

# Conflict of Interest Policy

## African American Historical Society of South Central Pennsylvania, Incorporated (AAHSSCPA)

### Article I

**Purpose:** The purpose of the conflict-of-interest policy is to protect the interests of the tax-exempt African American Historical Society of South Central Pennsylvania, Incorporated, (AAHSSCPA, AKA, the "Organization"), when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### Article II

#### Definitions:

#### 1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

#### 2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement;
- b. A compensation arrangement with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A proposed ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section b, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### Article III Procedures

- a. 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 material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- b. The remaining board or committee members shall decide if a conflict of interest exists.
- c. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon.

### Article IV Protocols

- a. The Conflict-of-Interest Disclosure Checklist will be completed and possible conflicts of interest discussed at the following times:
  - i. Annually by all directors of the board at the November meeting.
  - ii. At the board meeting when a new director of the board is elected, if outside the November cycle.
  - iii. At any board meeting when a current director of the board discloses a new interest within the agenda of the monthly board meeting.

**Adopted by The Board of Directors, at its regular monthly meeting on July 18, 2021.**

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