

**Wenatchee Valley YMCA
Conflict of Interest Policy
Revised April 2008, Affirmed May 2011
Affirmed Annually for Audit 2017**

Purpose

The purpose of the conflict of interest policy is to protect the Wenatchee Valley YMCA's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, trustee, or key employee. 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 Person: Any director, trustee, or key employee, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest (Economic Benefit): A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

-an ownership or investment interest in any entity with which the Wenatchee Valley YMCA has a transaction or arrangement, or

-a compensation arrangement with the Wenatchee Valley YMCA or with any entity or individual with which the Wenatchee Valley YMCA has a transaction or arrangement, or

- a compensation arrangement with any entity or individual with which the Wenatchee Valley YMCA 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. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

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 directors and members of committees 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, the interested person shall leave the board 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 or committee meeting, but after the presentation, the interested person 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 or committee shall, if appropriate, appoint a disinterested person or task force to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the board or committee shall determine whether the Wenatchee Valley YMCA 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 board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is fair, reasonable, and in the Wenatchee Valley YMCA's best interest. 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 or 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 an opportunity to explain the alleged failure to disclose.

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

Records of Proceedings

The minutes of the board and all committees shall contain:

1. 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.
2. 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.

Compensation

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

Annual Statements

Each director, trustee, and key employee shall annually sign a statement which affirms such person: has received a copy of the conflict of interest policy, has read and understands the policy, has agreed to comply with the policy, and understands the Wenatchee Valley YMCA is a charitable organization and must engage primarily in activities which accomplish one or more of its tax-exempt purposes in order to maintain its federal tax exemption.

Periodic Reviews

Periodic reviews shall be conducted to ensure the Wenatchee Valley YMCA operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status. The periodic reviews shall include the following subjects:

-whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining; and - whether partnerships, joint ventures, and arrangements with management organizations conform to the Wenatchee Valley YMCA's policies, are properly recorded, reflect reasonable payments for goods and services, further charitable purposes, and do not result in impermissible private benefit or in an excess benefit transaction.

When conducting the periodic reviews, the Wenatchee Valley YMCA may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring periodic reviews are conducted.

Wenatchee Valley YMCA Conflict of Interest Disclosure

The Wenatchee Valley YMCA Conflict of Interest Policy requires Directors, Trustees and Key Employees of the Wenatchee Valley YMCA to disclose potential conflicts of interest.

1. NAME: _____

2. Board of Directors ___ Board of Trustees ___ Key Employee ___

3. Have you or any immediate family member been a Wenatchee Valley YMCA member or program participant in the past year?

YES _____

NO _____

4. Have you, any immediate family member, or business from which you receive an economic benefit provided services or property to the Wenatchee Valley YMCA in the past year?

YES ___ NO ___

If yes, please describe the nature of the services or property:

5. Have you, any immediate family member, or business from which you receive an economic benefit purchased services or property from the Wenatchee Valley YMCA in the past year?

YES ___ NO ___

If yes, please describe the purchased services or property:

6. In the past year, have you, any immediate family member, or business from which you receive an economic benefit received any personal benefits from the Wenatchee Valley YMCA that in the aggregate could be valued in excess of \$100 that were not directly related to your duties for the Wenatchee Valley YMCA?

YES _____

NO _____

If yes, please describe benefit:

7. Have you received anything of value exceeding \$100 from a vendor, supplier or other party that does business with the Wenatchee Valley YMCA?

YES _____

NO _____

If yes, please describe benefit:

8. Are you, any immediate family member, or business from which you receive an economic benefit a party to or have an interest in any pending legal proceedings involving the Wenatchee Valley YMCA?

YES ___ NO ___

If yes, please describe the proceeding(s):

9. Are you aware of any other events, transactions, arrangements, or other situations that you believe should be examined by the Wenatchee Valley YMCA Executive Committee in accordance with the terms and intent of the Wenatchee Valley YMCA Conflict of Interest Policy?

YES ___ NO ___

If yes, please describe the situation(s):

I HEREBY CONFIRM that I have read and understand the Conflict of Interest Policy of the Wenatchee Valley YMCA and that my responses to the above questions are complete and correct.

SIGNATURE: _____

DATE: _____

Please Return to Executive Committee
Wenatchee Valley YMCA
217 Orondo Avenue
Wenatchee, WA 98801

Fax (509) 662-8532