

ARDSLEY HISTORICAL SOCIETY BOARD OF DIRECTORS CONFLICT OF INTEREST POLICY¹

Article I

Purpose

Section 1.

This Conflict-of-Interest Policy is designed to foster public confidence in the integrity of the Ardsley Historical Society ("AHS") and to protect AHS's interest when it is contemplating entering into a transaction (defined below) that might benefit the private interest of a board member, officer, or volunteer.

Section 2.

This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

Article II

Definitions

Section 1.

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

Section 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 AHS has a transaction or arrangement,
- (b) A compensation arrangement with AHS or any entity or individual AHS has a transaction or arrangement, or
- (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which AHS is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration and gifts or favors that are substantial. A financial interest is not necessarily a conflict of interest. A person with a financial interest may have a conflict of interest only if the Board or Executive Committee decides that a conflict of interest exists under this policy.

Article III

Procedures

Section 1.

Duty to Disclose -- In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be allowed to disclose all material facts to the Board or Executive Committee.

Section 2.

Recusal of Self – Any director may recuse themselves at any time from involvement in any decision or discussion in which the director believes they may have a conflict of interest without going through the process for determining whether a conflict of interest exists.

Section 3.

Determining Whether a Conflict of Interest Exists -- After disclosure of the financial interest and all material facts, and after any discussion with the interested person, they shall leave the Board or Executive Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Executive Committee members shall decide if a conflict of interest exists.

Section 4.

Procedures for Addressing the Conflict of Interest:

- (a) An interested person may make a presentation at the Board or Executive Committee meeting, but after the presentation, they shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- (b) The Chairperson of the Board or Executive Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- (c) After exercising due diligence, the Board or Executive Committee shall determine whether AHS can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- (d) If a more advantageous transaction or arrangement is not reasonably possible under the circumstances not producing a conflict of interest, the Board or Executive Committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in AHS' best interest, for its own benefit, and whether it is fair and reasonable.

In conformity with the above determination, it shall decide whether to enter into the transaction or arrangement.

Section 5.

Violations of the Conflicts of Interest Policy

- (a) If the Board or Executive Committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and allow the member to explain the alleged failure to disclose.
- (b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or Executive Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV

Records of Proceedings

Section 1.

The minutes of the Board and all committees with board delegated powers shall contain:

- (a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or Executive Committee's decision as to whether a conflict of interest in existed.
- (b) The names of the persons 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 with the proceedings.

Article V

Compensation

Section 1.

- (a) A voting member of the Board who receives compensation, directly or indirectly, from AHS for services is precluded from voting on matters pertaining to that member's compensation.
- (b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from AHS for services is precluded from voting on matters pertaining to that member's compensation.
- (c) No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from AHS, individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI

Annual Statements

Section 1.

Each director, principal officer, and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:

- (a) Has received a copy of the conflict-of-interest policy,
- (b) Has read and understands the policy,
- (c) Has agreed to comply with the policy, and
- (d) Understand AHS is charitable, and to maintain its federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Section 2.

If the information in the annual statement changes materially during the year, the director shall disclose such changes and revise the annual disclosure form.

Section 3.

The Executive Committee shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking other actions necessary for effective oversight.

Article VII

Periodic Reviews

Section 1. To ensure AHS operates consistently with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable, based on competent survey information (if reasonably available), and the result of arm's length bargaining.
- (b) Whether partnerships, joint ventures, and arrangements with management organizations, if any, conform to AHS' written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement or impermissible private benefit or in an excess benefit transaction.

Article VIII

Use of Outside Experts

Section 1. When conducting the periodic reviews as provided in Article VII, AHS may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Ardasley Historical Society Board of Directors
Initial Conflict of Interest policy adopted on 10/17/2023

¹ This policy is based on the IRS model Conflict of Interest policy, which is an attachment to Form 1023. It adds information needed to allow AHS to assess director independence in order to answer questions on Form 990.

**ARDSLEY HISTORICAL SOCIETY BOARD OF DIRECTORS CONFLICT OF
INTEREST STATEMENT AND DISCLOSURE FORM**

I hereby acknowledge that I have received a copy of Ardsley Historical Society's Conflict of Interest Policy, have read and understood it, and agree to comply with it.

Period: AHS Fiscal Year 2025-2026

Below, to the best of my knowledge is any entity of which I am an officer, director, trustee, member, owner, (either as a sole proprietor or a partner) or employee and with which the AHS has a relationship, and any transaction in which the AHS is a participant and in which I might have a conflicting interest as defined in the AHS Conflicts of Interest Policy:

1. _____

2. _____

3. _____

Signature: _____

Printed Name: _____

Date: _____