

CONFLICT OF INTEREST

Section 1.

A conflict of interest transaction is a transaction with the Corporation in which a Director of the Corporation has a direct or indirect interest. Directors are obligated to disclose any direct or indirect conflicts.

Section 2.

A conflict of interest transaction is not voidable by the Corporation solely because of the Director's interest in the transaction if any one (1) of the following is true:

- A. The Director's interest was disclosed or known to the Board of Directors or a committee of the Board of Directors and the Board of Directors or committee authorized, approved, or ratified the transaction.
- B. The transaction was fair to the Corporation.

Section 3.

For purposes of Article XVI, a Director of the Corporation has an indirect interest in a transaction if:

- A. Another entity in which the Director has a material financial interest or in which the Director is a general partner is a party to the transaction; or
- B. Another entity of which the Director is a director, officer, or trustee is a party to the transaction and the transaction is, or is required to be, considered by the Board of Directors of the Corporation.

Section 4.

For purposes of Article XVI, a conflict of interest transaction is authorized, approved or ratified if it receives the affirmative vote of a majority of the Directors on the Board of Directors (or on the committee) who have no direct or indirect interest in the transaction. If a majority of the Directors who have no direct or indirect interest in the transaction vote to authorize, approve or ratify the transaction, a quorum shall be deemed present for the purpose of taking action under this article. No Director shall vote on any matter in which the Director has a conflict.

Section 5.

The following statement will be signed annually by each Board Director:

I have read and understand the foregoing conflict of interest policy and agree to its terms, and my actions have been and will continue to be guided thereby.

CODE OF ETHICS

Section 1.

The Community Action Association of Pennsylvania (CAAP) Board Members represent a limited purpose Community Action Agency, and dedicate ourselves to eliminating poverty in the midst of plenty in this nation by opening to everyone the opportunity for education and training; the opportunity to work; and the opportunity to live in decency and dignity; and with respect for cultural diversity, commit ourselves to:

- A. Recognize that the chief function of CAAP at all times is to serve the best interest of low-income people, thereby serving the best interests of all people.
- B. Accept as a personal duty the responsibility to keep up to date on emerging issues and to conduct ourselves with, competence, fairness, impartiality, efficiency, and effectiveness.
- C. Respect the structure and responsibilities of the Board of Directors as delineated in the CAAP Bylaws; commit to regular Board meeting attendance; be guided by the CAAP Mission and Goals; represent CAAP positively in the community and adhere to this Code of Ethics for Board Members, and expect that CAAP professional staff will provide the Board of Directors with facts and advice as a basis for their making policy decisions and will uphold and implement policies adopted by the Board of Directors.
- D. Assist staff to keep the community informed about issues affecting low-income people; facilitate communications among low-income people, locally elected public officials, and the private sector.
- E. Conduct organizational duties with positive leadership exemplified by open communication, creativity, dedication, and compassion.
- F. Exercise whatever discretionary authority we have under the law to promote the interests of low-income people.
- G. Serve CAAP and the community action movement with respect, concern, courtesy, and responsiveness, recognizing that service to low-income people is beyond service to oneself.
- H. Demonstrate the highest standards of personal integrity, honesty, truthfulness and fortitude in all our CAAP activities in order to inspire confidence and trust in the Community Action movement.
- I. Serve in such a way that we do not realize undue personal gain from the performance of our duties.
- J. Avoid any interest or activity which is in conflict with the conduct of official duties.
- K. Respect and protect privileged information to which we have access in the course of official duties.
- L. Strive for personal excellence and encourage the development of our volunteer associates.

Section 5.

The following statement will be signed annually by each Board Director:

I have read and understand the foregoing Conflict of Interest and Code of Ethics policies and agree to their terms, and my actions have been and will continue to be guided thereby.

Board Member Name

Signature

Date