

## **KWC CONFLICT OF INTEREST**

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### **Introduction**

Kumasi Wood Cluster (KWC) recognizes the importance of those who work with the organization to conduct themselves in an ethical and transparent manner. The decisions and actions of the leadership of KWC have a direct and significant impact on its reputation as well as that of its supporters and the general public. This policy contains elements that can be used to address potential conflicts of interest with employees and board members.

### **Purpose of Policy**

This conflict of interest policy is designed to help Directors, staff, interns and volunteers of the KWC identify situations that present potential conflicts of interest. Also, to provide KWC with a procedure that, if observed, will allow a transaction to be treated as valid and binding even though a Director, staff, interns and volunteers has or may have a conflict of interest with respect to the transaction. In the event there is an inconsistency between the requirements and procedures prescribed herein and those in national law, the law shall prevail.

### **Conflict of Interest Defined.**

For purposes of this policy, the following circumstances shall be deemed to create Conflicts of Interest:

#### **a. Outside Interests.**

- i. An Agreement or Transaction between KWC and a Responsible Person or Family Member.
- ii. An Agreement or Transaction between KWC and an entity in which a Responsible Person or Family Member has a Material Financial Interest or of which such person is a director, officer, agent, partner, associate, personal representative, receiver, guardian, custodian, or other legal representative.

#### **b. Outside Activities.**

- i. A Responsible Person competing with KWC in the rendering of services or in any other Agreement or Transaction with a third party.
- ii. A Responsible Person having a Material Financial Interest in; or serving as a director, officer, employee, agent, partner, associate, personal representative, receiver, custodian, or other legal representative of, or consultant to; an entity or individual that competes with KWC in the provision of services or in any other Agreement or Transaction with a third party.

#### **c. Gifts, Gratuities and Entertainment.** A Responsible Person accepting gifts, entertainment, or other favors from any individual or entity that:

- i. Does or is seeking to do business with, or is a competitor of KWC,
- ii. Is a charitable organization;
- iii. Under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value that are not related to any particular transaction or activity of KWC.

## **KWC CONFLICT OF INTEREST**

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### **Definitions**

- a. A “Conflict of Interest” is any circumstance described in Part 3 of this Policy.
- b. A “Responsible Person” is any person serving as an officer, employee, or member of the board of directors of KWC.
- c. A “Family Member” is a spouse, domestic partner, parent, child, or spouse of a child, brother, sister, or spouse of a brother or sister, of a Responsible Person.
- d. A “Material Financial Interest” in an entity is a financial interest of any kind that, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect a Responsible Person’s or Family Member’s judgment with respect to transactions to which the entity is a party. This includes all forms of compensation. (The board may wish to establish an amount that it would consider to be a “material financial interest.”)
- e. An “Agreement or Transaction” is any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant, or the establishment of any other type of pecuniary relationship by KWC. The making of a gift to KWC is not an Agreement or Transaction within the meaning of this document.

### **Procedures**

- a. Before a Board or Committee action on an Agreement or Transaction involving a Conflict of Interest, a Director or Committee member having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.
- b. As much as practicable, the KWC Administrator will be encouraged to maintain a “Register of Interests” being a declaration form in which senior managers and Directors disclose any interest in relations to their role which is likely or would, if publicly known, be perceived as being likely to influence the exercise of independent judgment. Information in the register which raises the possibility of conflict of interest on a member of a conflict of interest committee must be brought by the Administrator to the notice of its chairman for appropriate action to be taken.
- c. A Director or Committee member who plans not to attend a meeting at which he or she has reason to believe that the Board or Committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The Chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
- d. A person who has a Conflict of Interest shall not participate in or be permitted to hear the Board’s or Committee’s discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.

## **KWC CONFLICT OF INTEREST**

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- e. A person who has a Conflict of Interest with respect to an Agreement or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a conflict of interest may not vote on the Agreement or Transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting. For purposes of this paragraph, a member of the Board of directors of KWC has a Conflict of Interest when he or she stands for election as an officer or for re-election as a member of the Board of Directors.
- f. Responsible Persons who are not members of the Board of Directors of KWC, or who have a Conflict of Interest with respect to an Agreement or Transaction that is not the subject of Board or Committee action, shall disclose to the Chair or the Chair's Designee any Conflict of Interest that such Responsible Person has with respect to an Agreement or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Responsible Person. The Responsible Person shall refrain from any action that may affect KWC's participation in such Agreement or Transaction.
- g. In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the Chair or the Chair's designee, who shall determine whether there exists a Conflict of Interest that is subject to this policy.

### **Confidentiality**

A Responsible Person shall exercise care not to disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of KWC. Furthermore, a Responsible Person shall not disclose or use information relating to the business of KWC for the personal profit or advantage of the Responsible Person or a Family Member or the Responsible Person's company.

### **Review of Policy**

- a. Each Responsible Person shall annually complete a disclosure form identifying any relationships, positions, or circumstances in which the Responsible Person is involved that he or she believes could contribute to a Conflict of Interest arising. Such relationships, positions, or circumstances might include service as a director of or consultant to a not-for-profit organization, or ownership of a business that might provide goods or services to KWC. Each Responsible Person should also disclose to the Board of Directors any potential Conflict of Interest that may arise during the course of the year between the submissions of annual disclosure forms. Any such information regarding business interests of a Responsible Person or a Family Member shall be treated as confidential and shall generally be made available only to the Chair, the Executive Director, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.

## KWC CONFLICT OF INTEREST

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- b. This policy shall be reviewed annually by the Board of Directors. Any changes to the policy shall be communicated immediately to all Responsible Persons.

### **Compliance with this policy**

If the Bboard has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances. If it is found that this person has failed to disclose a conflict of interest, the Board may take action against them. Disciplinary actions will vary depending on the violation.

Possible consequences include:

- Demotion
- Reprimand
- Suspension or termination for more serious offenses
- Detraction of benefits for a definite or indefinite time

If a person suspects that a Board member has failed to disclose a conflict of interest, they must notify the Board Chair Person, or Executive Director who must bring this to the notice of the Chair Person. The Chairperson will investigate the circumstances. If it is found that this person has failed to disclose a conflict of interest, the board may take action against them.as above.

### **ADOPTION**

This policy was adopted by the Board of Directors of the Kumasi Wood Cluster Association on;

Date 19/09/2018

Signature *Alhassan Attah*

Name Alhassan Attah

Position Chairman of KWC Board