

POLICY 200 CONFLICTS OF INTEREST

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Revision Date(s):

POLICY

The organization shall require a disclosure of all conflicts of interest to protect Blessman International' interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest 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.

Definitions

1. Interested Persons – Any director, principal officer, or member of a committee with Board of Directors delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. 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 the organization has a transaction or arrangement,
 - b. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement, or
 - c. 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.

3. 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. A person who has a financial interest may have a conflict of interest only if the appropriate Board of Directors or committee decides that a conflict of interest exists.

Recording of Proceedings

1. The minutes of the Board of Directors and all committees with board delegated powers shall contain:
 - a. The names of the person who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors' or committee's decision as to whether a conflict of interest in fact existed.
 - b. The names of the persons who were present for the discussions and votes relating to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Compensation

1. A voting member of the Board of Directors who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to the member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Annual Declaration

1. Within the first month of the fiscal year, each Board of Directors member and key staff member shall sign an annual declaration which affirms such person:
 - a. Has received a copy of the conflicts of interest policy,
 - b. Has read and understands the policy,
 - c. Has agreed to comply with the policy, and
 - d. Understands the organization is charitable 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.
2. Where deemed appropriate by the CEO, a conflict of interest annual declaration shall be acknowledged and signed by:
 - . Staff members
 - a. Consultants
3. Copies of the annual conflict of interest declaration and compensation conflict of interest declarations are found on the final pages of this policy.

Periodic Reviews

1. To ensure the organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
 - a. Whether compensation arrangements and benefits provided to the CEO and other key staff members are reasonable, based on competent survey information and the result of arm's length bargaining.
 - b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.
2. When conducting the periodic review as provided above, the organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.