



P.O. Box 235, Chepachet, RI 02814 401-626-GOBG



CONFLICT OF INTEREST POLICY

PURPOSE

With this policy, the Board intends to protect BGYSA's non-profit status and uphold its dedication to public service. This policy is intended to supplement but not replace any state laws governing conflicts of interest applicable to non-profit and charitable corporations.

DEFINITIONS

- A. Conflict of Interest. A conflict of interest exists when an Insider (as defined below) proposes to act on any issue, matter, or transaction in which BGYSA has an interest and the Insider has an interest separate from BGYSA, or where the Insider finds him or herself in a position to benefit by virtue of the Insider's relationship to BGYSA. A conflict of interest also exists in situations in which there is an appearance that an Insider is utilizing information that is proprietary to BGYSA for personal benefit, is acting in pursuit of personal interests rather than the best interests of BGYSA, or is receiving favorable treatment by BGYSA because of Insider status.
- B. Fiduciary Duty. When considering BGYSA business, Board members must act exclusively in BGYSA's interests rather than in the interest of other parties including themselves.
- C. Insiders. This policy applies to BGYSA insiders ("Insiders") including:
1. Any Board member, Advisory Board member, committee member (not on the Board), key volunteer (a volunteer with access to information not readily available to the public), Board member of a related organization, and/or major donor (any person, couple, family, partnership or corporation that has made a single donation to BGYSA of \$5,000 or more within the current calendar year in cash, stock, land or other asset);
 2. Family members of the persons described above, including spouse or domestic partner, parents, grandparents, great-grandparents, siblings, children, grandchildren, and great-grandchildren; similar step-relations, the spouses or domestic partners of same, and any other relative residing within his or her household;
 3. Any trust or estate of which one of the persons described above is a substantial beneficiary, or of which one of the persons described above is a fiduciary;
 4. Any business or organization of which one of the persons described above holds a 35 percent or more controlling interest or voting power; and
 5. Any person or party who fit one of the above descriptions within the five years prior to the date of the transaction in question.



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6. BGYSA's major contracts shall include provisions obligating contractors to follow procedures in connection with conflicts of interest consistent with those applicable to Insiders pursuant to this policy.

PROCEDURES

The following procedures are intended to help BGYSA avoid or manage conflicts of interest as a part of its accustomed operations.

A. Disclosure and Recusal

Upon beginning to discuss each substantive item on a meeting agenda, or promptly upon realizing that a potential, actual, or perceived conflict of interest exists, any Insider or person with knowledge of the conflict must affirmatively and fully disclose that conflict to the Board, or to the committee that is meeting. Insiders must recuse themselves from discussion and voting on any matter where a conflict exists. An Insider may not be present during the discussion and vote on an issue where he/she is conflicted, except that the Board or committee may ask a person with a conflict of interest to provide information or interpretation before recusing him or herself. The minutes must record the names of those who disclose conflicts of interest and all Insider recusals from the discussion and document that recused parties were not present for the discussion or any ensuing vote. If the conflict of interest stems from a relationship under which the Insider is under a duty of confidentiality, the Insider may disclose this limitation in place of other details of the nature of the conflict of interest. The

Any Insider or other person who is uncertain about a possible conflict of interest in any matter may ask the BGYSA Board to determine whether a conflict exists. The BGYSA Board shall resolve the question by vote, excluding any Insider who is the subject of the vote.

B. Procedures for All Transactions with Insiders

The BGYSA Board shall:

1. Record (within minutes and in any other appropriate documentation) all steps taken to manage the conflict of interest.
2. Ensure that there is no impermissible private benefit or private inurement (when a private benefit (a) accrues to an individual rather than the public at large and (b) is not incidental to the public benefit of the transaction). To avoid violating the private inurement prohibition, BGYSA must pay no more than reasonable compensation for services provided by Insiders; pay no more than fair market value for assets purchased from Insiders; receive no less than fair market value for assets sold to Insiders; and receive no less than fair market value for services provided to Insiders.



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3. Follow all BGYSA policies and procedures.
4. After exercising due diligence, the BGYSA Board shall determine whether BGYSA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
5. If a more advantageous transaction or arrangement is not reasonably possible under the circumstances that would avoid producing a conflict of interest, the BGYSA Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in BGYSA's best interests, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, the Board determine whether it is permissible for BGYSA to enter into the transaction or arrangement. The Board may also determine to refer the issue to legal counsel for advice, suspend its determination in order to gather more information, or reject the transaction.
6. If the transaction is pursued, no Insider may participate in its initiation, negotiation, preparation and completion.

