

CONFLICT OF INTEREST POLICY
HILLTOWN VILLAGE, INC. DBA IT TAKES A VILLAGE
Adopted on June 18, 2019

I. Purpose

It Takes a Village encourages the active involvement of its Board members and employees in the community. In order to deal openly and fairly with actual and potential conflicts of interest that may arise as a consequence of this involvement, It Takes a Village adopts the following Conflict of Interest Policy.

II. Policy

Board members and employees are expected to use good judgment, to adhere to high ethical standards, and to conduct their affairs in such a manner as to avoid any actual or potential conflict between the personal interests of a Board member or employee and those of It Takes a Village. A conflict of interest exists when the loyalties or actions of a Board member or employee are divided between the interests of It Takes a Village and the interest of the Board member or employee. Both the fact and the appearance of a conflict of interest should be avoided.

III. Definitions

Affiliated, affiliation includes all direct and indirect financial interests between a Board member or employee and a person with whom It Takes a Village is considering entering into any transaction. It also includes any other interest that may influence the judgment of a Board member or employee. An objective test is applied to determine whether an affiliation exists between the Board member or employee and the other person: whether the involvement or relationship of the Board member or employee with the other person is such that it reduces the likelihood that the Board member or employee can act in the best interests of It Takes a Village.

Person means any individual, trust, estate, partnership, association, company or corporation.

Substantial influence over It Takes a Village. The following persons are deemed to have substantial influence over It Takes a Village: each member of the Board of Directors; and such persons' spouse, children, brothers, sisters and the spouses of the children, brothers and sisters. Furthermore, any person who met one of these definitions in the five years before the proposed transaction is deemed, for purposes of this Policy, to have substantial influence over It Takes a Village.

IV. Procedures

Duty to Disclose

Each employee shall disclose to either of the Executive Directors (Program Director or the Outreach Director) of It Takes a Village all material facts regarding the affiliation of such employee with any person with whom It Takes a Village is considering entering a transaction. The employee shall make that disclosure promptly upon learning of the link between that person and transaction. Any new pending or completed transactions will be reported at each full Board meeting.

The Executive Directors (Program Director and Outreach Director) and any other person with substantial influence over It Takes a Village shall disclose to the Board all material facts regarding his or her affiliation with any person with whom It Takes a Village is considering entering a transaction. The Executive Directors or person with substantial influence shall make that disclosure promptly upon learning of the link between that person and the transaction. If there is a question as to whether the employee has substantial influence over It Takes a Village, the Executive Directors shall present this issue to the Board of Directors, and the Board shall resolve the matter.

At any meeting of the Board at which a transaction involving an affiliated person will be considered, a Board member shall disclose to the other members of the Board all material facts regarding the Board member's affiliation with any person with whom the Board is considering entering into any transaction.

Determining Whether a Conflict of Interest Exists

With regard to an employee without substantial influence over It Takes a Village, one and/or both of the Executive Directors shall determine whether a conflict of interest exists. With regard to the Executive Directors, or a person with substantial influence over It Takes a Village, the Board shall determine if a conflict of interest exists. After an affiliation disclosure by a Board member at a Board meeting, the Board member shall leave the meeting while the implications of the affiliation are considered and voted upon. The remaining Board members shall determine if a conflict of interest exists.

Consequences of the Existence of a Conflict of Interest

With regard to an employee without substantial influence over It Takes a Village, the Executive Directors shall decide the appropriate response by It Takes a Village once a conflict of interest has been determined to exist. An employee may appeal any adverse determination to the Board.

With regard to the Executive Directors or a person with substantial influence over It Takes a Village, the Board shall follow the procedures set forth in Article V in order to decide whether to enter into the transaction and, if so, to ensure that the terms of the transaction are reasonable.

In the case of a Board member, if it is determined that a conflict of interest exists, the Board member shall leave the meeting while the transaction is discussed and shall not vote on it. The remaining Board members shall follow the procedures set forth in Article V in order to decide whether to enter into the transaction and, if so, to ensure that the terms of the transaction are reasonable.

V: Findings of the Board

If the Board of Directors determines that a person with substantial influence over It Takes a Village has a conflict of interest with regard to a transaction of It Takes a Village, It Takes a Village may engage in the transaction only if the following conditions are met prior to the transaction:

- A. Such person shall disclose to the Board all material facts concerning the person's affiliation with the transaction.
- B. The Board shall review the material facts. The transaction may be approved only if a majority of the directors, not counting the vote of such person, concludes that:
 - (1) The proposed transaction is fair and reasonable to It Takes a Village, and
 - (2) It Takes a Village proposes to engage in this transaction for its own purposes and benefits and not for the benefit of such person, and
 - (3) The proposed transaction is the most beneficial arrangement which It Takes a Village could obtain in the circumstances with reasonable efforts.

The minutes of any meeting at which such a decision is taken shall record the nature of the affiliation and the material facts disclosed by such person and reviewed by the Chair of the Board.

VI: Annual Statements

Each person who is deemed to have substantial influence over It Takes a Village, to include all Board members and Executive Directors, shall sign an Annual Disclosure Statement which affirms that the person has received a copy of this Conflict of Interest Policy, has read and understood the Policy, and has agreed to comply with the Policy, and discloses any direct or indirect affiliations.

All Annual Disclosure Statements shall be submitted to the Secretary of It Takes a Village and filed with the minutes of the first meeting of the Board of Directors held each year.

VII: Remedies:

Any Board member who fails to comply with this Conflict of Interest Policy may, at the discretion of the Board of Directors, be censured or be removed from the Board. If an employee who is deemed to have substantial influence over It Takes a Village, specifically Executive Directors, fails to comply with this Conflict of Interest Policy, he or she may be put on notice or terminated, in the discretion of the Board of Directors. Any other employee who fails to comply with this Conflict of Interest Policy may be put on notice or terminated, at the discretion of the Executive Directors.

VIII: Periodic Reviews:

To ensure that It Takes a Village operates in a manner consistent with its charitable purposes and its status as an organization exempt from federal income tax, the Board shall authorize and oversee a periodic review of the administration of this Conflict of Interest Policy. The review may be written or oral. The review shall consider the level of compliance with the Policy, the continuing suitability of the Policy, and whether the Policy should be modified and improved.

**ANNUAL AFFIRMATION AND DISCLOSURE STATEMENT
IT TAKES A VILLAGE**

The Conflict of Interest Policy of It Takes a Village requires an annual affirmation that you have received, read, understand, and agree to comply with the Conflict of Interest Policy. In addition, the Policy requires that you annually (by June 30th of each year) disclose (1) your affiliations with any organization with which It Takes a Village may have a financial relationship or which may cause a conflict of loyalty, and (2) persons with whom you have a close relationship (such as a family member or close companion) who are affiliated with any organization with which It Takes a Village may have a financial relationship or which may cause a conflict of loyalty.

Please sign this Statement indicating your affirmation as described above. Please disclose, in addition, any applicable affiliations known to you. Please use another page if additional space is needed to describe further affiliations. Please return this Statement to the Secretary of It Takes a Village by June 30th.

Your name:

Date:

1. Business/Organization:

Nature of the relationship:

Dates of the relationship:

2. Business/Organization:

Nature of the relationship:

Dates of the relationship:

3. Business/Organization:

Nature of the relationship:

Dates of the relationship:

Signature

Date