

Conflict of Interest Policy

Purpose

- The objective of this Board conflict of interest policy is to safeguard Friends of Salmon Bay's (FOSB) interests when considering entering into transactions or arrangements that may benefit the private interests of an officer or director of FOSB or result in a potential excess benefit transaction.
- A conflict of interest arises when the loyalties or actions of an officer, director, or member are divided between the interests of FOSB and their personal interests. It is imperative to avoid both the fact and appearance of such conflicts.
- This policy aims to identify "independent" directors and to complement, not replace, any applicable state and federal laws governing conflicts of interest relevant to nonprofit and charitable FOSBs.

Definitions

Interested person -- Any officer, director, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

Financial interest -- A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which FOSB has a transaction or arrangement,
 - b. A compensation arrangement with FOSB or with any entity or individual with which FOSB has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which FOSB is negotiating a transaction or arrangement.
 - d. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
- a. 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 Board decides that a conflict of interest exists, in accordance with this policy.

Independent Director -- A director shall be considered "independent" for the purposes of this policy if they are "independent" as defined in the instructions for the IRS 990 form or, until such definition is available, the director --

- a. is not, and has not been for a period of at least three years, an employee of FOSB or any entity in which FOSB has a financial interest;

- b. does not directly or indirectly have a significant business relationship with FOSB, which might affect independence in decision-making;
- c. is not employed as an executive of another corporation where any of FOSB's executive officers or employees serve on that corporation's compensation committee; and
- d. does not have an immediate family member who is an executive officer or employee of FOSB or who holds a position that has a significant financial relationship with FOSB.

Procedures

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 all material facts to the Board of Directors.

Recusal of Self - Any member may withdraw from involvement in any decision or discussion if they believe they have or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.

Determining Whether a Conflict of Interest Exists - After disclosure of the financial interest and all material facts, and after discussion with the interested person, they shall leave the Board of Directors meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board of Directors shall decide if a conflict of interest exists.

Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the Board of Directors meeting, but after the presentation, they 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 of Directors shall appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement, if appropriate.
- c. After exercising due diligence, the Board of Directors shall determine whether FOSB 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 of Directors shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in FOSB's best interest, for its own benefit, and whether it is fair and reasonable. Based on this determination, it shall decide whether to enter into the transaction or arrangement.

Violations of the Conflicts of Interest Policy

- a. If the Board of Directors 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 provide the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and further investigation as warranted by the circumstances, the Board of Directors 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

Board minutes must include:

- a. Names of individuals with a financial interest in a conflict, the nature of that interest, actions taken to determine if a conflict existed, and the decision made.
- b. Names of attendees during discussions and votes, content of the discussion including alternatives, and a record of votes taken.

Compensation

- a. A voting member of the Board who receives compensation, directly or indirectly, from FOSB 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 FOSB for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from FOSB, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Annual Statements

Each director, officer, or member of a committee with Board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflict-of-interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands FOSB is a nonprofit entity and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Each Director and Officer shall annually sign a statement which declares whether such person is an independent director. The Board Secretary will inventory and ensure all Directors and Officers have an up-to-date statement during the May and November Board Meetings.

If at any time during the year, the information in the annual statement changes materially, the director shall disclose such changes and revise the annual disclosure form.

The Board of Directors shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking other actions necessary for effective oversight.

Periodic Reviews

To ensure FOSB operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted as part of the preparation for May and November Board Meetings. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information (if reasonably available), and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with FOSB's management, if any, conform to FOSB's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement or impermissible private benefit or in an excess benefit transaction.

Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, FOSB 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.

Director and Officer Annual Conflict of Interest Statement

Name: _____

Date: _____

Position: _____

Affirmations (Initial Each):

Received FOSB Conflict of Interest Policy: ____

Read and understand the policy: ____

Agree to comply with the policy: ____

Understand FOSB maintains federal tax exemption by only engaging in tax-exempt activities: ____

Disclosures:

Do you have a financial interest (current/potential), including compensation, with FOSB?

- ☐ Yes
☐ No

If yes, describe:

Disclosed as per policy?

- ☐ Yes
☐ No

Did you have a financial interest in the past, including compensation, with FOSB?

- ☐ Yes
☐ No

If yes, describe (including when):

Disclosed as per policy?

- ☐ Yes
☐ No

Independence:

Are you an independent director as defined in the policy?

☐ Yes

☐ No

If not, why?

Signature of director:

Date:

Gift Acceptance Policy:

FOSB Board of Directors will decide on the acceptance of any contribution, gift, or grant. Gifts must align with FOSB's mission and purpose. Donations can be cash or publicly traded securities. In-kind services and personal property for fundraising events are accepted at FOSB's discretion.

Certain gifts such as real property, personal property, non-liquid securities, and contributions with unclear sources or restrictions require review due to potential obligations or liabilities. FOSB will honor donor intentions for restricted purposes and anonymous donations. Information about anonymous donors will be limited to essential staff only.

