

FEEDING THE SPIRIT
CONFLICT OF INTEREST POLICY

I. Purpose

The purpose of this Conflict-of-Interest Policy is to protect Feeding the Spirit's (FTS) interests when it is considering taking an action or entering into a transaction that might benefit the private interests, directly or indirectly, of an officer, director, or employee. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest governing nonprofits and charitable corporations.

II. Conflict of Interest

A Conflict of Interest may exist when an FTS officer, director, employee, or that person's relative or business, stands to gain a benefit from a potential transaction and it could influence decision making.

Financial Interests are when an FTS officer, director, employee, or that person's relative or business, stands to gain a financial benefit or profits because of a transaction made by FTS. Scenarios in which an FTS officer, director, employee, or that person's relative or business benefit include, but are not limited to, the following:

- a. Has an ownership or investment interest in any third party that FTS deals with or is considering dealing with
- b. Serves on the board of, participates in the management of, or is otherwise employed by or volunteers with any third party that FTS deals with or is considering dealing with
- c. Receives or may receive compensation or other benefits in connection with a transaction into which FTS enters
- d. Receives or may receive personal gifts or loans from third parties dealing with FTS
- e. Serves on the board of directors of another nonprofit organization that is competing with FTS for a grant or contract
- f. Has a close personal or business relationship with a participant in a transaction being considered by FTS

III. Disclosure of Actual or Potential Conflict of Interest

An officer, director, and employee must disclose to the best of their knowledge all actual or potential Conflicts of Interest. They can do so by submitting a signed written statement disclosing all relevant facts to the board of directors. If an individual is a potential Director, he/she/they must file this statement prior to initial election.

Also, a Conflict-of-Interest statement will be completed and signed annually by officers, the director, and employees.

IV. Procedures for Review of Actual or Potential Conflict of Interest

Once there is reason to believe an actual or potential Conflict of Interest exists, the Board of Directors will determine the appropriate course of action. This may require additional information from the director, officer, employee, or key person with the conflict. However, the key person will not be present for the discussion or vote on the matter and must not attempt to influence improperly the deliberation or vote.

Additional procedures exist for addressing the related party's transactions. FTS may not enter into a related party transaction unless, after good faith disclosure of the material facts by the director, officer, or key person, the board determines that the transaction is fair, reasonable and in FTS' best interest at the time of the determination.

If the related party has a substantial financial interest, the board shall:

- a. Prior to entering into the transaction, consider alternative transactions to the extent available
- b. Approve the transaction by a vote of not less than a majority of the directors present at the meeting
- c. Contemporaneously document in writing the basis for its approval, including its consideration of any alternative transaction

VI. Minutes and Documentation

The minutes of any board meeting at which a matter involving a Conflict of Interest or potential Conflict of Interest was discussed or voted upon shall include:

- a. The name of the interested party and the nature of the interest
- b. The decision as to whether the interest presented a Conflict of Interest
- c. Any alternatives to a proposed contract or transaction considered to the board
- d. If the transaction was approved, the basis for the approval