

CENTER FOR WORK EDUCATION AND EMPLOYMENT (“CWEE”)

CONFLICT OF INTEREST POLICY

I. GENERAL CONSIDERATIONS

As a nonprofit, tax exempt corporation, CWEE must conform to the requirements of state corporation law and the Internal Revenue Code. Directors and officers of CWEE have fiduciary duties of loyalty and care which require them to act in the best interests of CWEE and which prohibit them from benefiting personally to the detriment of CWEE. Such individuals are expected to advance the interests of CWEE over any interests that may be adverse to CWEE.

The purpose of the Conflict of Interest Policy of CWEE is to provide general guidelines to our directors, officers, and employees (who shall be referred to in this policy collectively as “Members”) concerning the policies and procedures regarding actual or potential conflicts of interest which apply to CWEE.

By assuming his or her office or duties, each Member assumes a duty of allegiance to CWEE and acknowledges that the best interests of CWEE must prevail over any individual interests. The choice of individuals or organizations with which CWEE has business relationships must be determined solely on the basis of the best interests of CWEE.

A conflict of interest may exist when the interests or concerns of any Member, his or her family, or any party, group, or organization in which the Member is actively involved, may be seen as competing with the interests of CWEE or as potentially affecting the independent judgment of the Member. It is immaterial whether CWEE is adversely affected by the conflict.

It is not possible to enumerate all situations which constitute a conflict. The facts of each situation will determine whether the interest in question is such as to bring it within an area of potential conflict. Such facts include the amount of money involved, the extent to which the Member could influence CWEE’s decisions, and whether the interest is of such a nature that it might affect the objectivity or the business judgement of the Member. In determining whether a conflict is involved, there is no substitute for sound judgment in each case based upon the particular facts involved.

II. WHAT CONSTITUTES A CONFLICT OF INTEREST

A. Types of Transactions in Which Conflicts May Arise

1. Personal Gain From Position. A Member has a conflict of interest when he or she, or any member of one’s immediate family, may in any way realize personal gain from a position in, or affiliation with CWEE. Such conflicts may arise if a Member has an interest in any organization which has, or is seeking to have, business dealings with CWEE, if the Member seeks to buy, sell, or lease any kind of property, facilities, equipment or services from or to CWEE; or if the Member has a position with any organization which is seeking to do business with CWEE, including the hiring of CWEE employees for an organization in which a Member has a personal interest. Customary employee discounts for child care services do not constitute personal gain.
2. Use of Confidential Information. A Member has a conflict of interest when he or she uses for personal advantage or for the advantage of any other group, organization or business, any confidential information or material acquired in the discharge of the Member’s responsibilities with CWEE. Such information may include, but is not limited to, rosters, mailing lists, telephone directories, business plans, certain information regarding donors, and confidential Board proceedings.

B. Prohibition Against Loans and Gifts

1. CWEE shall make no loans to any Member. Any Member who participates in the making of any such loan shall be liable to CWEE for the amount of such loan until it is repaid.
2. No Member may accept from a third party any substantial gift or any other similar benefit whenever the gift or benefit is received because of the Member’s duties for or relationship to CWEE. Gifts of cash or cash equivalents from a third party of any amount are not permitted. The giving or receipt of common courtesies, occasional meals or reasonable entertainment appropriate to a business relationship and associated with

business discussions, are regarded as being consistent with sound business practice, and are not a conflict of interest.

III. PROCEDURES FOR REVIEW OF CONFLICTS OF INTEREST

- A. Provision of Conflict of Interest Policy to All Members
- B. A copy of this Policy shall be provided to all Members who are full-time employees and exercise substantial influence, or are Directors of CWEE.
- C. Procedures to Review Conflict of Interest Transactions
- D. Members shall follow the following procedure when they are involved in an actual or potential conflict of interest:
 - 1. Members shall disclose any potential conflict of interest in writing to the Chairman of the Board of CWEE, or to any member of the Finance and Audit Committee, for review prior to engaging in any transaction involving a potential conflict. Members shall not engage in any transaction involving a potential conflict of interest until he or she receives approval for the transaction from the Finance and Audit Committee.
 - 2. When advised of a potential conflict of interest, the Finance and Audit Committee shall ascertain whether, in fact, a conflict of interest exists. If such a conflict exists, the Finance and Audit Committee shall determine whether the conflict can be avoided or eliminated, or whether the transaction is fair to CWEE, despite the existence of the conflict. The fairness of a transaction shall be determined on the basis of whether the proposed transaction is at least as favorable to CWEE as a transaction with disinterested individuals or organizations in arms-length transactions. The Finance and Audit Committee may also decide to refer the potential conflict to the Board for resolution or to legal counsel for advice.
 - 3. When any conflict of interest is relevant to a matter requiring action by the Board of CWEE, the interested Member shall call it to the attention of the Board, and he or she shall not vote on the matter. Moreover, the person having the potential conflict shall leave the room in which the meeting is held and shall not participate in the final deliberations or decision regarding the matter. If there is any doubt as to whether a conflict might exist, the matter shall be resolved by vote of the Board, excluding the individual.
 - 4. Before approving a nomination for Board membership, the Finance and Audit Committee shall review any potential conflicts of interest of the nominee. Members who serve on the Board and in operations shall disqualify themselves from voting on matters involving conflicts of interest pursuant to paragraph III.B.3. above.
 - 5. In the event that a potential conflict of interest is not disclosed, the matter shall be referred to the Finance and Audit Committee to make a recommendation to the Board regarding appropriate action against the Member involved in the conflict.

CWEE
CONFLICT OF INTEREST POLICY

Questionnaire

I have read the CWEE Conflict of Interest Policy, as approved by the Board of Directors of CWEE. I hereby disclose material interests:

Related entities in which I have a material interest

Name of Entity

[Entity name]

Relationship to CWEE

[supplier, client, tenant, lessor, lessee, agent, competitor, other] (please explain if necessary)

Type of interest

[equity holder, debt holder, fiduciary or agent, contractor, employee, family] (please explain if necessary)

_____ I have no material interests in related entities.

I have read the policy and understand its requirements. I will bring to the attention of the Finance and Audit Committee within 30 days any material interests or conflicts arise that are not disclosed above.

Print Name

Signature

Date

CWEE
CONFLICT OF INTEREST POLICY
Exhibit A

Conflict Resolution Statement

Completed by: _____ Date: _____

Potential Conflict Identified: (Please describe the nature of the identified potential conflict.)

Actions Taken: (Please describe any actions taken as a response to this conflict.)

Finance and Audit Committee Approval
