



CONFLICT OF INTEREST QUESTIONNAIRE, GIFT POLICY & DISCLOSURE

There exists between Mid-Cumberland Community Action Agency and its board, officers, and management employees and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The board, officers, and management employees have the responsibility of administering the affairs of MCCA honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of MCCA. These persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with MCCA or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

Persons Concerns: This statement is directed to Board of Directors and Policy Council members as well as all employees who can influence the actions of MCCA including all Executive leadership, management, and those making purchasing decisions.

Reason for Policy: The purpose of the conflict of interest policy is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or might result in a possible excess benefit transaction. Conflicts of Interest raise governance, tax and regulatory issues for MCCA. They also raise concerns in the mind of the public and members of the media, potentially undermining MCCA's reputation and good standing. For these reasons, MCCA's Employees, Policy Council Members, and Board Members should avoid Conflicts of Interest, disclose ethical, legal, financial and other such conflicts, and remove themselves from deliberations and decision-making on matters in which they have a Conflict of Interest. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Reason for this Statement: MCCA is committed to the highest ethical standards in how MCCA conducts its business and operations. Completing this statement helps MCCA Board and management identify and evaluate situations and relationships that could be problematic for MCCA, including ones that could jeopardize its tax-exempt status or ability to obtain grants or other funding.

Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to Board of Directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

Completing this Statement: Each Board Member is required to complete and sign this statement at least once every two years and at such times as they become aware of actual or potential Conflicts of Interest. It asks intentionally broad questions, with the hope of identifying all relevant actual or potential Conflicts of Interest.

Identifying a Conflict or Relationship Does Not Necessarily Mean There Is a Problem. In some instances, you may need to reveal a conflict or relationship when responding to a question. This does not necessarily mean that you have done something improper or violated the Conflict of Interest Policy. By identifying conflicts and relationships, you permit MCCA's Board and management to make an informed judgment, further permitting them to address issues through appropriate action or safeguards.

If You Have Questions about the Policy or this Statement: Please direct questions or concerns about MCCA's Conflict of Interest Policy to Board Chair or Executive Director. Concerns may also be addressed with the Finance Committee of the Board of Directors.

Mid-Cumberland Community Action Agency
CONFLICT OF INTEREST QUESTIONNAIRE

NAME OF EMPLOYEE OR BOARD MEMBER: (please print) _____

CAPACITY: Circle all that apply

Board of Directors (BOD)
BOD Finance Committee
Policy Council
Staff (position): _____

BOD Officer (position) _____
Policy Council Officer (position): _____

In order to be more comprehensive, this statement of disclosure/questionnaire also requires you to provide information with respect to certain parties that are related to you. These persons are termed **“affiliated persons”** and include the following:

- a. your spouse, domestic partner, child, mother, father, brother, sister
- b. any corporation or organization of which you are a board member, an officer, a partner, participate in management or are employed by, or are, directly or indirectly, a debt holder or the beneficial owner of any class of equity securities; and
- c. any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar capacity.

1. Do you or any affiliated person serve as an employee of MCCA, serve on MCCA Board of Directors, or serve on MCCA Policy Council? Yes No

If Yes, please identify the individual, your relationship to him/her, and his/her position.

2. Are you or any affiliated person compensated for providing services to MCCA? Yes No

If Yes, please identify the person and describe the services and compensations

3. Have you or any of your affiliated persons used MCCA equipment, facilities, assets, or staff time for non-MCCA purposes? Yes No

If Yes, please identify the individual, the MCCA equipment, facilities, assets or staff used, and the purpose for which it was used:

4. Have you or any of your affiliated persons provided services or property to MCCA in the past two years? Yes No

If Yes, please describe the nature of the services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

5. Have you or any of your affiliated persons purchased services or property from MCCA in the past two years? Yes No

If Yes, please describe the purchased services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person.

