

## **EXECUTIVE COUNCIL STATEMENT OF DUTIES AND CONFLICT OF INTEREST POLICY**

Each member of the Executive Council of the Association for the Study of African American Life and History (the “Association”) has fiduciary obligations to the Association that require acting with due care and acting without personal or financial interest.

Annually Executive Council members shall affirm that they have read, understand and have and will continue to adhere to this conflict of policy.

### **1. STATEMENT OF DUTIES**

#### ***A. Duty of Care***

Every Executive Council member shall discharge his or her duties as a Executive Council member in good faith and with the degree of care that an ordinarily prudent person in a like position would exercise under similar circumstances. Executive Council members shall be diligent and attentive to the Association’s management and needs, and shall make thoughtful and informed decisions in the best interest of the Association.

The Executive Council may act on behalf of the Association only within the scope of authority prescribed by the Association’s Certificate of Incorporation, bylaws, corporate resolutions and applicable state law. Executive Council members must ensure that the Association acts within the scope of its purposes clause as set forth in the Association’s Certificate of Incorporation.

#### ***B. Duty of Loyalty and Fair Dealing***

Every Executive Council member must deal fairly with the Association in light of his or her position. This means that a Executive Council member shall not use his or her position for personal or financial profit, gain or other advantage. A Executive Council member shall not engage in a transaction or arrangement with the Association that confers unfair gains or secret profits to the Executive Council member or any related party. Executive Council members shall not take personal advantage of a business opportunity related to the business of the Association that is offered to the Association or to the Executive Council member unless the full Executive Council determines (after full disclosure and approval by disinterested Executive Council members after an informed evaluation) that the Association will not pursue that opportunity. Executive Council members shall not be involved in any transaction or arrangement that may directly or indirectly compete with the Association. Additionally, Executive Council members have a personal responsibility to protect the assets of the Association from misuse or misappropriation. The assets of the Association include tangible assets, such as products, equipment and facilities, as well as intangible assets, such as corporate opportunities, intellectual property, trade secrets and business information.

#### ***C. Confidentiality***

Executive Council members shall not use or disclose any confidential information related to the Association's business to any person or entity during or after service, except with written authorization of the Association or as may be required by law or regulation. Executive Council members may not use confidential information for their own personal benefit or the benefit of persons or entities outside the Association. The Association's financial information and other materials presented to the Executive Council that are not publicly available shall be held as confidential and not shared with any person outside the Association. Confidential information shall also include, but is not limited to, donor lists, mailing lists and any information relating to fundraising, including fundraising efforts, plans, ideas and proposals.

#### ***D. Dealing with Media Representatives***

Executive Council members shall not deal directly with representatives of the media unless duly authorized by the President or the Executive Director.

## **II. CONFLICT OF INTEREST**

Executive Council members shall not engage in any transaction or arrangement or undertake positions with other organizations that involve a conflict of interest, or the appearance of a conflict, except in compliance with this Policy.

#### ***A. Definition of "Conflict of Interest"***

A Executive Council member may have a conflict of interest with respect to a particular transaction or arrangement whenever she or he, or any related party, has, or in the near future will have, directly or indirectly:

1. A compensation arrangement or other interest in a transaction with an entity or individual with which the Association has entered into a transaction or arrangement;
2. Subject to *de minimus* exceptions, any ownership or investment interest in, or compensation arrangement or other affiliation with, any entity or individual:
  - That sells goods or services to or purchases goods or services from the Association;
  - That has any other transaction, arrangement or relationship with the Association;
  - That competes with the Association; or
  - With which the Association is negotiating, or contemplating negotiating, a transaction or arrangement;

3. Accepted any gift, entertainment, or other favor where such acceptance might create the appearance of influence on the Executive Council member (other than gifts of nominal value, which are clearly tokens of respect and friendship unrelated to any particular transaction);
4. Acquired any real property, leaseholds, patents or other property or rights in which the Association has, or the Executive Council member knows or has reason to believe at the time of acquisition that the Association is likely to have, an interest;
5. Been indebted to the Association, other than for amounts due for ordinary travel and expense advances; or
6. Any other interest that may make it difficult for the Executive Council Member to exercise objective judgment or otherwise perform effectively.

***B. Definition or “Related Party”***

“Related Party” is defined as a member of the Executive Council member’s immediate family (including parents, siblings, spouse, domestic partner, and minor children or other children residing with the Executive Council member); any estate, trust, custodianship, guardianship, partnership, etc., in which the Executive Council member, or any other member of his or her immediate family, has a present or vested future beneficial interest; and any corporation or entity of which the Executive Council member, or any member of his or her immediate family, is a partner, director, officer, or beneficial owner of more than 5% of the voting interests. For the purposes of this Policy, constituent organizations (e.g., branches) are not considered to be related parties.

***C. Disclosure of an Actual or Potential Conflict of Interest***

Each Executive Council member shall complete a Questionnaire Concerning Conflicts of Interest annually, and on change of circumstances, which shall be reviewed by the Finance Committee or by the external auditor. In addition, the interested Executive Council member shall promptly disclose to the President all material facts relating to any actual, potential or perceived conflict of interest.

***D. Evaluation of an Actual or Potential Conflict of Interest***

The Audit/Finance Committee and the Constitution Committee will evaluate the disclosures to determine whether they involve actual conflicts. The interested Executive Council member shall recuse himself or herself from discussion and voting relating to the matter. However, as a member of the Executive Council or committee, the interested Executive Council member may be counted in determining the establishment of the quorum at such a meeting.

***E. Resolution of An Actual or Potential Conflict of Interest***

The Association may enter into a transaction or arrangement in which a Executive Council member has a conflict of interest only if at a duly held meeting of the Executive Council or committee of the Executive Council, a majority of those Executive Council members or committee members (if a quorum is present at such time) who have no interest in the transaction or arrangement approve the transaction or arrangement after determining, in good faith and after reasonable inquiry, that:

1. The transaction is fair and reasonable to the Association and in its best interests;
2. The transaction or arrangement furthers the Association’s charitable purposes, and
3. The transaction does not result in private inurement, an excess benefit transaction or impermissible private benefit under laws applicable to organizations exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

**F. *Records of Proceedings***

The minutes of the Executive Council of the Association or any committee meeting during which a potential or actual conflict of interest is discussed shall reflect the name of the interested Executive Council member(s), the nature of the conflict and the deliberations of the disinterested directors.

**G. *Compliance***

If the Executive Council has reasonable cause to believe that an Executive Council member has failed to comply with this Policy, the Executive Council may make such further investigation as may be warranted in the circumstances and if the Executive Council determines that an Executive Council member has in fact failed to comply with this Policy, it shall take appropriate action in accordance with law and the Association’s Certificate of Incorporation and Bylaws, which may include removal from office.

I \_\_\_\_\_ certify with the signature below that I have read and fully understand the “Executive Council Statement of Duties and Conflict of Interest Policy” of the Association for the Study of African American Life and History. I further certify that I am fully compliant with all provisions of the Policy and pledge to adhere to these provisions throughout my tenure as a member of the Executive Council.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date