

Conflict of Interest Policy

Islamic Center of Waynesboro, Inc.



Preamble:

As members of the Islamic Center of Waynesboro Inc. (hereinafter sometimes referred to as "ICW"), we are entrusted with responsibilities that demand sincerity, fairness, and transparency in all our actions and decisions. First and foremost, we are accountable to Allah SWT in fulfilling this trust. Additionally, we are committed to adhering to the ethical and legal standards required by U.S. law, particularly the guidelines outlined by the IRS for nonprofit organizations.

This Conflict of Interest Policy is designed to ensure that all board members, officers, employees, and key volunteers act in the best interests of the organization, avoiding situations where personal or financial interests could compromise their duties.

Islamic Teachings on Avoiding Conflicts of Interest

In Islam, integrity, fairness, and trustworthiness are foundational principles, particularly for those entrusted with serving a community. Avoiding conflicts of interest is a critical part of these values, ensuring that decisions are made for the benefit of the community and not influenced by personal gain.

The Qur'an emphasizes justice and fulfilling responsibilities with honesty:

"Indeed, Allah commands you to return trusts to their rightful owners; and when you judge between people, judge with fairness. What a noble commandment from Allah to you! Surely Allah is All-Hearing, All-Seeing. (Surah An-Nisa, 4:58)

This verse reminds us of the importance of acting justly and fulfilling our obligations with sincerity and fairness.

The Prophet Muhammad peace and blessings be upon him further highlighted the dangers of mixing personal interests with public responsibilities:

"Whoever is entrusted with a public position and conceals a needle or more (from the spoils), he has misappropriated and will bring it on the Day of Resurrection."
(Sahih Muslim, Hadith 1833)

This Hadith underscores the gravity of misusing authority, even in seemingly small matters.

As members of the Islamic Center of Waynesboro (ICW) we must strive to embody these teachings by upholding the highest standards of transparency, honesty, and accountability. All members serving the organization must be committed to prioritizing the needs of the community, avoiding personal or financial interests that could compromise the trust placed in them. By adhering to these principles, ICW ensures alignment with Islamic values and fosters a culture of integrity and fairness.

Article I: Introduction

1. Purpose:

- Protect the interests of ICW when entering into transactions or arrangements that might benefit the private interests of an individual associated with the organization.
- Ensure that decisions are made for the benefit of the community, not influenced by personal gain or favoritism.
- Comply with IRS requirements for maintaining tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

Article II: Definitions

1. Conflict of Interest:

- A conflict of interest arises when an individual's personal, financial, or familial interests interfere with their duty to act in the best interests of ICW. A conflict of interest may also arise when an individual's affiliations or associations with external organizations create the potential for reputational harm to ICW or could otherwise influence ICW's decision-making processes.

2. Examples:

- A board member or their family member profiting from a transaction with the masjid.
- A board member influencing decisions to favor their business or financial investments.
- A volunteer promoting an external organization that they are affiliated with over the masjid's needs.

Avoiding conflicts of interest is vital to maintaining transparency, trust, and accountability within the community.

Article III:

1. Avoiding Political Involvement:

- **Supporting Political Candidates:** Board members or volunteers must not use ICW events, platforms, or resources to support or promote any political candidate. This ensures the organization maintains its neutrality and avoids compromising its 501(c)(3) nonprofit status.
- **Donations with Political Conditions:** ICW will not accept donations tied to conditions that require support for a specific political cause or agenda, as this could compromise the masjid's neutrality and focus on serving the community's diverse needs.

2. Board Member Independence:

Board members must maintain independence and impartiality in their decision-making. This includes:

- Avoiding situations where they rely financially on ICW, which could create a conflict of interest.
- Ensuring personal relationships or external affiliations do not influence their ability to make fair and unbiased decisions in the best interest of the organization.

Article IV: Disclosure and Transparency

1. Duty to Disclose:

All board members, officers, employees, and volunteers must disclose any actual or potential conflicts of interest. This includes:

- Financial interests (direct or indirect) in any entity doing business with ICW.
- Relationships that could create a conflict of loyalty or impartiality.