6. Please indicate whether you or any of your affiliated persons had any direct or indirect interest in any business transaction(s) in the past two years to which MCCA, MCCA staff, MCCA Board member, or MCCA Policy Council Member was or is a party? Yes No

If Yes, describe the transaction(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

7. Please indicate whether you or any of your affiliated persons is closely associated with any entity that is engaged in or considering engaging in a transaction with MCCA, MCCA staff, MCCA Board member, or MCCA Policy Council Member was or is a party? Yes No

If Yes, describe the transaction(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

8. Were you or any of your affiliated persons indebted to pay money to MCCA at any time in the past two years (other than travel advances or the like)? Yes No

If yes, please describe the indebtedness and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

9. Have you or any of your affiliated persons participated in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict of interest was involved? Yes No

If yes, please identify the person, contract, and conflict of interest:

10. Have you or any of your affiliated persons solicited or accepted gifts, gratuities, favors, or anything of monetary value (other than token gifts) from 1) Person receiving benefits or services under any MCCA program 2) Person or Organization performing services for or providing goods or space to MCCA 3) Person(s) who are otherwise in a position to benefit from the actions of MCCA employee, Board Member, or Policy Council Member? Yes No

If yes, please describe the person, the item solicited or accepted, and the person or entity from whom the item was solicited or accepted:

11. In the past two years, did you or your affiliated person(s) receive, or become entitled to receive, directly or indirectly, any personal benefits from MCCA as a result of your relationship with MCCA, that in the aggregate could be valued in excess of \$1,000, that were not or will not be compensation directly related to your duties to MCCA? Yes No

If yes, please describe the benefit(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

12. Are you or any of your affiliated persons a party to or have an interest in any pending legal proceedings involving MCCA? Yes No

If yes, please describe the proceedings(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

13. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by MCCA's board (or a duly constituted committee thereof) in accordance with the terms and intent of MCCA's conflict of interest policy? Yes No

If yes, please describe the situation(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

I HEREBY CONFIRM that I have read, understand, and agree to comply with MCCA's conflict of interest policies included in this document, Finance Manual, Personnel Manual, and Service Provision policies and that my responses to the above questions are complete and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will notify the Executive Director of MCCA immediately.

Signature

Date

**Mid-Cumberland Community Action Agency
CONFLICT OF INTEREST DISCLOSURE FORM**

As an employee, Policy Council Member, or Board Member of MCCA it is important to avoid any actual or perceived conflicts of interest. Policies regarding Conflict of Interest are included within Employee Handbook, Accounting & Financial Policies and Procedure Manual, and Conflict of Interest Procedure Agreement.

A conflict of interest, or an appearance of a conflict, can arise whenever a transaction, or an action, of Mid-Cumberland Community Action Agency conflicts with the personal interests, financial or otherwise, of (collectively "your personal interests"):

- MCCA employee, Policy Council member, or Board member
- immediate family member or affiliated person of MCCA employee, Policy Council member, or Board member
- MCCA employee, Policy Council member, or Board member's employer (collectively "your personal interests").

Please describe below any relationships, transactions, or positions you hold (volunteer or otherwise), or circumstances that you believe could create a conflict of interest, now or in the future, between Mid-Cumberland Community Action Agency and your personal interests, financial or otherwise:

_____ I have no conflict of interests to report.

I have the following conflict of interests, or potential conflicts of interests, to report:

1. _____
2. _____
3. _____

I have reviewed MCCA's current vendor list. Please describe below any possible conflicts of interest.

_____ I have no conflict of interests with vendors to report.

VENDOR NAME	COUNTY	EXPLAIN REAL OR PERCEIVED CONFLICT OF INTEREST

Comments: _____

I have reviewed Mid-Cumberland Community Action Agency's conflict of interest policies and vendor list and I understand that it is my obligation to disclose a conflict of interests, or appearance of a conflict, to the chair of the board or Executive Director immediately when a conflict, or appearance of a conflict, arises, and that for transactions in which I have a conflict, I will abstain from any vote on the matter involving the conflict.

Signature

Date

**Mid-Cumberland Community Action Agency
GIFT POLICY**

As part of its conflict of interest policy, MCCA requires that directors, officers and employees decline to accept certain gifts, consideration or remuneration from individuals or companies that seek to do business with MCCA or are a competitor of it. This policy and disclosure form is intended to implement that prohibition on gifts.

