

## Crime Stoppers of XXXXX

### Conflict of Interest Policy

Crime Stoppers of XXXXX, Inc. ("Crime Stoppers") follows a conflict of interest policy designed to foster public confidence in our integrity and to protect our interest when we are contemplating entering a transaction or arrangement that might benefit the private interest of a member of the Board of Directors, a member of the Advisory Board, the executive director, an employee, or any person with the responsibilities of any of these persons.

### **Acknowledgment of Receipt**

I hereby acknowledge that I have received a copy of the Conflict of Interest policy of Crime Stoppers of XXXXX, Inc., have read and understood said policy, and agree to comply with its terms.

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Signature

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Printed Name

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Date

# Crime Stoppers of XXXXX

## Conflict of Interest Policy

Annually, Crime Stoppers must file with the Internal Revenue Service a Form 990, a form available to the public. To complete Form 990 fully and accurately, we need each member of the Board of Directors, member of the Advisory Board, and the executive director to disclose the information requested below.

A "conflict of interest," for purposes of Form 990, arises when a person in a position of authority over an organization may benefit financially from a decision they could make in such capacity, including indirect benefits such as to family members or businesses with which the person is closely associated.

### Disclosure of Financial Interests

- ☐ My interests and relationships have not changed since my last disclosure of interests.

*[Proceed to signature block]*

OR

- ☐ I hereby disclose or update my interests and relationships that could give rise to a conflict of interest:

*[Complete the table below. Use additional pages as needed.]*

Family Relationships	Names of those presenting a potential conflict of interest
Include spouse/domestic partner, living ancestors, brothers and sisters (whole or half), children (natural or adopted), grandchildren, great grand-children, and spouses/domestic partners of above	

Type of interest	Description of interest that could lead to a conflict of interest
Transactions or arrangements with Crime Stoppers	
Transactions or affiliations with other nonprofit organizations	
Substantial business or investment holdings	
Transactions or affiliations with businesses not listed above	

I am not aware of any financial interest involving me or a family member that could present a conflict of interest that I have not disclosed either above or in a previous disclosure statement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

## Crime Stoppers of XXXXX

### Policies and Procedures Manual

Subject: **Conflict of Interest**

Date Approved: \_\_\_\_\_

Date Effective: \_\_\_\_\_

Upon the effective date of this policy/procedure, any prior policy, procedure, or practice with which it conflicts is/are superseded and made void.

#### Purpose:

This policy is designed to foster public confidence in the integrity of Crime Stoppers of XXXXX, Inc. ("Crime Stoppers") and to protect Crime Stoppers' interest when it is contemplating entering a transaction that might benefit the private interest of a director, an officer, the executive director, or an employee.

#### Definitions:

An insider, for the purposes of this policy, is a member of the Board of Directors, a member of the Advisory Board, the executive director, an employee, or any person with the responsibilities of any of these persons.

Interest means any material financial interest, whether through commitment, investment, relationship, obligation, involvement, or otherwise, direct or indirect, that may influence a person's judgment, including receipt of compensation from Crime Stoppers, a sale, loan, or exchange transaction with Crime Stoppers.

A conflict of interest is present when, in the judgment of the Board, or an individual tasked by the Board with determining whether a conflict exists, an insider or person related to the insider by family or business relationship ("interested person") has a material financial interest in the transaction such that it reduces the likelihood that an insider's influence can be exercised impartially in the best interests of Crime Stoppers.

Transaction means any transaction, agreement, or arrangement between an interested person and Crime Stoppers, or between Crime Stoppers and any third party where an interested person has a material financial interest in the transaction or any party to it.

#### Procedures:

##### Duty to Disclose

Each interested person shall disclose to the Board all material facts regarding their interest (including relevant affiliations) in the transaction. The interested person shall make that disclosure promptly upon learning of the proposed transaction.

##### Determining Whether a Conflict of Interest Exists

With regard to an interested person, the Board shall determine if a conflict of interest exists.

##### Procedures for Addressing a Conflict of Interest

The Board shall follow the procedures set under the "Review by the Board" section of this policy in order to decide what measures are needed to protect Crime Stoppers' interests in light of the nature and seriousness of the conflict, to decide whether to enter into the transaction and, if so, to ensure that the terms of the transaction are appropriate. In the case of an insider who is a voting member of the Board, the insider shall refrain from further discussion of the matter, and shall not vote on or participate in, and may be directed by the Board to not witness, deliberations on the matter.

**Review by the Board:**

Upon notification of a conflict of interest, or possible conflict of interest, the Board shall obtain all relevant facts regarding the transaction and the interested person's conflict of interest. In doing so, the Board may ask questions of and receive presentations from the insider and any other interested person, but shall deliberate and vote regarding the transaction without input from the insider, and may do so outside the insider's presence.

After exercising due diligence, which may include investigating alternatives that present no conflict, the Board shall determine whether the transaction is just, reasonable, and in Crime Stoppers' best interest. Unless a law, bylaws, or other policy specifically requires another voting method, the transaction may be approved by a majority vote of a quorum at any regular or special meeting.

**Records of Proceedings:**

The minutes of any meeting of the Board pursuant to this policy shall contain the name of each interested person who disclosed or was otherwise determined to have an interest in a transaction; the nature of the interest and whether it was determined to constitute a conflict of interest; any alternative transactions considered; the members of the Board who were present during the debate on the transaction, those who voted, and the manner and to what extent interested persons were excluded from the deliberations; any comparability data or other information obtained and relied upon by the Board and how the information was obtained; and the result of the vote, including, if applicable, the terms of the transaction that was approved and the date it was approved.

**Annual Disclosure and Compliance Statements:**

Each insider shall annually sign a statement on the form attached, that:

- affirms that the person has received a copy of this conflict of interest policy, has read and understood the policy, and has agreed to comply with the policy; and
- discloses the person's financial interests and family relationships that could give rise to conflicts of interest.

**Violations:**

If the Board has reasonable cause to believe that a Crime Stoppers insider has failed to disclose actual or possible conflicts of interest, including those arising from a transaction with a related interested person, it shall inform such insider of the basis for this belief and afford the insider an opportunity to explain the alleged failure to disclose. If, after hearing the insider's response and making further investigation as warranted by the circumstances, the Board determines that the insider has failed to disclose an actual or possible conflict of interest, the Board shall take appropriate disciplinary and corrective action. Disciplinary action may include suspension of voting rights for a period determined by the Board and removal from office in accordance with Article IV, Section 14, of Crime Stoppers' bylaws. Corrective action may include cancellation or renegotiation of the transaction.

**Annual Reviews:**

To ensure that Crime Stoppers operates in a manner consistent with its status as an organization exempt from federal income tax, the Board shall authorize and oversee an annual review of the administration of this conflict of interest policy. The review may be written or oral. The review shall consider the level of compliance with the policy, the continuing suitability of the policy, and whether the policy should be modified and improved.