Purpose

The purpose of the Conflict of Interest policy is to protect the interest of United Way of Yellowstone County (UWYC) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an employee, officer or director of UWYC Board. This policy is intended to supplement but not replace any applicable state laws governing conflict of interest to nonprofit and charitable corporations.

Definitions

1. **Interested Person** - Any employee, director, or officer of a committee with board-delegated powers who has a direct or indirect financial interest or influential interest, as defined below, is an interested person. If a person is an interested person with respect to any entity of which UWYC is a part, he or she is an interested person with respect to all entities.

2. **Financial Interest** - A person has a financial interest if the person, directly or indirectly, through business, investment or an immediate family member has:
   a. An ownership or investment interest in any entity with which the UWYC has a transaction arrangement.
   b. A compensation arrangement with UWYC or with any entity or individual with which UWYC has a transaction or arrangement.
   c. A potential ownership or investment interest in, or compensation arrangement with any entity or individual with which UWYC is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

3. **Influential Interest** - A person has an influential interest if the person or a close relative serves as an employee, officer, or member of the Board of directors of an entity UWYC has a transaction, arrangement, or adverse claim against the UWYC.

4. **Nonfinancial Interest** – A nonfinancial interest that might influence an employee’s, officer’s, director’s, or committee member’s participation or vote in an action of the officer’s, director’s, or committee member’s duties:
   a. The person’s relationship as an unpaid volunteer, officer, or director of an organization that may be affected, directly or indirectly, by action to be taken, or not taken, by UWYC.
   b. The person’s personal, political, religious, friendship, or personal relationships which may be affected by an action to be taken, or not taken, by UWYC.
   c. This person’s relationship with a close relative (spouse/significant other*, child, parent, sibling, grandparent, grandchild, aunt, uncle, first cousin, corresponding in-law, "step" relation, or any member of the employee's household) that may be affected, directly or indirectly, by action to be taken, or not taken, by UWYC. *SIGNIFICANT OTHER: Refers to a partner, girlfriend, boyfriend, spouse, or someone with whom you share an intimate, romantic relationship. Synonyms for significant other include better half, civil union, boyfriend, girlfriend, domestic partner, lover, mate, partner, and spouse.

Procedures

1. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must make a prompt, full, and frank disclosure of the existence and nature of his or her financial or influential interest to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement. Any Board member, staff member,
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volunteer, or representative having such a possible conflict of interest shall not act, make
recommendations, or use his or her influence on the matter in question. The foregoing shall not be
construed to prevent a Board member, staff member, volunteer, or representative from briefly
stating his or her position on the matter or from answering pertinent questions. If warranted, any
possible conflict of interest on the part of a Board member, staff, or volunteer shall be disclosed to
the President/CEO or Board Ethics Officer who will take the matter to the Executive Committee or
Full Board.

2. When a Conflict of Interest Exists. Any proposed transaction or arrangement with a Board member
shall be approved by the Board regardless of the authority delegated to the President/CEO to
approve a transaction not exceeding certain monetary thresholds. After disclosure of the financial or
influential interest and all material facts, and after any discussion with the interested person, the
interested person shall leave the board or committee meeting while the financial or influential
interest is discussed and voted upon.

3. Recusal of Self. Any employee or director may recuse himself or herself at any time from
involvement in any decision or discussion in which he or she has or may have a conflict of interest,
without going through the process for determining whether a conflict of interest exists.

4. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest, all
material facts will be disclosed and reviewed, including discussion with the interested person. Upon
request by a Board member, the material facts of a nonfinancial interest will be reviewed, including
discussion with the interested party. Then the potentially conflicted member shall leave the Board
or Executive Committee meeting while the determination of a conflict of interest is discussed and
voted upon. The remaining Board or Executive Committee members shall decide if a conflict of
interest exists.

