



Conflict of Interest Policy

Policy Number: 0001

Effective Date: April 26, 2023

Amended: June 26, 2026

ARTICLE I. PURPOSE

Snohomish County Transportation Coalition (Snotrac) encourages the active involvement of its directors, officers, and staff in the community. To be transparent and deal fairly with actual and potential conflicts of interest that may arise as a consequence of community involvement, Snotrac adopts the following policy. The purpose of this conflict of interest policy is to protect the interests of Snotrac as it fulfills its charitable purposes, and when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or staff of Snotrac or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

ARTICLE II. POLICY

Directors, officers, and staff are expected to use good judgment, to adhere to high ethical standards, and to conduct their affairs in such a manner as to avoid any actual or potential conflict between the personal interests of a director, officer, or staff and those of Snotrac. A conflict of interest exists when a director, officer, or staff member's loyalties or actions are divided between the interests of Snotrac and the director, officer, or staff member's interests. Both the fact and the appearance of a conflict of interest should be avoided.

ARTICLE III. DEFINITIONS

1. Affiliation

An affiliation includes any interests other than financial interests that may influence a director, officer, or staff member's judgment. An objective test determines whether an affiliation exists between the director, officer, or staff member and the other person, entity, or organization: whether the involvement or relationship of the director, officer, or staff member with the other person, entity, or organization is such that it reduces the likelihood that the director, officer, or staff member can act in Snotrac's best interests.

2. Interested Person

Any director, principal officer, member of a committee with governing board delegated powers, or staff member who has a direct or indirect financial interest, as defined below, or organizational affiliation, as defined above, is an interested person.

3. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which Snotrac has a transaction or arrangement,
- b. A compensation arrangement with Snotrac or with any entity or individual with which Snotrac has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which Snotrac is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article IV, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board, committee, or supervising staff member decides that a conflict of interest exists.

ARTICLE IV. PROCEDURES

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest or organizational affiliation and be given the opportunity to disclose all material facts to the directors, members of committees with governing board delegated powers, or the supervising staff member considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists by the Board or a Committee

After disclosure of the financial interest or organizational affiliation and all material facts, and after any discussion with the interested person, s/he shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board, committee meeting, or to his/her supervising staff member. After the presentation, s/he shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. For a potential conflict of interest of a staff member, the executive director may elect to review the conflict in lieu of the subject staff member's supervisor.
- c. After exercising due diligence, the governing board or committee (or in the case of a subject staff member, the supervisor or executive director) shall determine whether Snotrac can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. The governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in Snotrac's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflict of Interest Policy

- a. If the governing board or committee (or, in the case of a subject staff member, the supervisor or executive director) has reasonable cause to believe a member has failed to disclose actual or possible conflict of interest, it shall inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the individual's response and after making further investigation as warranted by the circumstances, the governing board or committee (or, in the case of a subject staff member, the supervisor or executive director) determines the individual has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

5. Disciplinary Action

If an individual is found to have violated the Conflict of Interest Policy, the following actions may be taken based on the severity of the conflict:

- Reprimand;
- Termination of a contract or agreement;

- Removal from the Board of Directors or Officer position;
- Removal from committee;
- Reduction in responsibilities;
- Suspension of available vacation days;
- Unpaid suspension of employment;
- Termination of employment; and
- Other disciplinary actions deemed appropriate and proportionate to the violation.

ARTICLE V. RECORDS OF PROCEEDINGS

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest or organizational affiliation in connection with an actual or possible conflict of interest, the nature of the financial interest or organizational affiliation, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

In the case of a staff member, the supervisor or executive director shall provide a written report with the names of the persons who disclosed or otherwise were found to have a financial interest or organizational affiliation in connection with an actual or possible conflict of interest, the nature of the financial interest or organizational affiliation, any action taken to determine whether a conflict of interest was present, any alternatives to the proposed transaction or arrangement, decision as to whether a conflict of interest in fact existed, and any recommended disciplinary action.

ARTICLE VI. COMPENSATION

- a. A voting member of the governing board who receives compensation, directly or indirectly, from Snotrac for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Snotrac for services is precluded from voting on matters pertaining to that member's compensation.

- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Snotrac, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VII. PERIODIC STATEMENTS

Each director, officer, and staff member shall annually sign a statement that affirms such person:

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands that Snotrac is a charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.



CONFLICT OF INTEREST POLICY CERTIFICATION

The undersigned hereby acknowledges that the undersigned:

- (a) Has received a copy of the conflict of interest policy,
- (b) Has read and understands the conflict of interest policy,
- (c) Has agreed to comply with the conflict of interest policy, and
- (d) Understands that in order for Snotrac to maintain its federal tax exemption as a charitable organization, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Please check one of the following boxes:

- ☐ I have no conflicts or potential conflicts to disclose.
- ☐ I have the following conflicts or potential conflicts to disclose (please describe any relevant organizational, professional or business affiliations as well as financial interests):

Signed: _____

Printed Name: _____

Title: _____

Date: _____