- Section 1.** “Responsible Person” is any person serving as an officer, employee or a member of the board of directors of MCCA.
- Section 2.** “Family Member” is a spouse, domestic partner, parent, child or spouse of a child, or a brother, sister, or spouse of a brother or sister, of a Responsible Person.
- Section 3.** “Contract or Transaction” is any agreement or relationship involving the sale or purchase of goods, services or rights of any kind, receipt of a loan or grant, or the establishment of any other pecuniary relationship. The making of a gift to MCCA is not a “contract” or “transaction.”
- Section 4.** Prohibited gifts, gratuities and entertainment. Except as approved by the Chairman of the Board or his designee or for gifts of a value less than \$50 which could not be refused without discourtesy, no Responsible Person or Family Member shall accept gifts, entertainment or other favors from any person or entity which:
1. Does or seeks to do business with MCCA or,
 2. Does or seeks to compete with MCCA or,
 3. Has received, is receiving, or is seeking to receive a Contract or Transaction with MCCA.

GIFT STATEMENT

I certify that I have read the above policy concerning gifts, and I agree that I will not accept gifts, entertainment or other favors from any individual or entity, which would be prohibited by the above policy.

Signature

Date

ACCOUNTING & FINANCIAL POLICIES AND PROCEDURES MANUAL

CONFLICTS OF INTEREST POLICY

Introduction

In the course of business, situations may arise in which an Organization decision-maker has a conflict of interest, or in which the process of making a decision may create an appearance of a conflict of interest.

All directors and employees have an obligation to:

1. Avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of MCCA in dealing with outside entities or individuals,
2. Disclose real and apparent conflicts of interest to the Board of Directors, and
3. Refrain from participation in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.

What Constitutes a Conflict of Interest?

A conflict of interest arises when a director or employee involved in making a decision is in the position to benefit, directly or indirectly, from his/her dealings with MCCA or person conducting business with MCCA. (A potential conflict of interest exists when the director or employee, or his/her immediate family {spouse, children, brother, sister and spouses of children, brother or sister} owes/receives more than 1% of the benefiting business/profits.)

Examples of conflicts of interest include, but are not limited to, situations in which a director or employee:

1. Negotiates or approves a contract, purchase, or lease on behalf of MCCA and has a direct or indirect interest in, or receives personal benefit from, the entity or individual providing the goods or services;
2. Negotiates or approves a contract, sale, or lease on behalf of MCCA and has a direct or indirect interest in, or receives personal benefit from, the entity or individual receiving the goods or services;
3. Employs or approves the employment of, or supervises a person who is an immediate family member of the director or employee;
4. Sells products or services in competition with MCCA;
5. Uses MCCA's facilities, other assets, employees, or other resources for personal gain;
6. Receives a substantial gift from a vendor, if the director or employee is responsible for initiating or approving purchases from that vendor. A substantial gift equals an amount of \$25.00 or greater.

Disclosure Requirements

A director or employee who believes that he/she may be perceived as having a conflict of interest in a discussion or decision must disclose that conflict to the group making the decision. Most concerns about conflicts of interest may be resolved and appropriately addressed through prompt and complete disclosure.

Therefore, MCCA requires the following:

1. On an annual basis, all members of the Board of Directors, the Executive Director, members of senior management, and employees with purchasing and/or hiring responsibilities or authority shall inform, in writing, the Executive Director and the chair of the Finance Committee, of all reportable conflicts.
2. Prior to the preparation of the disclosure statements, the accounting department shall distribute a list of all vendors with whom MCCA has transacted business at any time during the preceding year, along with a copy of the disclosure statement;
3. The Executive Director shall review all forms completed by employees, and the Finance Committee shall review all forms completed by directors and the Executive Director, and determine appropriate resolution in accordance with the next section of this policy.

4. If a conflict arises during the year, the employee or board member will immediately notify the Executive Director who will determine appropriate resolution.

