

# Conflict of Interest Policy for The NOCCA Institute

## Purpose of Policy

It is important that those who work with and for The NOCCA Institute and its subsidiaries (“TNI”) conduct themselves in an ethical and transparent manner. This conflict of interest policy is designed to help directors and employees of TNI identify situations that present potential conflicts of interest and to provide TNI with a procedure that, if observed, will allow a transaction to be treated as valid and binding even though a director or employee has or may have a potential conflict of interest with respect to the transaction. All capitalized terms are defined in Part 1 of this policy.

### 1. Definitions.

- a. A “Potential Conflict of Interest” (“Potential Conflict”) is any circumstance described in Part 2 of this Policy.
- b. A “Responsible Person” is any person who is an employee or member of the board of directors of TNI.
- c. A “Family Member” is a spouse, domestic partner, parent, child, or spouse of a child, brother, sister, or spouse of a brother or sister, of a Responsible Person.
- d. A “Material Amount” is an Agreement or Transaction whose value exceeds \$2,500.00.
- e. A “Material Financial Interest” in an entity is a financial interest of any kind that, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect a Responsible Person’s or Family Member’s judgment with respect to transactions to which the entity is a party. This includes all forms of compensation. For purposes of this Policy a “Material Financial Interest” shall be any amount which exceeds \$2,500.00.
- f. An “Agreement” or “Transaction” is any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, or the establishment of any other type of pecuniary relationship by TNI. The making of a gift or donation to TNI is not an Agreement or Transaction within the meaning of this document. Specifically exempt from the definition of “Agreement” or “Transaction” is the provision of catering services or facility rentals to a Responsible Person by TNI or its subsidiaries.
- g. “Policy” means this Conflict of Interest Policy.

### 2. Potential Conflict of Interest Defined.

For purposes of this policy, the following circumstances shall be deemed to create a Potential Conflict:

- a. Financial Interests.
  - i. An Agreement or Transaction between TNI and a Responsible Person or Family Member for a Material Amount.
  - ii. An Agreement or Transaction between TNI and an entity in which a Responsible Person or Family Member has a Material Financial Interest.

- b. Gifts, Gratuities and Entertainment. A Responsible Person accepting gifts, entertainment, or other favors from any individual or entity that:
  - i. does or is seeking to do business with TNI; or
  - ii. has received, is receiving, or is seeking to secure other financial commitments from TNI;
  - iii. under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person in the performance of his or her duties.

This does not preclude the acceptance of items or entertainment of nominal value or that are not related to any particular transaction or activity of TNI. For purposes of this Policy “nominal” is a value of \$100.00 or less.

### 3. **Procedures.**

- a. A Responsible Person shall disclose to either the Executive Director or Board President a Potential Conflict, the financial interest and all material facts as soon as the circumstance is known to the Responsible Person. The Responsible Person shall refrain from any action to influence a decision regarding the matter, shall recuse himself or herself from voting on the matter, and shall not attempt to exert his or her personal influence with respect to the matter.
- b. The Executive Director or Board President shall present the Potential Conflict, the financial interest and all material facts to the Executive Committee.
- c. A Potential Conflict is not necessarily disqualifying of the Agreement or Transaction. Rather, the Executive Committee shall determine, after investigation of alternatives, whether the Agreement or Transaction is in TNI’s best interest and is fair and reasonable.
- d. The Executive Committee shall have final authority to allow an Agreement or Transaction despite a Potential Conflict or to disapprove the Agreement or Transaction.
- e. The consideration of the Potential Conflict by the Executive Committee shall be documented and archived; including the persons who were present for discussion, the alternatives to the Agreement or Transaction considered, and the record of the vote to allow or disallow the Agreement or Transaction.
- f. In the event that a Responsible person attends a meeting at which a matter is raised which involves what he or she believes may be a Potential Conflict, he or she should at any time recuse himself or herself from involvement in any decision or discussion in which the Responsible Person believes he or she may have a Potential Conflict.

- 4. **Confidentiality.** Each Responsible Person shall exercise care not to disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of TNI. Any information regarding interests of a Responsible Person or a Family Member shall be treated as confidential and shall generally be made available only to the Executive Director, Board President and the Executive Committee, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.

**5. Review of Policy.**

- a. Each new Responsible Person shall be required to review a copy of this Policy and to acknowledge in writing that he or she has done so.
- b. Each Responsible Person shall annually complete a disclosure form identifying any relationships, positions, or circumstances in which the Responsible Person is involved that he or she believes could contribute to a Potential Conflict of Interest arising. Each Responsible Person should also disclose to the Executive Director or Board President any Potential Conflict of Interest that may arise during the course of the year between the submission of annual disclosure forms.
- c. This policy shall be reviewed annually by each member of the board of directors. Any changes to the policy shall be communicated immediately to all Responsible Persons.

**6. Law Governing**

The law of the State of Louisiana shall control the interpretation of this Policy. The Policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit organizations.

**The NOCCA Institute**

I acknowledge that I have read the above Policy and understand it and my obligation to disclose any Potential Conflict of Interest. I further agree to comply with the Policy.

Name (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

## The NOCCA Institute (“TNI”) Conflict of Interest Disclosure Form

In connection with The NOCCA Institute Conflict of Interest Policy, I understand that I must disclose any Agreement or Transaction which exceeds \$2,500.00 between TNI and me, a family member or an entity in which I or a family member has a Material Financial Interest (worth more than \$2,500.00). With that understanding:

1) I identify the following relationship, positions or circumstances which I believe could contribute to a Potential Conflict of Interest:

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Or:

2) \_\_\_\_\_ (check if applicable) I certify that I know of no relationships, positions, or circumstances which could contribute to a Potential Conflict of Interest.

Name (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_