WME PTO Conflict of Interest Standing Rules and Policies

Purpose
The purpose of this Conflict of Interest Policy is to protect the integrity of the PTO when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, board member, committee chair, or volunteer with significant influence over PTO decisions. This policy is intended to supplement, not replace, any applicable state or federal laws governing conflicts of interest for nonprofit organizations.

Scope
This policy applies to all PTO officers, board members, committee chairs, and any individual who has decision-making authority or influence over PTO funds, contracts, or programs.

Definition of Conflict of Interest
A conflict of interest arises when an individual has a direct or indirect personal, financial, or business interest that could improperly influence, or appear to influence, their judgment or actions on behalf of the PTO.
Examples include, but are not limited to:

- Ownership, employment, or compensation arrangements with an entity doing business with the PTO
- Family or household relationships with a person or entity doing business with the PTO
- Personal financial benefit from a PTO decision or transaction

Duty to Disclose
All covered individuals must disclose any actual, potential, or perceived conflict of interest as soon as it arises.
Disclosures shall:

- Be made to the PTO President or the Board
- Be recorded in the meeting minutes when applicable
- Be updated annually and whenever circumstances change

Determining Whether a Conflict Exists
After disclosure, the remaining disinterested board members shall determine whether a conflict of interest exists. The individual with the potential conflict shall not participate in the discussion or vote regarding the determination.

Procedures for Addressing a Conflict of Interest
If a conflict of interest is determined to exist, the following procedures shall apply:

1. The interested individual may provide factual information at the request of the Board but shall not participate in discussion or voting.
2. The individual shall leave the meeting during deliberation and voting on the matter.
3. The Board shall consider alternative transactions or arrangements to determine whether the PTO can obtain a more advantageous option without a conflict.

4. If no reasonable alternative exists, the Board may approve the transaction by a majority vote of disinterested members, provided the transaction is fair, reasonable, and in the best interest of the PTO.

Violations of the Policy
If the Board has reasonable cause to believe an individual has failed to disclose an actual or potential conflict of interest, it shall:

- Inform the individual of the basis for the belief
- Allow the individual an opportunity to explain
- Take appropriate corrective action if a violation is confirmed, which may include removal from office or committee position in accordance with PTO bylaws

Compensation Matters
No officer or board member shall vote on matters relating to their own compensation or reimbursement. Any compensation or reimbursement must be reasonable, documented, and approved by disinterested board members.

Gifts and Gratuities
Officers and board members shall not accept gifts, favors, or incentives that could influence, or appear to influence, PTO decision-making. Nominal items of appreciation with no expectation of influence are permissible.

Annual Disclosure Statement
Each officer and board member shall annually review this Conflict of Interest Disclosure Statement affirming that they:

- Have received and read this policy
- Understand the policy
- Agree to comply with the policy
- Have disclosed any conflicts of interest

Recordkeeping
All disclosures and determinations regarding conflicts of interest shall be documented in the PTO's records and maintained in accordance with record retention policies.

Adoption and Review
This policy shall be adopted by a majority vote of the Board and reviewed periodically to ensure continued compliance with best practices and applicable laws.

Reviewed/Amended on: February 2026