

SUTTER BUTTES REGIONAL LAND TRUST

Conflict of Interest Policy

It is the policy of the Sutter Buttes Regional Land Trust (formerly the Middle Mountain Foundation) to identify conflicts of interest involving SBRLT and related parties as well as situations that may create the appearance of a conflict of interest and to address such conflicts and situations in a manner that will fully protect the integrity and reputation of SBRLT as well as related parties.

I. Introduction

SBRLT effectiveness depends on its record of accomplishment and its reputation. It is crucial that SBRLT have a responsible and well-conceived Conflict of Interest Policy and procedure.

One of the principal purposes of the Conflict of Interest Policy is to help SBRLT staff and Board of Directors identify and avoid or resolve conflicts of interest. Employees and Board members must read and retain a copy of this Conflict of Interest Policy.

II. Conflict Concepts and Definitions

- A. Conflict of Interest:** A conflict exists when an 'insider' person proposes to act on any issue, matter, or transaction in which SBRLT has an interest and the covered person may have an interest separate from SBRLT.
- B. Insiders:** All employees, Board members, advisors, close relatives and related organizations.
- C. Close Relative:** Spouse or domestic partner, child, parent and step-parent, in-laws, grandchild, grandparent, brother, sister, or other family member of insider.
- D. Major Donor:** Includes any individual, business, corporation or other organization that has donated \$25,000 in the previous 5-year period.
- E. Inside information:** Any material information that is identified as confidential or proprietary pertaining to the business and affairs of SBRLT.

III. SBRLT Administration and Procedure for Reviewing and Managing Conflicts Insiders' Obligations

The Board of Directors is an independent decision-making body guiding the affairs of the organization. An insider who becomes aware of any actual or potential conflict of interest or of circumstances that may appear to involve such an actual or potential conflict of interest shall do the following:

- A.** The land trust's governing body does not include more than one member who is directly or indirectly compensated by the land trust, and that a compensated board member does serve as the board's treasurer.
 - a. An exception to this qualification applies to a single occasion for a board member to conserve his land in a transaction involving the land trust. In such a case, the board member must fully recuse himself from the discussion, review and decision-making for the project.
- B.** Absent himself or herself from Board and committee discussions on any issue, matter or transaction involving a conflict of interest, unless requested by the Board or committee to give information on the issue, matter or transaction.
- C.** Abstain from voting on any such issue, matter or transaction.
- D.** Disclose the existence of any potential conflict of interest to the Board or executive director.
- E.** Abstain from discussing with Board or staff members anything related to the conflict of interest, unless specifically asked by the Board or a Board Committee to give information on the matter.
- F.** When requested by the Board, to resign from the Board of Directors or committee until such time as the matter giving rise to the conflict of interest has been resolved. The director may then be invited to rejoin the Board or committee.

IV. Process

When any SBRLT transaction, contract or project (transaction) involves an actual or potential conflict of interest SBRLT shall do the following:

- A.** Take all appropriate steps to determine the facts relating to the conflict.
- B.** The Board may approve the transaction only if it determines:
 - a. SBRLT is entering into the transaction for its own benefit and to advance the mission;
 - b. The transaction is fair and reasonable to SBRLT; and
 - c. The board has approved the transaction by a majority of the directors.