Record Retention Policy

Document Type	Retention Period	Responsible Officer
Audit reports of accountants	Permanently	Treasurer
Audit supporting schedules	10 years	Treasurer
Bank statements (including images of canceled checks)	10 years	Treasurer
Contracts and leases (expired)	10 years	Chair
Contracts and leases still in effect	Permanently	Chair
Correspondence, general	4 years	Secretary
Correspondence (legal and important matters)	Permanently	Secretary
Donation records of significant restricted funds	Permanently	Treasurer
Donation records, other	10 years	Treasurer
Financial statements (end-of-year)	Permanently	Treasurer
Insurance policies (expired)	Permanently	Chair
Insurance records, current accident reports, claims, policies, etc.	Permanently	Chair
Invoices from vendors	10 years	Chair / Committee Lead
Minute books of Board Meetings, including Bylaws and Articles of Incorporation	Permanently	Secretary
Tax returns and worksheets and other documents relating to determination of tax liability	10 years	Treasurer
Director, Officer and Committee Chair enrollment records	3 years	Secretary

Includes electronic records. All permitted document destruction shall be halted if the FOSB is being investigated by a governmental law enforcement agency, and routine destruction shall not be resumed without the written approval of legal counsel.

Whistleblower Policy

The Sarbanes-Oxley Act provides protections for whistleblowers and imposes criminal penalties for actions taken in retaliation against individuals who report suspected illegal activities. This Act safeguards whistleblowers who risk their careers by reporting such activities within their organizations. It is unlawful for any corporate entity, whether for-profit or nonprofit, to retaliate against a whistleblower in any manner.

FOSB adheres to this Act and aims to provide an environment where concerns can be addressed appropriately. If you are unable to resolve issues with FOSB's Board of Directors and believe that fraudulent or illegal activities may be occurring, you are encouraged to contact Washington Secretary of State's Corporations and Charities Division.

FOSB Afterschool Program Safety & Communication Policy

This policy outlines procedures for our afterschool program to ensure the safety and well-being of all participants.

Emergency Procedures:

Definition of Emergency: An emergency is any situation that poses an immediate threat to the health or safety of a child or staff member, including but not limited to:

- a. Severe injury (e.g., fractures, any head trauma, significant bleeding)
- b. Medical emergency (e.g., seizure, allergic reaction, difficulty breathing)
- c. Fire or other hazardous situation
- d. Missing child
- e. Natural disaster

Emergency Response:

Ensure Safety: The staff member closest to the incident will immediately prioritize the safety of all children and themselves.

Call 911 (or local emergency number): If the emergency requires immediate medical or law enforcement assistance, call 911 (or your local emergency number) immediately.

Administer First Aid/CPR: If trained and certified, staff will administer appropriate first aid or CPR while waiting for emergency services to arrive.

Notify Program Director/Designated Contact: The staff member will notify the program director or designated contact person as soon as possible.

Secure the Scene: If possible, the staff member will secure the area to prevent further injury.

Document the Incident: After the emergency is resolved, staff will document the incident in detail, including the time, location, individuals involved, and actions taken.

Contact Caregivers: The program director or designated contact will contact the child's caregivers as soon as possible to inform them of the situation.

Emergency Medications:

- a. School office closes at 4 p.m., and no one will be there to answer the phones. All emergency medications stored in the Nurse's Office will not be available after 3:25 p.m.
- b. Caregivers must provide the instructor with any emergency medications that might be needed (e.g., EpiPen, inhaler), along with clear instructions for administration.

Injury Reporting:

Minor Injuries: Minor injuries (e.g., scrapes, bruises) will be treated with basic first aid. Staff will document the injury and notify the child's caregiver at pickup.

Significant Injuries: Significant injuries (e.g., any head injury, fractures, lacerations requiring stitches) will be treated as emergencies (see Section I).

Reporting Procedure: All injuries, regardless of severity, must be documented in an incident report.

- a. The incident report will include the child's name, date and time of the injury, location of the injury, description of the injury, treatment provided, and names of staff involved.
- b. A copy of the incident report will be provided to the Afterschool Program Committee Chair.
- c. Caregivers will be notified of all injuries.
- d. For significant injuries, a copy of the incident report will be provided to the caregiver.

Adult Supervision and Second Adult Presence:

Adult-to-Child Ratio: The program take every effort to maintain the standard adult-to-child ratio at all times. The national standard for school-age (Kindergarten- third grade) students is 1:15, with a maximum of 30 students per class.

Second Adult Presence:

- e. Best practice dictates that a second adult be present in the room at all times, especially during activities involving physical activity, crafts, or the use of potentially hazardous materials.
- f. The program commits to making every reasonable effort to ensure a second adult is present. This may include volunteers, additional staff, or designated helpers.
- g. If, due to unforeseen circumstances, a second adult is not available, caregivers will be notified as soon as possible.

Supervision: Staff will actively supervise children at all times, including during transitions, free play, and structured activities.

Attendance and Missing Child Procedures:

Check In/Check Out: Attendance will be taken at the beginning of each program session and an adult will ensure all students are picked up as defined on the class roster.

Absentee Notification: Caregivers are responsible for notifying the program if their child will be absent.

Missing Child Procedure: If your child is not present at attendance time and has not been reported absent to us or the school, we will take the following steps:

- a. Check playground/school/Boys and Girls Club to see if the student can be located.
- b. Volunteer will call emergency contacts of student who is missing.

Caregiver Communication and Reporting Issues:

Communication: We encourage open communication between caregivers and staff.

Reporting Issues: If caregivers have any concerns or issues, they can report them to:

- a. The class instructor or volunteer during program hours.
- b. The Committee Chair via email (fosbafterschool@gmail.com).
- c. Written complaints can be submitted to FOSB (fosbchairs@gmail.com).

Confidentiality: All reports will be handled confidentially and investigated thoroughly.

Policy Review:

This policy will be reviewed and updated annually, or as needed, to ensure it remains effective and compliant with applicable regulations.