



Flagship Niagara League

150 E Front Street, Suite 100, Erie, PA 16507-1594

Telephone (814) 452-2744 Fax (814) 455-6760

Board of Trustees

Code of Conduct & Conflict of Interest Policy

Purpose

The purpose of this policy is to clarify Pennsylvania Historical and Museum Commission's expectations for its Associate Board of Trustees regarding a code of conduct so that conflicts of interest may be avoided. PHMC and the Flagship Niagara League requests that Trustees review this policy, agree to its provisions and acknowledge their agreement by executing the attached Annual Statement. Any questions regarding this policy should be directed to FNL's President and/or PHMC's Site Administrator.

Background

The Board of Trustees of FNL, collectively and individually, have a fiduciary duty of care and a duty of loyalty in performing their duties on behalf of the Flagship Niagara League. Trustees are expected to use the degree of care, skill, caution, and diligence that a prudent person would use in handling corporate affairs.

Trustees are also expected to perform their duties in good faith with the best interests of FNL in mind. This means that Trustees engage in ethical and professional conduct, exercising authority appropriately and acting with decorum. Trustees must not seek to derive private gain from business transactions with FNL or advance their own personal or business interests at the expense of FNL.

In that regard, Trustees have a duty to avoid potential or apparent conflicts of interest. To avoid the appearance of impropriety, it is important for Trustees to be honest and open with one another at all times. It is particularly important for Trustees to disclose relevant information regarding potential conflicts of interest so that any appearance of impropriety is avoided and the risk of liability is negated. This Policy is designed to outline a code of conduct expected of Trustees and to summarize pertinent information regarding conflicts of interest.

Conflict of Interest

A conflict of interest exists whenever a Trustee's personal or business interests are inconsistent with, adverse or harmful to the policies and interests of FNL, or whenever such personal or business interests impair the Trustee's ability to fulfill his/her fiduciary obligations to FNL. A conflict of interest also exists when a Trustee acts in a position of authority on an issue that is before the FNL in which the Trustee has financial or other interests. When there is a dual interest-or the appearance of a dual interest-for any Director, the potential for a conflict of interests exists.

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When a Trustee has an interest in a transaction being considered by the Board, the Trustee is expected to disclose the conflict (or potential conflict) before any action is taken on the matter. In cases of potential conflict of interest, Trustees must act to preserve and enhance public trust in the organization by putting the interests of FNL ahead of all other business/personal interests by disclosing even the potential for a conflict.

In the course of serving on the Board, a Trustee may encounter a situation where his/her duty to FNL may be affected by personal interests or obligations to another person or entity. Generally, a Trustee's conflict will be cleared of any consequence by full disclosure, made before any action is taken, and by approval of the action by a disinterested majority of Trustees. The Trustee in interest should excuse him/herself from that part of the meeting when the matter is discussed and must abstain from voting on the matter. The Trustee's absence from the discussion and abstention from the vote should be recorded in the minutes.

Code of Conduct

1. **A Trustee must fully disclose his/her desire to engage in transactions with FNL. This work must be pro bono with no cash exchanged.**
 - Acts of self-dealing or private business or personal services constitute a breach of fiduciary duty. Full disclosure of any self interest(s) by a Trustee under this provision allows FNL to procedurally control transactions and to ensure openness, competitive opportunity and equal access to otherwise "inside" information.
 - A Trustee may not use his/her position to obtain, for him/herself or for family members, employment or contractual relationships with FNL. Should a Trustee be considered for employment with FNL he/she must resign from the Board of Trustees prior to the consideration of his/her candidacy. If the individual is not offered employment he/she may be considered by the Nominating Committee for a Board of Trustees seat.

2. **Trustees have a duty of loyalty and fidelity to FNL.**
 - Trustees are encouraged to support and endorse the goals and programs of FNL. If a Trustee individually opposes a FNL position, goal, or program, it is expected that he/she will not publicly promote his/her individual views that openly conflict with the same.
 - It is not FNL's intent to insist on absolute loyalty in all conflicts that may arise between a Trustee in his/her professional capacity and the positions, goals, or programs of the institution. However, it is expected that a Trustee will disclose to FNL any professional loyalties or positions that conflict with

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FNL's formal positions on issues. Professional conflicts arising under this provision of this Policy will be addressed on a case-by-case basis.

- 3. Trustees may not attempt to exercise individual authority within FNL except as explicitly authorized by the Board or as set forth in Board policies.**
 - Trustees are expected to understand and acknowledge that they lack individual authority in interactions with FNL President or staff as noted above.
 - Trustees are expected to understand and acknowledge the same lack of individual authority as it related to interactions with the public, press or other entities. A Trustee has no authority to speak for the Board or FNL unless specifically authorized to do so.
 - Trustees are expected to confine their public assessment of the performance of FNL, President or staff to the official process outlined in Board policies.
- 4. Trustees are expected to interact with one another, outside entities or individuals, clients and staff in an ethical manner reflecting fair play, respect, and straightforward communication.**
- 5. Trustees are expected to maintain confidentiality of information that is proprietary and confidential to FNL.**
 - The term "Confidential Information" includes without limitation any confidential and proprietary information relating to the affairs of FNL, its products and services, FNL databases and programs, marketing, financial or personnel operations; technical and research data; Board of Trustees' discussions; and letterhead and logos which are not otherwise publicly available.
 - Trustees are expected to treat as confidential all matters involving FNL until there has been general public disclosure or unless the information is a matter of public record.
 - Disclosures should only be made through FNL's designated spokesperson.
 - A Trustee should not use confidential information for his/her benefit or for the benefit of any other person or entity.

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- 6. Upon completion of service as a Trustee, the Trustee agrees that he/she will not keep, copy or deliver to any other person or entity, any and all items and copies of items containing Confidential Information.**

- 7. Every Trustee understands that it is his/her fiduciary responsibility to contact FNL counsel of record if he/she suspects fraud or self-dealing on the board or in the board's conduct of its affairs. Every Trustee understands that there will be no reprisal whether the charges are found to be true or false. (known as a Whistle Blower provision)**

Concerning Possible Conflict of Interest

The undersigned individual acknowledges receipt of a copy of FNL’s “Code of Conduct and Conflict of Interest Policy” (“Policy”) dated _____.

By signature affixed below, I understand and acknowledge my agreement with the spirit and intent of the Policy and I acknowledge my fiduciary duty and agree to report to the Chair of the Board of Trustees any possible conflicts (other than those stated below) that may arise in the future.

Resolution Concerning Conflict of Interest

- I am not aware of any conflict of interest.
- I wish to disclose the following relationships that might be construed as a conflict of interest.

Business(es) or Organization(s)

Relationship

_____	_____
_____	_____
_____	_____

Print Name: _____

Company/Employer: _____

Signature: _____

Date: _____

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