



**BLUE RIDGE
PUBLIC RADIO**

CONFLICT OF INTEREST POLICY

Adopted by the BPR Board of Directors January 28, 2021

PURPOSE

The purpose of this Conflict of Interest Policy is to protect BPR's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, member of a committee, employee, volunteer or other person with influence over the affairs of BPR, or that might otherwise harm BPR. The directors, officers, employees and volunteers of this organization shall make every effort to avoid the appearance or actuality of private benefit to persons as a result of their role at BPR. When an actual or potential conflict of interest arises, this policy shall direct the decisions of BPR's governing body and BPR managing staff. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest in nonprofit charitable corporations.

DEFINITIONS

An *Interested Person* is a director, officer, member of a committee with board delegated powers, or a staff person or volunteer who has a direct or indirect Personal or Financial Interest, as defined below.

A person has a *Financial Interest* if the person has, directly or indirectly, through business, investment or family (blood or marriage):

1. An ownership or investment interest in any entity with which the organization has a transaction or arrangement, or
2. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the organization is negotiating a transaction or arrangement.

A person has a *Personal Interest* if the person has, directly or indirectly, through business, investment, family member or personal affiliation of any kind, non-financial connections or interests in any entity with which BPR has, or to the person's knowledge, is contemplating entering a transaction or arrangement of any nature.

For the purposes of this policy, *Family* is defined as a spouse, domestic partner, parent, child, sibling, grandparent, grandchild, in-laws, step-parent, step child, guardian or ward, or member of the immediate household of an Interested Person.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature as would be determined by an ordinarily prudent person.

Not every Personal or Financial Interest creates an actionable conflict of interest. A Personal or Financial Interest is a conflict of interest only if the board or committee decides that a conflict exists.

PROCEDURE

In the event that a director, officer, member of a committee with board delegated powers, staff person or volunteer has a direct or indirect personal or financial Interest in a transaction or arrangement, the following procedure shall be used:

1. **Duty to Disclose.** The interested person shall disclose the existence of his or her personal or financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

2. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, the interested person shall leave the board or committee meeting while the potential conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. **Procedures for Addressing the Conflict of Interest.** If the board or committee members determine that a conflict of interest exists, the interested person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that involves the conflict of interest.

- a. The Board or committee chairperson shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- b. After exercising due diligence, the board or committee shall determine whether the organization can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- c. If a more advantageous transaction or arrangement is not reasonably attainable, the board or committee shall determine by a majority vote of disinterested directors whether the transaction or arrangement is in the organization's best interest and is fair and reasonable to the organization, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. **Violations of the Conflicts of Interest Policy.** If the board or committee has reasonable cause to believe that an Interested Person has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing the response and making such further investigation as may be warranted in the circumstances, the board or committee determines that the person has in fact failed to adequately disclose an actual or possible conflict of interest, it shall take appropriate disciplinary or corrective action.

5. **Minutes.** The minutes of the board and all committees with board-delegated powers shall contain:

- a. The names of persons who disclosed or were found to have a personal or financial Interest, the nature of the interest, any action taken to determine whether a conflict of

interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.

- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

SPECIAL PROCEDURES FOR COMPENSATION ISSUES:

1. A voting member of the board of directors who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to his/her compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.
3. Persons who receive compensation, directly or indirectly, from the organization, whether as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters.
4. No person, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ANNUAL COMPLIANCE STATEMENTS:

Each director, officer, member of a committee, employee, volunteer or other person with influence over the affairs of BPR shall annually sign a Conflict of Interest Disclosure Statement in the form attached hereto, and, during the course of the year, shall update such form whenever there is new information relating to a possible conflict of interest.

PERIODIC REVIEWS:

To ensure that the organization operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted by the General Manager in consult with the Board Chair. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable and the result of arms-length bargaining.
2. Whether provider services result in inurement or impermissible private benefit.
3. Whether partnership and joint venture arrangements and arrangements conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the organizations charitable purposes and do not result in inurement or impermissible private benefit.
4. Whether agreements with other providers, employees, and third-party entities further the organizations charitable purposes and do not result in inurement or impermissible private benefit.

USE OF OUTSIDE EXPERTS:

In conducting the periodic reviews the organization may, but need not, use outside advisors. If outside experts are used their use shall not relieve the board of its responsibility for ensuring that periodic reviews are conducted.

CONFLICT OF INTEREST DISCLOSURE STATEMENT

Name: _____ Date: _____

Position (Director/Employee/Volunteer/Other): _____

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could potentially contribute to a conflict of interest between Blue Ridge Public Radio and your personal interests, financial or otherwise:

☐ I have no financial or personal interests to report.

☐ I have the following financial or personal interests to report (please specify other nonprofit boards you - and your spouse or persons in your household - sit on, any for-profit businesses for which you or a family member are an officer or director, or a majority shareholder, and the name of your employer and any businesses you or a family member own):

1. _____

2. _____

3. _____

Additional Statement or Notes regarding potential Conflict of Interest:

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, understand and agree to comply with, the Conflict of Interest Policy of Western North Carolina Public Radio, Inc. d/b/a Blue Ridge Public Radio. I understand that BPR is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Signature: _____ Date: _____