

SULLIVAN COUNTY LAND BANK CORPORATION

CODE OF ETHICS AND CONFLICTS OF INTEREST POLICY

SECTION 1. PURPOSE AND AUTHORITY.

The purpose of this Code of Ethics (the “Code”) is to serve as a guide to enhance the ethical and professional performance of the directors and employees of the Land Bank and to preserve public confidence in the Land Bank’s mission. The Conflicts of Interest Policy (the “Policy”) included herein is meant to provide protection to the Land Bank’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization 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.

This Code and the Policy are adopted pursuant to New York Public Authorities Law section 2824(1)(d) and New York Public Officers Law Section 74.

SECTION 2. DEFINITIONS.

As used herein, the following terms shall have the meaning set forth below.

- A. “Board” shall mean the Board of Directors of the Land Bank.
- B. “Chair” shall mean the Chair of the Board.
- C. “Executive Director” shall mean the Executive Director of the Land Bank, or in the event of a vacancy, the Chair.
- D. “Governance Committee” shall mean the governance committee of the Land Bank.
- E. “Land Bank” or “SCLBC” shall mean the Sullivan County Land Bank Corporation.

This Code of Ethics shall apply to all officers and employees of the Land Bank.

SECTION 3. STANDARDS FOR DIRECTORS AND EMPLOYEES

- A. A director or employee shall not accept other employment which will impair his or her independence of judgment in the exercise of his or her official duties.
- B. A director or employee shall not accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her official position or authority.
- C. A director or employee shall not disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his or her personal interests.
- D. A director or employee shall not use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others, including but not limited

Adopted September 12, 2017

- to, the misappropriation to himself, herself or to others of the property, services or other resources of the state for private business or other compensated non-governmental purposes.
- E. A director or employee shall not engage in any transaction as representative or agent of the state with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his or her official duties.
 - F. A director or employee shall not by his or her conduct give reasonable basis for the impression that any person can improperly influence him or her or unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person.
 - G. A director or employee shall abstain from making personnel investments in enterprises which he or she has reason to believe may be directly involved in decisions to be made by him or her or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest.
 - H. A director or employee shall endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust.
 - I. Neither a director or employee, nor any firm or association of which such a director or employee is a member, nor corporation a substantial portion of the stock of which is owned or controlled directly or indirectly by such officer or employee, shall sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by the state agency in which such officer or employee serves or is employed.
 - J. A director or employee shall manage all matters within the scope of the Land Bank's mission independent of any other affiliations or employment by the County or any other municipality within the County. Directors and employees employed by more than one such entity shall strive to fulfill their professional responsibility to the Land Bank without bias and shall support the Land Bank's mission to the fullest.
 - K. A director or employee shall disclose any actual or perceived conflict of interest to the Board (or the Ethics Officer, if any).

SECTION 4. IMPLEMENTATION OF CODE OF ETHICS

This Code of Ethics shall be provided to all directors and employees upon commencement of employment or appointment and shall be reviewed annually by the Governance Committee. The Board may designate an Ethics Officer, who shall report to the Board and shall have the following duties:

- Counsel in confidence Land Bank directors and employees who seek advice about ethical behavior.
- Receive and investigate complaints about possible ethics violations.
- Dismiss complaints found to be without substance.
- Prepare an investigative report of their findings for action by the Executive Director or the

board.

- Record the receipt of gifts or gratuities of any kind received by a director or employee, who shall notify the Ethics Officer within 48 hours of receipt of such gifts and gratuities.

SECTION 5. CONFLICTS OF INTEREST:

A conflict of interest is a situation in which the financial, familial or personal interests of a director or an employee come into actual or perceived conflict with their duties and responsibilities with the Land Bank. Perceived conflicts of interest are situations where there is the appearance that a director or an employee can personally benefit from actions or decisions made in their official capacity, or where a director or an employee may be influenced to act in a manner that does not represent the best interests of the Land Bank. The perception of a conflict may occur if circumstances would suggest to a reasonable person that a director and/or employee may have a conflict. The appearance of a conflict and an actual conflict should be treated in the same manner for the purposes of this policy.

Directors and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust. While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest typically arises whenever a director or employee has or will have:

- A financial or personal interest in any person, firm, corporation or association that has or will have a transaction, agreement or any other arrangement in which the Land Bank participates.
- The ability to use his or her position, confidential information or the assets of the Land Bank, to his or her personal advantage.
- Solicited or accepted a gift of any amount under circumstance in which it could reasonably be inferred that the gift was intended to influence him/her, or could reasonably be expected to influence him/her, in the performance of his/her official duties or was intended as a reward for any action on his/her part.
- Any other circumstance that may or appear to make it difficult for the board member or employee to exercise independent judgment and properly exercise his or her official duties.

SECTION 6. PROCEDURES

- A. **Duty to Disclose:** All material facts related to the conflicts of interest (including the nature of the interest and information about the conflicting transaction) shall be disclosed in good faith and in writing to, when reasonably feasible, the Ethics Officer, otherwise to the directors at a meeting of the directors. Such written disclosure shall be made part of the official record of the proceedings of the Land Bank.

- B. **Determining Whether a Conflict of Interest Exists:** The Ethics Officer or the directors, as applicable, shall advise the individual who appears to have a conflict of interest how to proceed. The Ethics Officer or the directors of the Land Bank, as applicable, should seek guidance from counsel or New York State agencies, such as the Authorities Budget Office, State Inspector General or the Joint Commission on Public Ethics (JCOPE) when dealing with cases where they are unsure of what to do.
- C. **Recusal and Abstention:** No board member or employee may participate in any decision or take any official action with respect to any matter requiring the exercise of discretion, including discussing the matter and voting, when he or she knows or has reason to know that the action could confer a direct or indirect financial or material benefit on himself or herself, a relative, or any organization in which he or she is deemed to have an interest. Board members and employees must recuse themselves from deliberations, votes, or internal discussion on matters relating to any organization, entity or individual where their impartiality in the deliberation or vote might be reasonably questioned, and are prohibited from attempting to influence other board members or employees in the deliberation and voting on the matter.
- D. **Records of Conflicts of Interest:** The minutes of the Land Bank’s meetings during which a perceived or actual conflict of interest is disclosed or discussed shall reflect the name of the interested person, the nature of the conflict, and a description of how the conflict was resolved.
- E. **Reporting of Violations:** Board members and employees should promptly report any violations of this policy in accordance with the Land Bank’s Whistleblower Policy.
- F. **Penalties:** Any director or employee that fails to comply with this policy may be penalized in the manner provided for in law, rules and regulations.

SECTION 7. PENALTIES

In addition to any penalty contained in any other provision of law, a Land Bank director or employee who knowingly and intentionally violates any of the provisions of this code may be removed in the manner provided for in law, rules or regulations.

SECTION 8. REPORTING UNETHICAL BEHAVIOR

Employees and directors are required to report possible unethical behavior by a director or employee of the Land Bank to the Ethics Officer. Employees and directors may file ethics complaints anonymously and are protected from retaliation by the policies adopted by the Land Bank.