

## Watershed Agricultural Council – General Conflict of Interest

### **I. Purpose**

The Watershed Agricultural Council's (WAC) purpose is to support the economic viability of agriculture and forestry through the protection of water quality and the promotion of land conservation in the New York City watershed region.

The Watershed Agricultural Council's effectiveness is especially dependent upon its credibility. It is essential to maintain our reputation for objectivity and fairness. At the same time, it is predictable that individual Council Directors, as landowners and agriculturalists, may be potential participants in WAC programs. Therefore, it is appropriate for WAC to adopt policies and rules to deal with real or potential conflicts of interest.

### **II. Definition**

#### **A. Covered Persons**

1. Council Directors
2. WAC Staff
3. WAC Committee Members

Covered persons may be in a position to influence WAC's major financial or transactional decisions, have access to information not available to the general public, and could be involved in other activities that may pose potential conflicts with WAC's activities.

#### **B. Transaction**

Transaction is any conservation project, contract, or other possible cause for conflict, private inurement (covered person derives a benefit), or private benefit (incidental benefit to a non-covered person).

#### **C. Family**

Family is defined as a spouse/domestic partner, child, sibling, parent; other relative living within the household; and/or the spouses of those relatives.

#### **D. Financial Interest**

A Covered Person has a financial interest if the person has, directly or indirectly, through business, investment, or family, an investment/ownership interest, or compensation arrangement with WAC or entity involved in a WAC Transaction.

#### **E. Duty of Loyalty**

This duty requires that no Covered Person or shall engage in, or condone, any conduct that is disloyal, disruptive, damaging or competes with the Corporation. No Covered Person shall take any action, or establish any interest, that compromises his/her ability to represent the Corporation's best interest.

#### **F. Conflict of Interest**

A conflict of interest exists when a matter to be acted upon by the Council of Directors confers a direct, substantial benefit to any Director, any member of the Director's immediate family, spouse or partner or business or agency from which such a Director derives an income or has authority in governance.

For the purposes of this document, a conflict of interest may be real, potential or perceived, and in each case the procedures outlined in WAC's Conflict of Interest Policy needs to be followed.

1<sup>st</sup> Reading: Jan.22, 2010

2<sup>nd</sup> Reading & Approved: March 23, 2010

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Conflicts of interest are likely to occur in normal business dealings, and it is important to remember that the policy is not intended to provide a moral or ethical assessment of any situation but rather a guide to ensure the integrity of the organization and effective delivery of services.

### III. Procedures

#### A. General Guidelines

All Covered Persons shall make every effort to avoid conflicts of interest involving their duties to the Watershed Agriculture Council. It is expected that all Covered Persons will conduct themselves under strict rules of honesty and fair dealing between themselves and WAC. Such persons shall not use their position or knowledge gained during their association with WAC for their private benefit (or the benefit of their family) nor to obtain an unfair advantage in any aspect of their dealings with the organization. Conflicts of interest may arise through program eligibility, real estate transactions, management of finances and assets, business dealings, advocacy activity, etc.

This policy is not meant to rule out Transactions between the WAC and Covered Persons; rather it is designed to ensure that these relationships have been properly disclosed, documented, and acted upon by the Council of Directors.

#### B. Steps for Addressing Conflict of Interest

##### 1. Duty to Disclose

A member of the Council shall disclose the conflict or potential conflict as soon as he/she recognizes the conflict. If self-disclosure is not revealed, the Council Chair or any member of the Council of Directors can, prior to voting on a specific matter in which a potential conflict of interest exists, inquire whether any member of the Council desires to abstain from voting because of a conflict of interest. If no conflict of interest is disclosed but the Chair or any other member of the Council states the opinion that such a conflict exists and the challenged Council member refuses to abstain from the deliberations or voting as requested, the Chair shall immediately call for a vote of the Directors to determine whether the challenged Director is in a conflict of interest. If a majority of the Directors present vote to require the abstention of the challenged Director, that Director shall not be permitted to vote.

##### Steps for Notification

- Staff notifies immediate supervisor; supervisor notifies the Executive Director; Executive Director notifies the Board Chair
- Committee member notifies the Committee Chair; Committee Chair notifies the Board Chair
- Board member notifies the Board Chair
- Chair sends Disclosure Notification to selected funding sources after covered person's initial application for financial transaction

##### 2. Abstention vs. Recusal

A member of the Council of Directors shall abstain from voting or attempting to influence the vote on any matter before the Council that places him or her in a conflict of interest. A member may also recuse his/herself from the vote as well as the process when there is a direct financial interest.

