



Habitat for Humanity of Greater Nashville Conflicts of Interest

A. Conflicts of interest

An actual or potential conflict of interest occurs when there is direct or indirect personal gain for you or for an immediate family member as a result of Habitat for Humanity of Greater Nashville ministry. Habitat of Greater Nashville defines "immediate family" as your spouse or domestic partner, parent, legal guardian, child, sibling, grandparent, grandchild, son-in-law, daughter-in-law, your spouse's or domestic partner's immediate family.

If you have any influence on, or interest in, transactions involving purchases, contracts or leases by Habitat of Greater Nashville, you must disclose this conflict of interest as soon as possible to the President and CEO and the Board Chair. This will ensure that safeguards can be established to protect all parties.

The possibility of direct or indirect personal gain occurs where you or your relative has ownership in a firm with which Habitat of Greater Nashville does business.

Under no circumstances may you, an immediate family member, your business partner or any business in which you have a financial interest solicit or receive any kickback, bribe, favors, anything with a monetary value in excess of \$25 or special consideration from any person having business dealings involving HFHGN without the express written consent of the President and CEO or designated representative.

If you, an immediate family member, your business partner or any business in which you have a financial interest receives an unsolicited gift with a monetary value in excess of \$25, you should contact the President and CEO or designated representative and the Chairman of the Board. Any such gift is the property of Habitat of Greater Nashville.

You have an obligation to conduct business within guidelines that prevent actual or potential conflicts of interest. This policy establishes only the framework within which Habitat of Greater Nashville wishes its ministry to operate. The purpose of these guidelines is to provide general direction so that you can seek further clarification on issues related to conflicts of interest.

B. Annual disclosure

Directors, officers and staff shall disclose in writing to the board of directors any person to whom they are closely related or any organization with which they are affiliated who or which presently transacts business with the HFHGN or a related entity or might reasonably be expected to do so in the future. Each disclosure shall be updated and resubmitted to the secretary of the board on an annual basis.

An affiliation with an organization will be considered to exist when a director, officer, staff person or a member of his or her immediate family or close relative is an officer, director, trustee, partner, employee or agent of the organization, or owns 5 percent of the voting stock or controlling interest in the organization, or has any other substantial interest or dealings with any organization transacting business with HFHGN.

C. Transactions with Habitat

1. Types of transactions

A director, officer or staff person may have a conflict of interest when he or she or a related person (i.e., a relative by blood or marriage) has a direct or indirect financial or beneficial interest in a transaction involving Habitat of Greater Nashville. The conflict arises when the direct or indirect interest would reasonably be expected to influence a director's or officer's judgment in any matter concerning Habitat of Greater Nashville.

A director, officer or staff person has a financial or beneficial interest when he or she or a related person:

- is a director, officer, general partner, agent or employee of an entity (other than HFHGN) transacting business with Habitat of Greater Nashville;
- controls one or more entities described above; or
- has a business relationship (i.e., as a general partner, principal or employer) with a person transacting business with Habitat of Greater Nashville.

2. Duties of directors

In addition to the annual disclosure, a director or officer is required (as a matter of law and of policy) to disclose to the board of directors any actual or potential conflict of interest which the director or officer knows to exist. The disclosure shall identify the nature of the conflict and all the material facts and circumstances surrounding the conflict which would be necessary for the board to make an informed decision with respect to the transaction.

The disclosure of a director or officer is not limited to his or her own conflicts, but shall include any conflict of any other officer, director or employee which is known to a director or officer.

3. Action of the directors

Upon the disclosure of an actual or potential conflict of interest of a director, officer or staff person, the board of directors may take action despite the conflict:

- If the director, officer or staff person with the conflict provides the material information to the board and excuses himself or herself from the discussion and the vote on the transaction. (The director or officer is required to retire from the room for the vote.);
- If a majority of the disinterested directors (with a quorum present) takes action with respect to the conflict and with all material information; and
- If the minutes of the meeting of the board of directors or committee indicate that a conflict was disclosed and that the interested director was not present during the discussion and did not vote.

D. Nepotism

Habitat of Greater Nashville does not prohibit the employment of or the volunteering of relatives or persons with close personal relationships to current directors, volunteers or employees. However, it is important to recognize that these situations may not be conducive to a healthy environment in many instances. The following does not foreclose opportunities for families and friends to successfully contribute to the Habitat of Greater Nashville mission but is designed to insure that all employees and volunteers perceive that they will receive fair, impartial and unbiased treatment.

1. Immediate family members cannot report to each other simply because such a situation may result in conflict, discomfort or feelings of mistrust of other staff.
2. Immediate family members cannot be in positions where they are making decisions that affect their own family members (i.e., salary setting, hires, promotions, time off).
3. To ensure effective stewardship of funds, immediate family members cannot be in positions where opportunities exist to approve financial transactions (i.e., travel advances, reimbursements).
4. Finally, a staff member who is related to another employee or director cannot be in a position to approve or influence financial transactions or personnel decisions.

E. Acknowledgement

I acknowledge that I have received a copy of Habitat of Greater Nashville’s Conflict of Interest policy. I understand that it is my responsibility to read the policy and contact the President and CEO if I have any questions regarding the policy. I agree to abide by this policy and report any potential conflicts of interest immediately.

Director, Officer, Committee Member or Staff (print name)

Director, Officer, Committee Member or Staff (signature)

Date

Witness (signature)

Date