



Code of Conduct / Conflict of Interest Policy

The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act programs administered by HUD that award funds competitively require the development of a Continuum of Care system in the community where assistance is being sought. A continuum of care system is designed to address the critical problem of homelessness through a coordinated community-based process of identifying needs and building a system to address those needs. Metropolitan Denver Homeless Initiative (MDHI) is the designated Continuum of Care (CoC) for the seven-county metropolitan area consisting of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas and Jefferson counties.

Membership of the MDHI Board of directors includes individuals from the seven county area some of whom represent nonprofit organizations which provide services to persons and families who are homeless or at-risk of becoming homeless. Some of these organizations will also, from time-to-time, be applicants for funds and/or contracts which may be awarded directly by MDHI, or at the recommendation of MDHI. To prevent an appearance of and address situations of conflict of interest, the following policy has been established to give guidance to currently serving members of the Board of Directors, inform MDHI's constituency, and promote transparency of the continuum's operations and business decisions.

Code of Conduct:

Each and every member of the Board of Directors shall, to the maximum extent possible, serve in a manner so as to avoid the appearance, or actual occurrence of a conflict of interest, any favoritism or any special treatment toward any person, applicant, organization or vendor, having business, or dealings of any kind, with MDHI. No member of the Board of Directors shall use or cause or allow to be used, his or her position to secure any personal privilege for himself, herself, their organization, or others, or to influence, actions, of MDHI for private, professional or humanitarian reasons.

The role of the Board of Directors of MDHI is to:

1. Address the planning, data collection and service provision of MDHI through advocacy and oversight/administration of its programs;
2. Perform his or her duties with the highest degree of integrity and professional care in order to merit the respect of the beneficiaries of programs, elected officials and the general public.
3. Avoid using the office to gain advantage for any applicant, resident, vendor, self or any person having business, or dealings of any kind, with MDHI.
4. Maintain the highest standard of personal integrity and conduct in all matters pertaining to the Board.
5. Exercise diligence, objectivity and honesty in all professional activities.
6. Avoid any activity that is in conflict with his or her official duties and not realize undue personal gain from the performance of his or her official duties.
7. Serve the Continuum of Care with dedication, concern, courtesy and responsiveness.
8. Strive for professional excellence in his or her Board service.
9. Promote and encourage the highest level of ethics.

Adopted December 6, 2013

Purpose of Conflict of Interest Policy

No Board member shall use his or her position, or the knowledge gained therefrom, in such a manner that conflict with the interests of MDHI. In his or her capacity as a Director, each Board member has the duty to place MDHI's interests first in any dealings with MDHI, and has the ongoing responsibility to comply with the requirements of this policy.

Board members serve without compensation. Board members may not obtain for themselves, their relatives, their organization, their business associates, or any other related party a material gain of any kind from their association with MDHI. MDHI expects that a Board member's organization or another related party may, from time to time, apply for grants or seek contracts from MDHI; it is the Board member's direct participation in decisions about such transactions that constitutes conflict of interest, not the organization's application itself.

If a Board member, or an individual or organization with which she or he is associated, has an interest in a current or proposed transaction, project or grant application, he or she must disclose that interest at the earliest opportunity, prior to any discussion or negotiation of that transaction. Disclosure requirements apply to transactions specifically involving the Board member's *individual* organization, but not to transactions involving the association's general membership; it is understood and appropriate that Board members have an interest in transactions affecting the membership as a whole.

Procedures

Any Board or Committee member who is aware of a potential conflict of interest involving any matter under consideration by the Board or Committee, shall not be present for any discussion of the matter and shall not be permitted to vote on any matter in which he/she has an interest. When MDHI's staff is aware of a potential conflict of interest affecting a Board or Committee member, that Board or Committee member shall not receive related documents in advance of the discussion, under no circumstances shall a Board or Committee member be present for discussion of or vote on matters directly affecting their own interests, or attempt to advocate in their own behalf through private contact, communication, or discussion. Such matters of self-interest include but are not limited to grant or contractual arrangements with Board member's own organization or a related party.

A Board or Committee member with a conflict of interest is expected to:

- (a) Immediately, by written communication, inform the President, the Executive Director, and the members of the Board or committee of the Board charged with approving the transaction on behalf of MDHI of such person's interest or position;
- (b) Disclose any material facts within such person's knowledge that bear on the advisability of such transaction from the standpoint of MDHI, any contacts with other Board of Director members;
- (c) Shall recuse themselves from any discussion of the matter; and,
- (d) Not be entitled to vote on the decision to enter into such transaction.

The minutes of the Board or Committee meeting shall reflect that:

- any interested persons fully disclosed potential conflicts of interest;
- the Board or Committee discussed and determined whether an actual conflict of interest exists;
- the interested person(s) abstained from discussion and voting; and,
- the outcome of the Board vote.

In order to avoid even the appearance of impropriety, Board members may not accept any gifts valued at \$50 or more from, or on behalf of, a Member or potential Member, a Grantee or potential Grantee, MDHI's staff, or other members of the Board of Directors, if the gift is clearly intended as an enticement to influence the Board member's behavior, position on an issue, or vote on a Board decision. "Gifts" do not include reimbursement from MDHI for meals, lodging, and transportation as covered under MDHI's approved Reimbursement Policy. Board members should immediately report to the Executive Committee any threat, bribe, gift, or other enticement tied directly or indirectly to a vote on a grant, contract or membership status.

