



Fond du Lac PRIDE ALLIANCE

CONFLICT OF INTEREST POLICY AND PROCEDURES

PURPOSE

The purpose of the following policy and procedures is to prevent the personal interest of Officers, Directors, Committee Members, and Volunteers from interfering (or appearing to interfere) with the performance of their duties to Fond du Lac Pride Alliance (the “Organization”) or resulting in their personal gain at the expense of the Organization or its Supporters. 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

Agreement or Transaction: Any agreement, arrangement, contract, or relationship involving the sale or purchase of goods, services, or rights of any kind; the providing or receipt of a loan or grant; or the establishment of any other type of financial or business relationship by or with The Organization. The *pro bono* donation of items, services, or monetary contributions to the Organization without expectation of compensation, consideration or remuneration is not an Agreement or Transaction within the meaning of this policy.

Committee Member: Any person serving on a special or standing committee established by the Board of Directors (a “Committee”).

Compensation: Direct and indirect remuneration (in cash or in kind), as well as gifts or favors of more than de minimis value.

Conflict of Interest: A conflict, or the appearance of a conflict, between the private interests and official responsibilities of an Interested Person.

Director: A member of the Organization’s Board of Directors.

Family Member: A spouse, domestic partner, parent, child, or sibling of an Interested Person, or a spouse or domestic partner of a parent, child or sibling of an Interested Person.

Interested Person: Any Officer, Director, Committee Member, or Volunteer who has a direct or indirect Material Financial Interest, as defined below.

Material Financial Interest: An Interested Person has a Material Financial Interest if the person has, directly or indirectly, through business, investment, or family connection:

- a. An ownership or investment interest (other than an ownership interest of less than 5% in an entity with publicly traded securities) in any entity with which the Organization has (or proposes to enter into) an Agreement or Transaction;
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has (or proposes to enter into) an Agreement or Transaction; or

**Fond du Lac Pride Alliance
Conflict of Interest Policy and Procedures**

- c. A potential ownership or investment interest in, or potential compensation arrangement with, any entity or individual with which the Organization is negotiating an Agreement or Transaction.

Officer: The Organization's President, Vice-President, Secretary, or Treasurer, or the holder of any other office that may be created by the Board of Directors from time to time.

Outside Activities: An Interested Person competing with the Organization in the rendering of services or in any other Agreement or Transaction with a third party; or an Interested Person's Material Financial Interest in, or service as a director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator, consultant to, or legal representative of, an entity or individual that competes with the Organization in the provision of services or in any other Agreement or Transaction with a third party.

Outside Interest: An Agreement or Transaction between Fond du Lac Pride Alliance and an Interested Person or Family Member; or between Fond du Lac Pride Alliance and an entity in which an Interested Person or Family Member has a Material Financial Interest or of which such person is a director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator, or other legal representative.

Supporter: An individual or entity that makes contributions (in cash or in kind and including the provision of free or discounted items or services) to The Organization.

Volunteer: A person, other than an Officer, Director or Committee Member, who does not receive compensation for services and expertise provided to The Organization but who regularly provides services to the Organization and/or has a significant independent decision-making authority to commit resources of the Organization.

GIFTS, GRATUITIES AND ENTERTAINMENT

An Interested Person shall not accept gifts or other favors from any individual or entity:

- a. that does or is seeking to do business with, or is a competitor of The Organization; or
- b. that has received, is receiving, or is seeking to receive a loan or grant, or to secure other financial commitments or in-kind services from The Organization;
- c. under circumstances where it might reasonably be inferred that such action was intended to influence or might reasonably be expected to influence the Interested Person in the performance of their duties to the Organization. This does not preclude the acceptance of items of nominal or insignificant value that are not related to any particular transaction or activity of the Organization.

CONFIDENTIALITY

All Officers, Directors, Committee Members, and Volunteers shall exercise care not to disclose confidential information which, if disclosed, might be adverse to the interests of The Organization. Furthermore, an Officer, Director, Committee Member, or Volunteer shall not disclose or use information relating to the business of the Organization for the personal profit or advantage of themselves, a Family Member or any Outside Activity or Outside Interest.

PROCEDURES

Duty to Disclose: In connection with any actual or possible Conflict of Interest, an Interested Person must disclose to the Board of Directors or Committee Members of the applicable Committee the existence of the Material Financial Interest, Outside Activity, or Outside Interest and all material facts to the Board of Directors or Committee considering the proposed Agreement or Transaction.

Method of Disclosure: All Officers, Directors, Committee Members, and Volunteers shall complete annual Conflict of Interest Disclosure forms and submit them to the Board of Directors for review. Actual or potential Conflicts of Interest arising at other times throughout the year shall be promptly disclosed by the Interested Person to the Board of Directors or applicable Committee Chair either in writing or in person at an official meeting. All disclosures of actual or potential Conflicts of Interest shall be reflected in the official minutes of the Board or Committee meeting during which they were made. The Interested Person shall refrain from any action that may affect the Organization's participation in an Agreement or Transaction until the Board of Directors or Committee has made a final determination on the matter.

Review and Determination Procedures: The Board of Directors or applicable Committee shall review all disclosures of actual or potential Conflicts of Interest. Once an Interested Person has presented all material facts and answered any related questions from the Board or Committee, they shall leave the meeting room while the Board or Committee deliberates and votes upon the matter. An Interested Person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.

If the Interested Person is an Officer, Director, or Committee Member, they shall be ineligible to vote upon either the Conflict of Interest determination or the related Agreement or Transaction and shall not be counted in determining the presence of a quorum for purposes of the vote on these matters. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.

After exercising due diligence, the Board of Directors or Committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous Agreement or Transaction from a person or entity that would not give rise to a Conflict of Interest. A disinterested person or committee to investigate alternatives to the proposed transaction or arrangement may be appointed, if so determined by the Board of Directors or the applicable Committee. If a more advantageous transaction or arrangement is not reasonably practicable under circumstances not giving rise to a Conflict of Interest, the Board of Directors or Committee shall determine by a majority vote of the disinterested Directors or Committee Members whether the Agreement or Transaction 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 Agreement or Transaction.

Violations: If the Board of Directors or Committee has reasonable cause to believe an Interested Person has failed to disclose an actual or possible Conflict of Interest, it shall inform the Interested Person of the basis for such belief and afford them an opportunity to explain the alleged failure to disclose. If, after hearing the Interested Person's response and after making further investigation as warranted by the circumstances, the Board of Directors or Committee determines the Interested Person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Fond du Lac Pride Alliance
Conflict of Interest Policy and Procedures**

Adopted by the Fond du Lac Pride Alliance Board of Directors on this 10th day of August, 2018.