### 3. Annual Statement/Documentation

All Covered Persons shall receive and must sign an annual statement attesting that they have received a copy of WAC's Conflict of Interest Policy, have read and understand the policy, and agree to comply with the policy. In addition, each employee and board member will be provided with a questionnaire that will give the covered person an opportunity to make a full, written disclosure of interests, relationships and holdings that could potentially result in a conflict of interest. This written disclosure will be kept on file and updated at the beginning of each financial year or sooner if appropriate.

Minutes of meetings will be kept to ensure proper documentation of disclosure of either real or perceived conflict of interest as well as abstention from voting. The names of the persons who were present for discussions and votes relating to the transaction and a record of any votes taken in connection with the proceedings will be part of the record.

### **IV. Periodic Reviews**

The Board Development Committee will periodically review the Conflict of Interest Policy and make recommendations to the Board when needed. The current policy will be posted on WAC's website for transparency.

# Watershed Agricultural Council

## Council of Directors and Staff

### Annual Conflict of Interest Statement/Questionnaire

The standard of behavior at the Watershed Agricultural Council is that all staff, volunteers, and Council Directors scrupulously avoid conflicts of interest between the interests of the WAC and personal, professional, and business interests. This standard includes avoiding potential and actual conflicts of interest, as well as perceptions of conflicts of interest

I understand that the purposes of this policy are to protect the integrity of the WAC's decision-making process, to enable our constituencies to have confidence in our integrity and to protect the integrity and reputations of staff, volunteers, and Board Directors. The following questions will give the covered person an opportunity to make a full, written disclosure of interests, relationships and holdings that could potentially result in a conflict of interest. This written disclosure will be kept on file and updated at the beginning of each financial year or sooner if appropriate.

#### **Program Participation**

1. Do you or any member of your immediate family, spouse, or partner receive services/benefits from WAC: **(check all that apply)**

##### **Agricultural:**

- Whole Farm Plan
- Nutrient Management Credit
- Best Management Practice
- Pure Catskills Grant recipient

##### **Forestry:**

- Watershed Forest Management Planning
- MAP (invasive species control, wildlife, tree planting, TSI, riparian)
- Best Management Practice Program (bridge loan, BMP free sample, erosion control)
- Economic Development Grant Recipient

##### **Easements:**

- Conservation Easement

Other (please list any service/benefit not listed above):

#### **Are you a WAC sub-contractor?**

2. Do you or any member of your immediate family, spouse, partner have a financial or other interest as defined as owning stock, holding debt or other proprietary interest in the organization, holding office, serving on the Board of Directors or participating in the management of a business in which goods, services, or benefits from the Watershed Agricultural Council or its sub-contractors are received:

#### **Do you provide goods/services or equipment to WAC as a vendor?**

3. Provide relationship of and names and address of persons, businesses, or organizations supplying goods and equipment to WAC:

1<sup>st</sup> Reading: Jan.22, 2010

2<sup>nd</sup> Reading & Approved: March 23, 2010

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**Do you provide contractual services to WAC?**

4. Provide relationship to and names and addresses of persons, businesses or organizations supplying contractual services to WAC:

**Do you lease property or equipment to WAC?**

5. Provide relationship to and names and addresses of persons, businesses or organizations from which the organization lease property and equipment to WAC.

**Provide details to any question above where you responded yes**

6. Provide relationship to and names and address of persons, businesses or organizations from which WAC receives benefits:

**Statement of conduct**

7. In the course of meeting or activities, I will disclose any interests in a transaction or decision where I (including my business or other nonprofit affiliations), my family and/or my significant other, employer, or close associates will receive a benefit or gain. After disclosure, I understand that I will be asked to leave the room for the discussion and will not be permitted to vote on the question.

I understand that this policy is not meant to supplement good judgment, and I will respect its spirit as well as its wording.

Signed: \_\_\_\_\_

Print: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed by Audit and Regulatory Committee Chair

Signed: \_\_\_\_\_

Print: \_\_\_Kenneth Smith\_\_\_\_\_

Date: \_\_\_\_\_

Reviewed by Finance Director

Signed: \_\_\_\_\_

Print: \_\_\_Thomas Artale\_\_\_\_\_

Date: \_\_\_\_\_

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