy or transaction has been approved by the disinterested members of the board.

Whenever there is reason to believe that a potential conflict of interest exists between the FREE and a consultant/volunteer, the executive director shall determine the appropriate response. The executive director shall report to the board chair the results of any review.