

MANY VOICES
CONFLICT OF INTEREST AND STANDARD OF CONDUCT POLICY

ARTICLE I
PURPOSE

The purpose of the conflict of interest policy is to protect the interest of Many Voices (“the Organization”) when it is considering a transaction or arrangement that might benefit the private interest of an officer 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.

ARTICLE II
DEFINITIONS

1. Interested Person

Any director, officer or member of a committee with powers delegated by the Board of Directors 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.

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. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the Board of Directors or appropriate committee decides that a conflict of interest exists.

ARTICLE III **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 to the Board of Directors and members of committees with governing powers delegated by the Board that are considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Directors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the Board of Directors or committee meeting, but after the presentation he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the Board of Directors or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested directors or members whether the transaction or arrangement is in the Organization'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.

4. Violations of the Conflicts of Interest Policy

- a. If the Board of Directors or committee has reasonable cause to believe a person has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

- b. If, after hearing the person's response and after making further investigation as warranted by the circumstances, the Board of Directors or committee determines the person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

ARTICLE IV STANDARDS OF CONDUCT

1. Directors' Standard of Conduct

- a. Each member of the board of directors, when discharging the duties of a director, shall act: (1) in good faith; and (2) in a manner the director reasonably believes to be in the best interests of the Organization.
- b. The members of the Board of Directors, when becoming informed in connection with their decision-making function or devoting attention to their oversight function, shall discharge their duties with the care that a person in a like position would reasonably believe appropriate under similar circumstances.
- c. In discharging Board duties, a director shall disclose to the other Board members information not already known by them but known by the director to be material to the discharge of their decision-making or oversight functions, except that disclosure is not required to the extent that the director reasonably believes that doing so would violate a duty imposed by law, a legally enforceable obligation of confidentiality, or a professional ethics rule.
- d. In discharging Board duties, a director who does not have knowledge that makes reliance unwarranted may rely on the performance of or information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by any of the following persons:
 - i. One or more officers, employees, or volunteers of the Organization whom the director reasonably believes to be reliable and competent in the functions performed or the information, opinions, reports, or statements provided;
 - ii. Legal counsel, public accountants, or other persons retained by the Organization as to matters involving skills or expertise the director reasonably believes are matters: 1) within the particular person's professional or expert competence; or 2) as to which the particular person merits confidence; or

- iii. A committee of the Board of Directors of which the director is not a member if the director reasonably believes the committee merits confidence.
- e. A director shall not be a trustee with respect to the Organization or with respect to any property held or administered by the Organization, including property that may be subject to restrictions imposed by the donor or transferor of the property.

2. Officers' Standard of Conduct

- a. An officer with discretionary authority shall discharge his or her duties under that authority: (1) in good faith; (2) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and (3) in a manner the officer reasonably believes to be in the best interests of the Organization.
 - b. The duty of an officer shall include the obligation to inform:
 - i. The superior officer to whom, or the Board of Directors or the committee thereof to which, the officer reports of information about the affairs of the Organization known to the officer, within the scope of the officer's functions, and known to the officer to be material to the superior officer, Board, or committee; and
 - ii. His or her superior officer, or another appropriate person within the Organization, or the Board of Directors, or a committee thereof, of any actual or probable material violation of law involving the Organization or material breach of duty to the Organization by an officer, employee, or agent of the Organization, that the officer believes has occurred or is likely to occur.
3. In discharging his or her duties, an officer who does not have knowledge that makes reliance unwarranted may rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:
- a. One or more officers or employees of the Organization whom the officer reasonably believes to be reliable and competent in the functions performed or the information, opinions, reports, or statements provided; or
 - b. Legal counsel, public accountants, or other persons retained by the Organization as to matters involving skills or expertise the officer reasonably believes are matters: 1) within the particular person's professional or expert competence; or 2) as to which the particular person merits confidence.

ARTICLE V

RECORDS OF PROCEEDINGS

The minutes of the Board of Directors and all committees with powers delegated by the Board shall contain:

- a. The names of the persons 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's or committee's decision as to whether a conflict of interest in fact existed.
- 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 a record of any votes taken in connection with the proceedings.

ARTICLE VI COMPENSATION

1. Director.

Any director who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that director's compensation.

2. Committee Member.

A 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. Provision of Information

No director or member of 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 the Board of Directors or any committee regarding compensation.

ARTICLE VII ANNUAL STATEMENTS

Each director, officer and member of a committee with powers delegated by the Board of Directors shall annually sign the attached statement that affirms such person:

- a. Has received a copy of the conflict of interest and standards of conduct 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 exclusively in activities that accomplish one or more of its tax-exempt purposes.

ARTICLE VIII **PERIODIC REVIEWS**

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 are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management and other 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.

ARTICLE IX **USE OF OUTSIDE EXPERTS**

When conducting the periodic reviews as provided for in Article VIII, the Organization may, but need not, use outside experts. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

APPENDIX
Many Voices

Conflict of Interest and Standard of Conduct Policy Annual Acknowledgment

I acknowledge that I have received, read, understand and agree to comply with Many Voices' Conflict of Interest and Standard of Conduct Policy.

I AGREE TO THESE TERMS:

Director's/Officer's Signature and Date

Director's/Officer's Printed Name