C. Procedures for Other Association Matters

Other Association matters include, but are not limited to, confidentiality, conducting business or professional transactions with Insiders, and accepting gifts from Insiders.

1. Confidentiality. Unless expressly authorized by the Board, an Insider shall not:
 - a. Use knowledge of BGYSA's financial operations, potential acquisitions, deal structuring and negotiating strategies, fundraising and donor identities, stewardship program including enforcement and defense, and any other information that is not generally available to the public, for personal and/or business use and/or for the use of other parties; or
 - b. Discuss issues considered at Board and Committee meetings with individuals outside BGYSA.
2. Conducting business or professional transactions with Insiders. If engaging in transactions for products or services with Insiders, BGYSA shall:
 - a. Document that the transaction is necessary to BGYSA's purposes;
 - b. Undertake competitive bidding, comparison shopping or other benchmarking;
 - c. Develop a letter of engagement or written scope of work to be performed, to clarify the terms and compensation;
 - d. Ensure that compensation paid to Insiders is no more than fair market value and document support for this decision in the records of the conflict of interest management and shared with the Board; and
 - e. Approve the transaction by a vote of the full Board, without the presence of the Insider.



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If BGYSA finds itself using the services for compensation of a Board member repeatedly, the Board will disclose this finding within minutes and discuss whether there are compelling reasons for the Board member to remain a director, or whether he or she can best serve BGYSA in only a professional capacity. The Board will vote upon which role or roles the Board member should hold. The Board President and Treasurer shall not be compensated for any business or professional services to BGYSA.

VIOLATION OF THE CONFLICTS OF INTEREST POLICY

- A. If the Board has reasonable cause to believe that an Insider has failed to disclose a conflict of interest, it shall inform the Insider of the basis for such belief and afford the Insider an opportunity to explain the alleged failure to disclose.
- B. If, after hearing the Insider's response and after further investigation as warranted by the circumstances, the Board determines that the Insider has failed to disclose a conflict of interest, it shall take appropriate disciplinary and corrective action as detailed in the Grievance Policy.

ANNUAL AFFIRMATIONS

The Board shall require each director and advisor to annually sign a statement which shall affirm that such person:

- A. Has received a copy of this Conflict of Interest policy;
- B. Has read and understands the policy;
- C. Has agreed to comply and is in compliance with the policy;
- D. Shall disclose to the Board the existence of any conflict of interest; and
- E. Understands that BGYSA is a charitable organization and in order to maintain its federal tax exemption it must engage solely in activities which accomplish one or more of its tax-exempted purposes, without private inurement or impermissible private benefit.

PERIODIC REVIEWS

In order to ensure BGYSA operates in a manner consistent with its charitable purposes and does not engage in activities which could jeopardize its tax-exempt status, the BGYSA shall conduct periodic reviews of BGYSA's management of conflicts of interest including review of written records of all conflicts within that period.

REFERENCES

US Internal Revenue Code (26 USC), Sections 501(c)(3), 507(d)(2), 4946, and 4958

Adopted: March 13, 2014



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**ACKNOWLEDGMENT OF RECEIPT AND UNDERSTANDING OF
CONFLICT OF INTEREST POLICY
AND
AFFIRMATION OF COMPLIANCE**

I acknowledge that I have been provided with the CONFLICT OF INTEREST POLICY of the Burrillville-Glocester Youth Soccer Association. I further acknowledge that I have read the CONFLICT OF INTEREST POLICY of the Burrillville-Glocester Youth Soccer Association. I have considered not only the literal expression of the policy, but also its intent. By signing this affirmation of compliance, I hereby affirm that I understand and agree to comply with the CONFLICT OF INTEREST POLICY. I further understand that the Burrillville-Glocester Youth Soccer Association is a nonprofit organization and that in order to maintain its federal tax exemption it must engage in activities that accomplish one or more of its tax-exempt purposes without personal inurement by board members.

Except as otherwise indicated in the Disclosure Questionnaire and attachments below, I hereby state that I do not have any conflict of interest, financial or otherwise that may be seen as competing with the interests of Burrillville-Glocester Youth Soccer Association, nor does any relative or associate have such an actual or potential conflict of interest. I further certify that the information set forth in the Disclosure Questionnaire and attachments, if any, is true and correct to the best of my knowledge, information and belief.

If any situation should arise in the future that I think may involve me in a conflict of interest, I will promptly and fully disclose in writing the circumstances to the President of Burrillville-Glocester Youth Soccer Association.

Name (Please print)

Signature

Date

DISCLOSURE QUESTIONNAIRE:

Any exceptions are stated below with a description of the transactions and/or potentially competing interests, whether direct or indirect, which I have or have had during the past year.

(attach additional pages, if necessary)



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