

Lake Roland Nature Council, Inc.

CODE OF ETHICS AND CONFLICT OF INTEREST POLICY

I. CODE OF ETHICS

A. Goals and Intentions

All directors, officers, employees, independent contractors and volunteers of Lake Roland Nature Council, Inc., a Maryland nonstock corporation (“LRNC”) are expected to act with honesty, integrity and openness in all of their dealings for and on behalf of LRNC. The Code of Ethics (this “Code”) set forth in this Code of Ethics and Conflict of Interest Policy is intended to assist LRNC’s directors, officers, employees, independent contractors and volunteers in conducting their activities for and on behalf of LRNC ethically and legally.

B. Applicability

The Code uniformly applies to all directors, officers, employees, independent contractors and volunteers of LRNC (each, a “Covered Person”). Although the Code (and the Conflict of Interest Policy set forth in Part II hereto) may exceed applicable legal requirements, the Code or any communication by any Covered Person, whether oral or written, is not intended in any way to create a contractual right. For the purposes of the Code, a volunteer is a person who regularly performs volunteer activities for LRNC or as may otherwise be determined by the Executive Committee of the Board (as herein defined).

C. Standards of Conduct

All Covered Persons shall observe the following standards of conduct in the performance of their work for the organization:

1. Obedience to the Law

- Covered Persons will endeavor to be knowledgeable of, and fully comply with, all laws and regulations in the performance of their work on behalf of the organization and when necessary will seek appropriate counsel.
- All solicitations of funds on behalf of the organization will be undertaken in full compliance with all relevant laws and tax regulations.
- LRNC’s financial activity will be reported in full compliance with all required laws and regulations.

2. Honesty and Fairness in all Business Dealings

- Covered Persons will act with honesty, integrity, and openness in all their dealings for and on behalf of the organization, both internally and externally.
- No Covered Person will take unfair advantage of anyone (internal or external to LRNC) through manipulation, concealment, abuse of confidential or proprietary information, misrepresentation of material facts or any other intentional or unfair dealing or practice.

- No Covered Person will use his or her position with LRNC for personal gain or to benefit another person or group at the expense of LRNC, its mission, its reputation, and the constituents it serves.

3. Governance

- LRNC will have an active governing body in its Board of Directors (the “Board”).
- In accordance with the articles of incorporation and by-laws of LRNC, the major policies and strategic direction of the organization will be determined and overseen by the Board. Implementation of LRNC’s policies and the day-to-day management of the organization will be supervised by LRNC’s officers.
- The Board will cause LRNC to operate in accordance with its governing instruments, including its articles of incorporation, by-laws, policies and, where applicable, designation agreements, which establish LRNC’s organizational structure and set forth its purposes and goals.
- In general, LRNC’s Board members will:
 - Abide by the articles of incorporation, by-laws, policies, and other governance instruments of LRNC.
 - Exercise reasonable care, good faith, and due diligence in organizational affairs.
 - Cause LRNC to have a conflict of interest policy that ensures that any conflicts of interest or the appearance thereof are avoided or appropriately managed through disclosure, recusal or other means.
 - Fully disclose, at the earliest opportunity, information that may result in a perceived or actual conflict of interest in accordance with the Conflict of Interest Policy set forth below in Part II. Such disclosure does not preclude or imply ethical impropriety.
 - Fully disclose, at the earliest opportunity, information of fact that would have significance in Board decision-making.
 - Remain accountable for prudent fiscal management to LRNC and its members, and where applicable, to government and funding bodies.
 - Ensure that processes are in place for maintaining the integrity of: the organization, its financial statements, compliance with laws and ethics, and relationships with other Covered Persons.
 - Be responsible for the hiring, firing, and regular review of the performance of LRNC’s officers, and ensure that the compensation of the officers is reasonable and appropriate.
 - Ensure that the officers of LRNC and appropriate staff provide the Board with timely and comprehensive information so that the Board may perform its duties effectively.
 - Ensure that LRNC promotes working relationships with Board members,

staff, volunteers, Baltimore County government including, but not limited to the Baltimore County Department of Recreation and Parks, and program beneficiaries that are based on mutual respect, fairness and openness.

- Ensure that the funds, assets and resources of LRNC are responsibly managed.
- Ensure that the organization has the funding and other resources (including staff) to carry out its programs effectively.