5. Process for Addressing the Conflict of Interest
   a. An interested person may make a presentation at the Board or Executive Committee
      meeting, but after the presentation, he/she shall leave the meeting during the discussion of,
      and the vote on, the transaction, arrangement, or other matter involving the possible
      conflict of interest.
   b. The Chairperson of the Board or Executive Committee shall, if appropriate, appoint a
      disinterested person or committee to investigate alternatives to the proposed transaction or
      arrangement.
   c. After exercising due diligence, the Board or Executive Committee shall determine whether
      UWYC can obtain with reasonable efforts a more advantageous transaction or arrangement
      from a person or entity that would not give rise to a financial conflict of interest.
   d. If a more advantageous transaction or arrangement is not reasonably possible under
      circumstances not producing a financial conflict of interest, the Board or Executive
      Committee shall determine by a majority vote of the disinterested directors whether the
      transaction or arrangement is in UWYC’s best interest, for its own benefit, and whether it is
      fair and reasonable. In conformity with the above determination, it shall make its decision as
to whether to enter into the transaction or arrangement.

6. Violations of Conflict of Interest Policy.
a. If the board or committee has reasonable cause to believe that, a member has failed to disclose a conflict of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
b. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determined that the member has in fact failed to disclose a conflict of interest, it shall take appropriate disciplinary and corrective action.

Records of Proceedings
The minutes of the Board and all committees with board-delegated powers shall contain the following:
  a. The names of the persons who disclosed or otherwise were found to have a financial influential interest in connect with a proposed transaction or arrangement, the nature of the financial or influential Interest, and any action taken or determine whether a conflict of interest was present.
  b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and record of any votes taken in connection therewith.

Annual Statements
Each employee or director, officer and member of a committee with board-delegated powers shall sign a statement that affirms that such person:
  a. Has received a copy of the conflict of interest policy
  b. Has read and understands the conflict of interest policy
  c. Understands that UWYC is a charitable organization and that in order to maintain its federal tax exemption, it must engage primarily activities which accomplish one or more of its tax exempt purposes

Periodic Reviews
To ensure that UWYC operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic review shall, at a minimum include the following subjects.
  a. Whether compensation arrangements and benefits are reasonable and are the results of arm’s-length bargaining.
  b. Whether partnership and joint venture arrangements are properly recorded, reflect reasonable payments for goods and services, further charitable purposes and do not result in impermissible private benefits.
  c. In conducting the period review, UWYC may use outside advisors. If outside advisors are used, their use shall not relieve the board of its responsibility for ensuring that period review are conducted.

Acknowledgement
Employees, Board of Directors, and committee members shall acknowledge receipt of this document annually by updating and signing the Conflict of Interest Policy Attestation form at the start of each Fiscal Year.
Conflict of Interest Policy

Name: ________________________________________________

What business(es), organization(s) or other membership affiliation(s) do you represent?

__________________________________________________________________________________

__________________________________________________________________________________

__________________________________________________________________________________

I will conduct my activities with the UWYC so that I do not advance or protect my own interests, or the private interests of others with whom I have a relationship, in a way that is detrimental to the interests of, or to the fundamental mission of the UWYC.

In all matters that come before the UWYC and/or the Board of Directors that may favorably impact my own financial interests, or the private interests of others with whom I have a Close Relationship, I will disclose that relationship immediately in writing, remove myself from any discussion of the matter, and abstain from a vote in the matter.

When a conflict of interest or potential conflict of interest emerges, I will disclose that conflict or potential conflict to the President/CEO or to the Board of Directors and seek a resolution of the issue.

I affirm the following:

• I have received a copy of the UWYC Conflict of Interest Policy.
• I have read and understand the UWYC Conflict of Interest Policy.
• I agree to comply with the UWYC Conflict of Interest Policy, disclose personal conflicts that arise, and report any known conflicts of others.

Neither I nor, to the best of my knowledge, any member of my family has had an interest or taken any action that would contradict this policy, except such interest or action which is fully disclosed below.

__________________________________________________________________________________

__________________________________________________________________________________

__________________________________________________________________________________

__________________________________________________________________________________

Name (Printed)     Signature      Date