Resolution of Conflicts of Interest

All real or apparent conflicts of interest shall be disclosed to the Finance Committee and the Executive Director of MCCA. Conflicts shall be resolved as follows:

- The Finance Committee shall be responsible for making all decisions concerning resolutions of conflicts involving directors, the Executive Director, and other members of senior management.
- The chair of the committee shall be responsible for making all decisions concerning resolutions of conflicts involving Finance Committee members.
- The chair of the board shall be responsible for making all decisions concerning resolutions of the conflict involving the chair of the Finance Committee.
- The Executive Director shall be responsible for making all decisions concerning resolutions of conflicts involving employees below the senior management level, subject to the approval of the Finance Committee.

An employee or director may appeal the decision that a conflict (or appearance of conflict) exists as follows:

- An appeal must be directed to the chair of the board.
- Appeals must be made within 30 days of the initial determination.
- Resolution of the appeal shall be made by vote of the full Board of Directors.
- Board members who are the subject of the appeal, or who have a conflict of interest with respect to the subject of the appeal, shall abstain from participating in, discussing, or voting on the resolution, unless their discussion is requested by the remaining members of the board.

Disciplinary Action for Violations of this Policy

Failure to comply with the standards contained in this policy will result in disciplinary action that may include termination, referral for criminal prosecution, and reimbursement to MCCA or to the government, for any loss or damage resulting from the violation. As with all matters involving disciplinary action, principles of fairness will apply. Any employee charged with a violation of this policy will be afforded an opportunity to explain her/his actions before disciplinary action is taken.

Disciplinary action will be taken:

1. Against any employee who authorizes or participates directly in actions that are a violation of this policy.
2. Against any employee who has deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of this policy.
3. Against any director, manager or supervisor who attempts to retaliate, directly or indirectly, or encourages others to do so, against any employee who reports a violation of this policy.

A board member who violates this policy will be removed from the board.

PERSONNEL MANUAL

CONFLICTS OF INTEREST POLICY

Conflict of Interest

Effective Date: 09/01/2020

PURPOSE/POLICY

MCCAA conducts business ethically and avoids conflicts of interest including the appearance of such conflicts. All persons involved in the Agency operations have an equal obligation to avoid conflicts of interest affecting the agency and its clients.

PROCEDURES

1. Employees, Board of Directors, and Policy Council members are expected to report perceived and real conflicts of interest to Human Resources immediately upon discovery or suspicion of the conflict. The vendor list should be reviewed and a disclosure form completed. Examples of conflicts of interest are listed below (but are not limited only to these items):
 - a. An employee has outside employment that competes with the activities or services offered by the Agency.
 - b. An employee has an outside business interest that competes with the activities of the Agency.
 - c. An employee has an outside business that is a purchaser or supplier of goods or services to the Agency.
 - d. An employee has an outside business involvement or employment that interferes with the ability to devote necessary attention to the responsibilities at the Agency (moonlighting).
 - e. An employee has a relative or a person with a significant relationship employed by or has a business interest in companies that compete with, sell to, or buy from the Agency.
 - f. An employee receives purchase inducements (gifts, premiums, money, goods, or services) from vendors that benefit the employee personally (directly or indirectly) or are unauthorized or questionable in nature.
 - g. An employee serves on the policy council or policy committee.
2. Employees, Board of Directors, and Policy Council members have an obligation to:
 - a. Avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of MCCAA in dealing with outside entities or individuals,
 - b. Disclose real and apparent conflicts of interest to the Board of Directors, and
 - c. Refrain from participation in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.
3. Personal gifts and favors from people with whom the Agency has a business relationship are prohibited. Minor gifts of more than nominal value of \$50 should be tactfully declined or returned to avoid any appearance or suggestion of improper influence.
 - a. Employees are prohibited from accepting any gift or favor from a client or potential client or client/potential client's family.
4. Employees may not accept an honorarium for speaking or teaching assignments in which they represent the Agency, and/or if such assignment(s) occur during regular work hours. If such honoraria are received, they must be turned over to the Agency.
5. Members of the Board of Directors, Governing Board, or Administering Board of any public, private, or nonprofit agency funded by MCCAA, or members of any major policy advisory bodies, are not eligible for employment

with the Agency. Former members of these Boards and advisory bodies are eligible for employment following their resignation.