Disclosures must be made in writing to the board leader or a designated officer.

2. Third-Party Transactions

- Any financial transaction **exceeding \$2,000 and under \$30,000** requires co-signature from the Treasurer and either the President or Vice President.
- **Transactions exceeding \$30,000** must be reported to and approved by the Board of Directors through a majority vote. A quorum of board members must be present, as defined in the bylaws, and a majority vote constitutes more than half of the members present at the meeting where the vote is conducted.

Article V: Procedures for Addressing Conflicts

1. Disclosure and Recusal:

- The individual must disclose the conflict to the board and provide all material facts.
- The individual will recuse themselves from discussions and decisions related to the matter.

2. Board Review:

- The remaining board members will review the conflict and decide whether it constitutes a conflict of interest.
- If it does, they will determine an appropriate course of action, such as rejecting the transaction or finding an alternative solution.

3. Timely Resolution

- Disclosed conflicts must be reviewed and resolved by the Board within thirty (30) days of disclosure. If the conflict cannot be resolved internally, an independent advisor or external reviewer may be consulted to provide recommendations.

Article VI: Prohibited Activities

- Using ICW's resources, name, or influence for personal gain.
- Engaging in transactions that may jeopardize ICW's mission or public trust.
- Accepting substantial gifts or favors that could influence decision-making.

Article VII: Annual Requirements

1. Disclosure Statements:

- All board members and key personnel must annually sign a statement affirming that they:
 - a. Have received and read this policy.
 - b. Understand the importance of compliance with it.
 - c. Agree to disclose any conflicts of interest promptly.

Examples of Conflicts of Interest

- A board member's company submits a bid for masjid renovation.
- A family member of a board member is hired for a paid role without a transparent selection process.
- A board member accepts donations with conditions that prioritize personal interests over the masjid's mission.
- A Board member uses ICW's resources for their personal business ventures.
- A donor conditions a significant contribution on naming a facility after a family member, which diverts focus from ICW's goals.

2. Training:

- All Board members and key personnel must participate in annual training sessions on the Conflict of Interest Policy to remain informed about its application and implications.

Article VIII: Documentation and Confidentiality

1. Records of Proceedings:

- The board must record the nature of the conflict, the discussion, and the resolution in meeting minutes.

2. Confidentiality:

- Disclosures and related discussions are confidential unless legally required to share.

Article IX: Violations and Enforcement

1. Investigation:

- If a potential violation is reported, the board will investigate the matter.

2. Corrective Actions:

- If the violation is confirmed, the board may take disciplinary action, which could include removal from the position.

Article X: Compliance with Laws and Amendments

1. Legal Compliance:

- The ICW governing board will ensure all transactions, relationships, and decisions comply with state and federal laws, including IRS guidelines applicable to non-profit organizations.

This policy is crucial for:

- Maintaining the community's trust.
- Protecting ICW's reputation and financial integrity.
- Ensuring compliance with IRS regulations for nonprofit organizations.

2. Policy Amendments:

- This Conflict of Interest Policy may be amended as necessary to reflect the evolving needs and requirements of the Islamic Center of Waynesboro (ICW) or to comply with changes in applicable state and federal laws. Amendments must be approved by a majority vote of the Board of Directors. All amendments will be communicated to the Board and other relevant parties, and updated copies of the policy will be distributed accordingly.

Article XI: Acknowledgment and Retention

1. Acknowledgment:

- All board members, officers, employees, and volunteers must sign the acknowledgment below to confirm their understanding and commitment to this policy.

2. Record Retention:

- Signed acknowledgement forms must be retained as part of ICW's official records for a minimum of five (5) years.

Acknowledgment of Conflict of Interest Policy

By signing this document, I affirm that I have read and understood the ICW Conflict of Interest Policy. I agree to comply with its terms and promptly disclose any conflicts of interest.

Name	Position	Signature	Date