4. Fiscal Management and Accountability

- LRNC will ensure proper stewardship of all contributions, donations, membership fees and other funds, including: careful investment of funds, timely reports on the use and management of funds, and will prudently use funds consistent with donor intent and in furtherance of its Mission, and will obtain explicit consent by the donor before altering the conditions of any donation/gift.
- LRNC will ensure open and transparent reporting and fiscal accountability and will ensure that all financial reports are factually accurate and complete in all material respects and fully disclose the financial condition of the organization.
- LRNC and its Covered Persons will refrain from using organizational resources for non-LRNC purposes.
- LRNC will spend an adequate amount of its budget on administrative expenses to ensure that effective accounting systems, internal controls, competent staff, and other expenditures critical to professional management are in place.
- LRNC will compensate staff and any other others who may receive compensation reasonably and appropriately.
- LRNC will ensure that its fundraising costs are reasonable.
- LRNC will spend a reasonable percentage of its annual budget on programs in pursuit of its Mission.
- LRNC will not accumulate operating funds excessively.

5. Commitment to Diversity

- LRNC will promote the inclusiveness of its staff, Board, members, volunteers, and all other Covered Persons to reflect diversity in order to enrich its programmatic effectiveness and achieve its mission.
- LRNC will take significant steps to promote fairness and inclusiveness in its hiring, retention, promotion, Board recruitment, and constituencies served.
- LRNC will not discriminate on the basis of race or ethnic origin, age, gender, sexual orientation, political persuasion, or any other basis provided in applicable federal, state, or local law.

6. Public Information/Communication

- LRNC's Board of Directors will adopt policy statements that express its values

and convictions on issues that are considered critical to the fulfillment of its mission. All of LRNC's marketing collateral and solicitation materials will accurately represent the organization's mission and policies.

- LRNC Board members, officers, and staff will endeavor to ensure that in the performance of their respective responsibilities all confidential, privileged or nonpublic information given to them is not disclosed inappropriately. LRNC will adopt policies and procedures designed to protect confidential and/or proprietary information and to respect the privacy rights of all individuals.
- No Covered Person will endorse the application for LRNC Board membership of a person known by that Covered Person to be unqualified in respect to character, education, length of service, or some other relevant factor.

D. Enforcement of the Code

It is the responsibility of all Covered Persons to comply with the Code and to report violations or suspected violations to the President of LRNC or to a member of the Executive Committee of the Board of Directors of LRNC in accordance with the Whistleblower Policy of LRNC (a "Violation Report"). The President of LRNC or the member of the Executive Committee of the Board will notify the sender and acknowledge receipt of the Violation Report promptly upon receipt, unless the Violation Report is made by an unknown source. All Violation Reports will be promptly investigated and appropriate corrective action will be taken in accordance with the terms of the Whistleblower Policy of LRNC and, as applicable, subject to the Bylaws of LRNC (as the same may be amended or restated from time to time).

II. CONFLICT OF INTEREST POLICY

A. Reason for Policy

LRNC is a nonprofit, tax-exempt organization (status pending). Maintenance of its tax-exempt status is important both for its continued financial stability and for the receipt of membership fees and other contributions and continued support from LRNC's members and the general public. The operations of LRNC depend on the public trust and are subject to scrutiny by and accountability to both governmental authorities and members of the public.

Consequently, there exists between LRNC, the Board and its officers a fiduciary duty that carries with it a broad and unbending duty of loyalty. The Board and officers of LRNC have the responsibility of administering the affairs of LRNC honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of LRNC. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with LRNC or knowledge gained there from for their personal benefit. The interests of the organization must have the first priority in all decisions and actions made on behalf of LRNC.

B. Persons Covered

This Conflict of Interest Policy (the "Policy") set forth in this Code of Ethics and Conflict of Interest Policy is directed to the members of the Board and officers, and to all employees who

can influence the actions of LRNC (an “Interested Person”). For example, this includes any employee who makes purchasing decisions or who have confidential or proprietary information concerning LRNC.

C. Financial Interest

An Interested Person has an interest that shall be deemed to be a financial interest (“Financial Interest”) if he/she has, directly or indirectly, through business, investment, or family:

- An ownership or investment interest in any entity with which LRNC has a transaction or arrangement;
- A compensation arrangement (Compensation includes direct and indirect remuneration as well as gifts and favors that are not insubstantial) with LRNC or with any entity or individual with which the organization has a transaction or arrangement; or
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the organization is negotiating a transaction or arrangement.

A Financial Interest includes but is not limited to:

- Receiving remuneration for services with respect to transactions or arrangements involving LRNC;
- Using LRNC’s time, personnel, equipment, supplies, or goodwill other than for approved LRNC activities, programs, and purposes; or
- Receiving personal gifts or loans from third parties dealing with LRNC. Receipt of any gift is disapproved except gifts of nominal value that could not be refused without discourtesy. No personal gift of money should ever be accepted.

