

The Prosser Thrive Coalition

Conflict of Interest Policy

Article I: Purpose

This conflict of interest policy is designed to foster public confidence in the integrity of Prosser Community Involvement and Action Coalition DBA Prosser Thrive Coalition and to protect the organizations interests when it is contemplating entering a transaction that might benefit the private interest of *members*.

Article II: Definitions

1. Interested Members: Any director, coordinator, or executive sub-committee member who has direct or indirect financial interest.
2. Financial Interest: Any material financial interest, whether through commitment, investment, relationship, obligation, involvement or otherwise, direct or indirect, that may influence a persons judgment, including receipt of compensation, a sale, loan, or exchange transaction with the Prosser Thrive Coalition.

A financial interest is not necessarily a conflict of interest. Under article III, section 2, a person who has financial interest may have a conflict of interest only if the Executive Sub-Committee decides that a conflict of interest exists.

Article III: Procedures

1. Duty to Disclose
Each interested member shall disclose to the Executive Board all material facts regarding his or her interest (including relevant affiliations) in the transaction. The interested member shall make that disclosure promptly upon learning of the proposed transaction.
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 member, he/she shall leave the Executive Board while the determination of a conflict of interest is discussed and voted upon. The remaining Executive Board shall decide if a conflict of interest exists.
3. Procedures for Addressing a Conflict of Interest
 - a. An interested member may make a presentation to the Executive Board, 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 Executive Sub-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 Executive Board shall determine whether the Prosser Thrive Coalition can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Executive Board shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in the Prosser Thrive Coalition'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 Executive Sub-Committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member the opportunity to explain the alleged failure to disclose.
 - b. If, after hearing the members response and after making further investigation as warranted by the circumstances, the Executive Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, per the Personnel Policy.

Article IV: Records of Proceedings

- 1. The minutes of the Executive Sub-Committee and all committees with board delegated powers 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 Executive Board 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 V: Compensation

- 1. a. A voting member of the Executive Sub-Committee who receives compensation, directly or indirectly, from the Prosser Thrive for services is precluded from voting on matters pertaining to that member's compensation.

- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Prosser Thrive Coalition for services is precluded from voting on matters pertaining to that members compensation.
- c. No voting member of the Executive Sub-Committee or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Prosser Thrive Coalition, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI: Annual Statements

Each director, coordinator, and Executive Sub-Committee member shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interests policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy,
- d. Completed the Disclosure of Financial Interest form,
- e. Understands the Prosser Thrive Coalition is a nonprofit organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of it's tax exempt purposes.

Article VII: Periodic Reviews

To ensure the Prosser Thrive Coalition operates in a manner consistent with nonprofit purposes and does not engage in activities that can 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 bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Prosser Thrive Coalition's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further non-profit purposes, and does not result in an impermissible private benefit, or in an excess benefit transaction.

Article VIII: Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Prosser Thrive Coalition may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Executive Board of its responsibility for ensuring periodic reviews are conducted.