6. Employees, Board of Directors, and Policy Council members shall not accept full-time, part-time, or temporary employment in an organization which does business with the agency or is a competitor of the agency.
7. Employees, Board of Directors, and Policy Council members and their immediate families may not have a financial interest in an organization which does business with MCCA whether or not the interest is sufficient to affect the employees, Board of Directors, and Policy Council member's decisions or actions.
8. MCCA expects employees to conduct business in accordance with relevant policies, procedures, and laws and to refrain from any illegal, dishonest, or unethical conduct.
9. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

RESOLUTION OF CONFLICTS OF INTEREST

All real or apparent conflicts of interest shall be disclosed to the Executive Director of MCCA and to the Finance Committee of the Board of Directors. Conflicts shall be resolved as follows:

- The Finance Committee shall be responsible for making all decisions concerning resolutions of conflicts involving directors, the Executive Director, and other members of senior management.
- The chair of the committee shall be responsible for making all decisions concerning resolutions of conflicts involving Finance Committee members.
- The chair of the board shall be responsible for making all decisions concerning resolutions of the conflict involving the chair of the Finance Committee.
- The Executive Director shall be responsible for making all decisions concerning resolutions of conflicts involving employees below the senior management level, subject to the approval of the Finance Committee.

CONFLICT OF INTEREST IN SERVICE DELIVERY

Applications are required for services provided by Mid-Cumberland Community Action Agency including CSBG, LIHEAP, WAP, Head Start, and Early Head Start. Applicants will be asked to declare on their application if they are an employee or board member of Mid-Cumberland Community Action Agency or if they are related to an employee or board member of MCCA. Applicant who disclose these relationships will undergo a modified process:

- Designated Field staff from local Head Start or Outreach Office, other than the employee/relative, will review all the information and determine if the employee or employee/board member's family member is eligible for service.
- Once eligibility is determined, Field Staff, other than the employee/relative, will forward application to Central Office.
- Central Office staff will review the application, ensuring that it is correct, complete, and meets eligibility criteria.
- The Program Director will review the application, ensuring that it has been processed properly. In the event that the employee or employee's family member that is requesting assistance is a family member of the Program Director or the Program Director is unavailable for an extended period of time, then a different Program Director, Manager, or Coordinator will review the application. The designated member of program management must sign and date the file to acknowledge review was completed and to approve provision of service/addition to waitlist following proper policies and procedures.
- The application will be forwarded to Agency management for review. This review will be completed by Finance Director, Deputy Director, or Executive Director. The Agency Director will ensure all information is included, and will verify with program management that all information was reviewed and entered into the appropriate data

management system. The Agency Director must sign and date the file to acknowledge review was completed and approve provision of service/addition to waitlist.

- After appropriate review the application will be processed as any other application, with vouchers/approvals letters provided to the board member/employee or the board member/employee's family member, as applicable.
- The application will be filed with all other program applications.
- A list of board members/employees or board members/employee's family members that receive assistance will be maintained by the Director of Finance and available to the Governing Board's Finance Committee. This list will only be provided to Finance Committee members upon request, and not to any MCCA staff not involved in the approval process, to protect customer confidentiality.

DISCIPLINARY ACTION

Failure to comply with the standards contained in this policy will result in disciplinary action that may include termination, referral for criminal prosecution, and reimbursement to MCCA or to the government, for any loss or damage resulting from the violation. As with all matters involving disciplinary action, principles of fairness will apply. Any employee charged with a violation of this policy will be afforded an opportunity to explain her/his actions before disciplinary action is taken.

Disciplinary action will be taken:

- a. Against any employee who authorizes or participates directly in actions that are a violation of this policy.
- b. Against any employee who has deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of this policy.
- c. Against any director, manager or supervisor who attempts to retaliate, directly or indirectly, or encourages others to do so, against any employee who reports a violation of this policy.
- d. A board member who violates this policy may be removed from the board.