

River Valley Child Development Services

Conflict of Interest Policy

Effective: December 1, 2014

Purpose:

River Valley Child Development Services, hereinafter referred to as RVCDS, is a non-profit, tax-exempt organization. Maintenance of its tax-exempt status is important for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of RVCDS as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as members of the public. Consequently, there exists between RVCDS and its board, managers, employees, and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The board, managers, and employees have the responsibility of administering the affairs of RVCDS honestly and prudently, and of exercising their best care, skill, and judgement for the sole benefit of RVCDS. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with RVCDS or knowledge gained there from for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

Persons Concerned

This statement is directed not only to the board and managers, but to all employees who can influence the actions of RVCDS. For example, this would include anyone in a position of influence (including departments of the State of WV) or in a Key Administrative Position. Key Administrative Positions are considered to be: Executive Director, Director of Business and Finance, Human Resource Coordinator and Quality Assurance Coordinator. See Appendix to this policy for reference of other applicable positions.

Areas in Which Conflict May Arise

Conflicts of interest may arise in the relations of the board, managers, and employees with any of the following third parties:

1. Persons and firms supplying goods and services to RVCDS.
2. Persons and firms from whom RVCDS leases property and equipment.
3. Persons and firms with whom RVCDS is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others who support RVCDS.
6. Agencies, organizations, and associations which affect the operations of RVCDS.

Nature of Conflicting Interest

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest may arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with RVCDS.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with RVCDS.

3. Soliciting or receiving remuneration for services with respect to individual transactions involving RVCDS.
4. Using RVCDS' time, personnel, equipment, supplies, or good will for other than RVCDS- approved activities, programs, and purposes.
5. Soliciting or receiving personal gifts or loans from third parties dealing or competing with RVCDS. Receipt of any gift is disapproved except of a value of less than \$50, which could not be refused without discourtesy. No personal gift or money should ever be accepted.
6. Employment outside RVCDS job may be permissible provided:
 - It does not interfere with work performance or responsibilities.
 - Employees do not perform any work for any other employer during work hours at RVCDS.
 - The work is after normal working hours and does not prohibit employees from working overtime or extended days.
 - The work is not contrary to the best interests of any RVCDS program.
 - Employees do not use RVCDS owned or leased vehicles, equipment, materials or facilities in the performance of the additional job without the express written permission from RVCDS Executive Director. If permission is granted RVCDS will be reimbursed proportionately for use of vehicles, equipment, materials, facilities, etc. as determined by RVCDS.
 - Employees report all outside employment. See Disclosure Statement.

Interpretation of this Statement of Policy

The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 4, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the directors, managers, and employees will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 4 exist does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of RVCDS.

Disclosure Policy and Procedure:

Transactions with parties with whom a conflicting interest exist may be undertaken if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. A competitive bid or comparable valuation exists; and
3. The board or executive director has determined that the transaction is in the best interest of the organization.

Disclosure in the organization should be made to the executive director. Disclosure involving executive director should be made to the board chair, who shall bring these matters to the board.

The executive director, or board, as noted above, shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to RVCDS.

Appendix

Positions/offices outside of RVCDS that may have influence:

WVDHHR:

Bureau for Children and Families

Office of Early Care and Education

Head Start

Office of Maternal, Child and Family Health (OMCFH)

OMCFH- Home Visitation, ECCS

WV Department of Education

Office of Special Programs

