

Volunteer Conflict of Interest

Princeton Justice Initiative (PJI) is committed to integrity, fairness, and fiscal accountability in conducting its activities. PJI expects its Team Members to share the commitment to these values.

PJI's Duty to the Public

PJI is a 501(c)3 tax-exempt corporation, a New Jersey Registered Charity, and a domestic nonprofit organization. Considering these designations, the IRS and state regulatory and tax officials view the operations of PJI as a "public trust." Accordingly, by law, PJI is subject to scrutiny by and accountable to governmental authorities as well as to members of the public.

Policy Purpose

There will be times when PJI Team Members become involved in other organizations, causes, and endeavors that may intersect or overlap with PJI's affairs. Sometimes, conflicts may arise with PJI's interests. A conflict also may arise if PJI is contemplating entering a transaction or arrangement that might result in a benefit to the private interest of an officer or director of the corporation or might result in a possible excess benefit transaction.

Policy Application

The policy applies to all persons holding positions of responsibility and trust on behalf of PJI including, but not limited to members of the Board of Directors, Officers, volunteers, committee members, law clerks, interns, and PJI staff. Collectively, these parties are referred to as "Team Members."

Areas in which Conflicts May Arise

Conflicts of interest may arise in the relations of PJI Team Members with any of the following third parties:

- a. Persons and firms supplying goods and services to PJI;
- b. Persons and firms from whom PJI leases property and equipment;
- c. Persons and firms with whom PJI is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property;
- d. Competing or affinity organizations;
- e. Donors and others supporting PJI;
- f. Agencies, organizations, and associations which affect the operations of PJI; and
- g. Family members, friends, and other employees.

Interpretation of Policy

The areas of conflicting interest prohibited under this policy, and the relations in those areas which may give rise to conflict, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that Team Members will recognize such areas and relations by analogy.

Full disclosure of all relevant facts and circumstances must be made to the board to determine if a conflict exists. The fact that one of the interests described in this policy exists does not necessarily mean that a conflict exists. If a conflict exists, it must be material enough to be of practical importance to be considered by the board. If the conflict of interest is material, the board will determine if the conflict is averse to PJI's interests.

General Guidelines

1. PJI Board Members have a duty to act in the best interests of its clients in accordance with its mission and policies.
2. Team Members may not accept any payment or article of value from clients, community partners, vendors, or corporate sponsors, except nominal hospitality such as meals or token recognitions. These may be accepted if the value of the gift is less than \$50.00 (fifty dollars) and where it could be considered ungracious to decline.
3. Financial transactions between Team Members and the organization generally are prohibited unless fully disclosed, provided at or below costs/fair market, and approved by a vote of the Board Directors as evidenced by a formal board resolution.
4. If a Team Member or a close family member has an interest in a proposed transaction with PJI or is involved with an organization involved in a current or pending transaction with PJI, he or she must make full disclosure of such interest before any discussion or negotiation of the transaction occurs.
5. If a conflict, or the potential appearance of a conflict exists, the board members, staff,
6. or volunteer must recuse themselves by not influencing, attempting to influence, or participating in that discussion and/or vote. A board member's presentation of facts and opinion on the issue of conflict shall not be viewed as an improper attempt to influence.
7. Board Members who have a conflict of interest must abstain from discussions, decision making actions, attempting to influence, and voting on any matter in which they have a conflict.

Authorized Conflicts of Interest

Transactions with parties with whom a material conflicting interest exists may be undertaken only if all the following are observed:

- a. The conflicting interest is fully disclosed;
- b. The person with the conflict of interest is excluded from the discussion and approval of such transaction; and
- c. The board has determined that the transaction is in the best interests of the organization.

Violations of the Conflicts of Interest Policy

If the board 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 afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the board determines the member has failed to disclose an actual or possible conflict of interest, it may take appropriate actions such as a censure and up to and including removal.