Continuum of Care NOFA Competition:

MDHI, as the seven-county continuum of care, is responsible for the annual HUD CoC Notice of Funding Availability (NOFA) competition which requires solicitation of funding applications, review of funding requests, and recommendation of funding awards. Since service providers are key to the work of the MDHI and will serve on the Board of Directors, the following process will be implemented relative to the annual NOFA review and approval process:

1. Executive Director of MDHI will appoint a NOFA committee to conduct application review, ranking and recommendation of NOFA awards. Committee members shall represent the geographic region, should be free of any conflict of interest, and will verify by signing a statement disclosing any potential conflicts;
2. An MDHI Board member, without conflict of interest, shall be designated by the Board of Directors to serve on the NOFA committee. This Board member will work with MDHI staff to assist with development and implementation of the review and recommendation process.
3. MDHI Executive Director and other staff will serve as non-voting members of the NOFA committee to assist with committee responsibilities and maintaining integrity of the review and recommendation process.
4. The NOFA Committee will provide to Board representative and MDHI staff recommendations for NOFA funding. The committee shall put forth recommendations for Board consideration.
5. Board members who have a conflict of interest (i.e., formal association with an agency submitting funding request) shall recuse themselves from all discussion and vote regarding the final funding recommendation.

Situations of Conflict of Interest

The Board of Directors of MDHI shall investigate all allegations of impropriety, oral or written, made openly to any Board Member, Executive Director, or MDHI staff. The Board must thoroughly discuss the matter with the person(s) bringing the complaint, the Board member involved, and any other parties associated with the complaint. If a Board member is found to have violated the letter or intention of this conflict of interest policy, the Board may levy any of the following penalties, as it deems appropriate:

- A statement of reprimand or censure recorded in the minutes of the Board of Directors meeting;
- Expulsion from the Board of Directors; or
- Legal action, including but not limited to civil and/or criminal prosecution.

Annual statements

Each director, principal officer and member of a committee with board delegated powers shall annually complete a questionnaire regarding any potential conflicts and stating:

- Director has received a copy of the conflict of interest policy;
- Director has read and understands the policy;

- Director has agreed to comply with the policy; and,
- Director understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempted purposes.

Definitions

Board member - includes elected and appointed members of the Board, Committee members, and Staff acting in a Board capacity (i.e., as Board Secretary).

Interest - is a personal or professional connection which may take the form of financial interest in the transaction (grant application, contract, vendor, consulting) itself or in any organization involved in the transaction; a professional position or office in or paid consulting relationship with any organization involved in the transaction; a related party to a person on the staff or Board or who is a paid consultant to the organization involved in the transaction; or any other connection which causes the member to think she or he should abstain.

Material gain- includes indirect or direct financial, personal, or professional gain. For example, financial gain includes but is not limited to salary, payment, consulting fees (other than fees paid to the organization rather than the individual), gifts, loans, grants, or other monetary gain. Professional gain includes but is not limited to prestige, appointment, or career advancement. Indirect gain includes but is not limited to support for/opposition to a grant, or competitive advantage, or avoidance of a loss through use of confidential information.

Related party - means the members of an individual's family, defined as any person who is related by blood or marriage, or whose relationship with the employee is comparable to that of persons who are related by blood or marriage; estates, trusts, and partnerships in which the individual or his/her immediate family have a present or vested future beneficial interest; an organization or entity for which the individual serves as a volunteer, Staff member, Board member, or paid consultant.

Confidential information - includes but is not limited to underwriting information about individual organizations gathered for and presented to the Board or its Committees to support membership, grant or contractual decisions (including Board discussion of proprietary information and the individual votes of Board members), opinions about/interpretations of material, substantive reasons for any vote during a meeting, and information gained in a consulting role. Board members may not disclose confidential information or use it for personal or professional gain.

Inquiries should be directed to:
Will Connelly, Executive Director
Metropolitan Denver Homeless Initiative
711 Park Avenue West, Suite 320
Denver, Colorado 80205
(303) 295-1772
will.connelly@mdhi.org

Adopted December 6, 2013



Board Member Conflict of Interest Questionnaire

Background: Each and every member of the Board of Directors shall, to the maximum extent possible, serve in a manner so as to avoid the appearance, or actual occurrence of a conflict of interest, any favoritism or any special treatment toward any person, applicant, organization or vendor, having business, or dealings of any kind, with MDHI. No member of the Board of Directors shall use or cause or allow to be used, his or her position to secure any personal privilege for himself, herself, their organization, or others, or to influence, actions, of MDHI for private, professional or humanitarian reasons.

Board Members – Direct Relationships

1. Have you received any payments (other than expense reimbursements) from the Organization?
Yes _____ No _____
2. Are you employed by a company that does business with the Organization?
Yes _____ No _____
3. Are you employed by an agency/business that does business with the Organization?
Yes _____ No _____
4. Are you serving in an advisory capacity to an agency that does business with the Organization?
Yes _____ No _____

If the answer is **yes** to any of the above questions please explain in the following space:

Board Members – Family Relationships (For the purpose of these questions, the IRS defines a “family relationship” as an individual’s spouse, ancestors, children, grandchildren, great-grandchildren, siblings -whether by whole or half blood - and the spouses of children, grandchildren, and siblings.)

5. Are you related to any individuals who are employed by the Organization?
Yes _____ No _____
6. Are you related to any individuals that do business with the Organization, either directly or as employees and/or Advisory Committee/Board members?
Yes _____ No _____

If the answer is **yes** to any of the above questions please explain in the following space:

I have read and understand the requirements of the MDHI Conflict of Interest Policy, and I have completed the Board Member Questionnaire to the best of my knowledge.

Print Name

Signature

Date

Adopted December 6, 2013