

- g. Assure that such reports and returns as may be required by various government agencies are prepared and filed in a timely manner.
- h. Assure that an annual operating budget is prepared and presented to the Board for its approval prior to the beginning of each fiscal year.

ARTICLE IV: CONFLICT OF INTEREST POLICY

1. **Duty to Corporation.** Every Board and Committee members shall make decisions and carry out his or her oversight responsibilities in the best interests of the Corporation.
2. **Interested Person.** An Interested Person is anyone who has a financial interest, either directly or through family or business relationships, in a compensation arrangement with the Corporation or in an entity with which the Corporation is considering entering into a transaction.
3. **Appearance of a Conflict of Interest.** The appearance of a conflict of interest occurs when a reasonable person might have the impression, after full disclosure of the facts, that outside interests might significantly influence a member's judgment, even though the member is not an Interested Person.
4. **Disclosure.** Any member of the Board of Directors or a Committee with powers delegated to it by the Board of Directors who believes he or she is an Interested Person or might appear to have a conflict of interest with regard to any matter coming before the Board or such Committee must disclose the existence of the interest or apparent conflict to the Board or Committee.
5. **Voluntary Recusal.** If such a member believes his or her interest in a matter constitutes either a conflict of interest or the appearance of a conflict of interest, he or she shall recuse herself or himself from voting on the matter.
6. **Recusal by Board or Committee.** If the member does not voluntarily recuse herself or himself, and Board member or Committee member may request that the Board or Committee determine whether such member should be recused. Such member shall not be present during the discussion and vote on the recusal and may not be counted in determining the existence of a quorum at the time of such vote. In making the decision as to recusal, the Board or Committee shall keep in mind that it is the Corporation's policy to avoid the appearance of a conflict of interest. If a majority of the Board or Committee votes for recusal, a quorum being present, the member shall be immediately recused. The overall results of the vote shall be recorded in the minutes of the meeting.

7. **Agreement to Comply.** Upon joining the Board of Directors or of a Committee with powers delegated by the Board of Directors, each new member shall be given a copy of this conflict-of-interest policy and shall sign a document stating that he or she has read and understood the policy and agrees to comply with it.

ARTICLE V: STEWARDSHIP OF LAND

1. **Principles of Land Use.** The Board of Directors shall oversee the use of land owned by the Corporation and shall convey the right to use such land so as to facilitate access to land and affordable housing by low-income and moderate-income people. In so doing, the Board shall be guided by the following principles:
 - a. The Board shall consider the needs of potential homeowners and shall attempt to effect a just distribution of land use rights.
 - b. The Board shall convey land use rights on terms that will preserve affordable access to land and housing for future low-income and moderate-income residents of the community.
 - c. The Board shall convey land use rights in a manner that will promote the long-term well-being of the community and the long-term health of the environment.
2. **Encumbrance of Land.** The decision to mortgage or otherwise encumber land owned by the Corporation shall require the approval of the Board of Directors. Any such encumbrance shall be subordinated to any ground leases relating to such land.
3. **Sale of Land.** The sale of land does not conform with the philosophy and purposes of the Corporation. Accordingly, land shall not be sold except in extraordinary circumstances, and then only in accordance with the following guidelines:
 - a. A parcel of land may be sold pursuant to a resolution adopted by an affirmative vote by at least two thirds of the entire Board of Directors at a regular or special Board meeting, provided that (i) the parcel is not leased to any party, and (ii) the resolution states that the location or character of the parcel is determined to be such that the charitable purposes of the Corporation are best served by selling the land and applying the proceeds to the support of other activities serving those purposes.
 - b. In all other circumstances a parcel of land may be sold only with an affirmative vote by at least two-thirds of the entire Board of Directors at a regular or special Board meeting, provided that written notice of such