





NORTHERN WAKE FIRE DEPARTMENT

STANDARD OPERATING PROCEDURES

TITLE: Conflict of Interest	SECTION/TOPIC: PERSONNEL
NUMBER: 200-2	ISSUE DATE: 7/1/17
REVISION DATES:	APPROVED BY: Gary Vickerson  <hr/> PRESIDENT – BOARD OF DIRECTORS Tim Pope  <hr/> FIRE CHIEF

I. PURPOSE

- A. The purpose of this Standard Operating Procedure is to provide guidance when faced with decisions that may be of benefit to the private interest of the individual.
- B. This Standard Operating Procedure is intended to supplement, but not replace any applicable state and federal laws governing conflict of interest which are applicable to not-for-profit organizations.

II. SCOPE

- A. This Standard Operating Procedure applies to all Northern Wake Fire Department personnel.
- B. All members of the organization are expected to abide by all conflict of interest rules as established by the United States Internal Revenue Service and as found herein.

III. DEFINITIONS

- A. Compensation – Any direct or indirect payment, as well as, gifts or favors that are not insubstantial.
- B. 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 facts to the Corporate Board.
- C. Interested Person – Any member or family member of a member of the organization, who has a direct or indirect financial interest.
- D. Financial Interest – Any actual or potential ownership or investment with:

1. Another entity or individual in which the organization has entered into transactions or arrangements with;
2. Another entity or individual in which the organization has entered into a compensation arrangement with;
3. Another entity or individual in which the organization is negotiating a transaction or arrangement with.

IV. PROCEDURE

- A. All members of the organization have a duty to disclose any actual or possible conflict of interest to the Corporate Board.
- B. A financial interest is not necessarily a conflict of interest and a member may only have a conflict of interest, if the Corporate Board decides that a conflict of interest exists, in accordance with this procedure.
- C. After disclosure of all facts, and after discussion with the interested person, he/she will be asked to dismiss himself/herself from the meeting of the Corporate Board, while the possible conflict of interest is discussed.
- D. The Corporate Board Chairperson, if he/she deems it appropriate, may appoint a committee to investigate alternatives to the proposed transaction or arrangement and report back findings.
- E. After exercising due diligence, the Corporate Board will determine whether the organization can obtain, within reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- F. If a more advantageous transaction or arrangement is not reasonably possible under the circumstances, the Corporate Board will determine, by a majority vote, whether the transaction or arrangement is within the organization's best interest.

V. VIOLATIONS OF THE CONFLICT OF INTEREST POLICY

- A. If the Corporate Board has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- B. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Corporate Board will determine by a majority vote, if the member has failed to disclose an actual or possible conflict of interest and they shall take appropriate disciplinary and/or corrective actions.

VI. RECORDING OF PROCEEDINGS

- A. The minutes of the Corporate Board meeting shall contain:

1. The name of the person(s) who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest;
2. The nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Corporate Board's decision as to whether a conflict of interest in fact existed;
3. The name of the person(s) who were present for discussions relating to the transaction or arrangement, the content of the discussion including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

VII. COMPENSATION

- A. Any voting member of the Corporate Board, who receives compensation, directly or indirectly from the organization for services, is precluded from voting on matters pertaining to that member's compensation.
- B. No voting member of the Corporate Board, whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization either individually or collectively, is prohibited from providing information regarding compensation.

VIII. STATEMENT OF AFFIRMATION

- A. All members shall sign a statement (Appendix A) affirming that they:
 1. Have received a copy of the Conflict of Interest Procedure;
 2. Have read and understood the Conflict of Interest Procedure;
 3. Agree to comply with the Conflict of Interest Procedure.
- B. The signed Statement of Affirmation will be maintained in each member's personnel file.

IX. PERIODIC REVIEWS

- A. In order to ensure that the Northern Wake Fire Department operates in a manner that does not jeopardize its not-for-profit status, the Corporate Board shall regularly and consistently monitor and enforce compliance with this procedure by periodic review and by taking any such other actions necessary for effective oversight.

Appendix A

CONFLICT OF INTEREST PROCEDURE

STATEMENT OF AFFIRMATION

No member of the Northern Wake Department shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with the Northern Wake Fire Department.

All members shall disclose to the Corporate Board, any personal interest which he or she may have in any matter pending before the organization and shall refrain from participation in any decision on such matter.

This is to affirm that I have received, read, and understand the Northern Wake Fire Department's Conflict of Interest Procedure and I agree to comply with its content.

Signature: _____

Printed Name: _____

Date: _____