The areas of Financial Interest listed above are not exhaustive and Financial Interests might arise in other areas or through other relationships involving LRNC. The existence of a Financial Interest on the part of an Interested Person does not mean necessarily that a conflict of interest exists, or that the conflict of interest, if it exists, is material, or if material, that upon full disclosure of all relevant facts and circumstances that it is necessarily adverse to the interests of LRNC.

D. Administration of the Policy

The Executive Committee of the Board shall administer and interpret this Policy, unless, the Executive Committee recommends and advises that the Board as a whole evaluate any actual or possible conflict of interest. The Executive Committee shall review the Policy on an annual basis for adequacy and shall recommend any changes to the Board as appropriate. The Executive Committee shall have access to LRNC’s counsel and other advisors and may also engage, compensate and terminate counsel and other advisors to the Executive Committee.

E. 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 and be given the opportunity to disclose all material facts related thereto, to the members of the Executive Committee or the Board (as the case may be) considering the proposed transaction or arrangement.

2. Procedures for Determining Whether a Conflict of Interest Exists

- After disclosure to the Executive Committee of a Financial Interest and all material facts related thereto, an Interested Person may request the opportunity to make a presentation at the meeting of the Committee or the Board (as the case may be), but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on the possible conflict of interest. An Interested Person may not be counted in determining the existence of a quorum for the purpose of taking a vote related to the possible conflict of interest.
- The chair of the Committee or the Board (as the case may be) may appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- After considering the disclosures made by the Interested Person and, to the extent applicable, any presentation made by the Interested Person or alternatives to the proposed transaction or arrangement, the Committee or the Board (as the case may be) shall then determine by a majority vote of the disinterested directors whether the transaction or arrangement is fair and reasonable in all material respects to LRNC and will reasonably be in furtherance of LRNC's mission. (A conflict of interest shall be deemed to exist if the Executive Committee or the Board, as the case may be, shall not determine by the requisite vote that the transaction or arrangement is fair and reasonable in all material respects to LRNC and will reasonably be in furtherance of LRNC's mission.) Consistent with such determination, the Executive Committee or the Board (as the case may be) shall make its recommendation to the Board or decision, as appropriate, as to whether to approve the transaction or arrangement.

F. Compensation

A member of the Board or any committee thereof who receives compensation, directly or indirectly, from LRNC for services is precluded from voting on matters pertaining to his or her compensation, but shall nonetheless be permitted to provide reports or information to the Board or any committee thereof regarding compensation matters.

G. Records of Proceedings

The minutes of any meeting of the Executive Committee or the Board (as the case may be) at which a Financial Interest is disclosed or a conflict of interest is considered shall contain the following information:

- The names of each person who disclosed or was otherwise found to have a Financial Interest in connection with any proposed transaction or arrangement with LRNC, the nature of the Financial Interest, any action taken to determine whether a conflict of interest existed, and the Committee's or Board's (as the case may be) findings and decision as to whether a conflict of interest in fact existed; and
- The names of the persons (whether or not members of the Board or the Committee)

who were present for discussions and votes relating to the transaction or arrangement, a summary of the content of the discussion, including any alternatives to the proposed transaction or arrangement that were discussed or considered, and a record of any votes taken in connection with the proceeding.

H. Annual Statements

It shall be the ongoing responsibility of the Board and officers of LRNC to scrutinize their transactions and outside business interests and relationships for potential Financial Interests and to immediately make disclosure of any such interests to a member of the Executive Committee. Each director and officer of LRNC will be asked to complete a certification in the form attached to this Policy as to his or her receipt of the Policy and to disclose any known Financial Interests upon his or her election to the Board or as an officer of LRNC and annually thereafter for so long as such individual shall serve on the Board or as an officer of LRNC. The disclosure of a Financial Interest shall be addressed as set forth in Section 2 above. All certifications shall be reviewed by the Board as appropriate.

**CODE OF ETHICS AND CONFLICT OF-INTEREST-CERTIFICATION
FOR
Lake Roland Nature Council, Inc.**

- I have read and agree to abide by the Code of Ethics and Conflict-of-Interest Policy of Lake Roland Nature Council, Inc. To the best of my knowledge, I have no Financial Interests as described in this Policy.

— OR —

- I have read and agree to abide by the Code of Ethics and Conflict-of-Interest Policy of Lake Roland Nature Council, Inc. To the best of my knowledge, I have no Financial Interests as described in this Policy, except those noted below or on the attached paper.

Signature

Date

Name (please print)