

AIDS Service Foundation of Greater Kansas City

CONFLICT OF INTEREST POLICY

**SECTION 1. PURPOSE:**

The AIDS Service Foundation of Greater Kansas City is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of the AIDS Service Foundation of Greater Kansas City as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public.

Consequently, there exists between the AIDS Service Foundation of Greater Kansas City and its board, officers, management employees, and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The board, officers, and management employees have the responsibility of administering the affairs of the AIDS Service Foundation of Greater Kansas City honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the AIDS Service Foundation of Greater Kansas City. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the AIDS Service Foundation of Greater Kansas City or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and action.

**SECTION 2. PERSONS CONCERNED:**

This statement is directed not only to directors and officers, but to all employees who can influence the actions of the AIDS Service Foundation of Greater Kansas City. For example, this would include all who make purchasing decisions, all persons who might be described as "management personnel," and anyone who has proprietary information concerning the AIDS Service Foundation of Greater Kansas City.

**SECTION 3. AREAS IN WHICH CONFLICT MAY ARISE:**

Conflicts of interest may arise in the relations of directors, officers, and other employees with any of the following third parties:

1. Persons and firms supplying goods and services to the AIDS Service Foundation of Greater Kansas City
2. Persons and firms from whom the AIDS Service Foundation of Greater Kansas City leases property and equipment.
3. Persons and firms with whom the AIDS Service Foundation of Greater Kansas City is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting of the AIDS Service Foundation of Greater Kansas City
6. Agencies, organizations and associations which affect the operations of the AIDS Service Foundation of Greater Kansas City
7. Family members, friends, and other employees.

**SECTION 4. NATURE OF CONFLICTING INTEREST:**

1. Owning stock or holding debt or other proprietary interests in any third party dealing with the AIDS Service Foundation of Greater Kansas City

2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with the AIDS Service Foundation of Greater Kansas City
3. Receiving remuneration for services with respect to individual transactions involving the AIDS Service Foundation of Greater Kansas City
4. Using the AIDS Service Foundation of Greater Kansas City's time, personnel, equipment, supplies, or good will for other than the AIDS Service Foundation of Greater Kansas City-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with the AIDS Service Foundation of Greater Kansas City. Receipt of any gift is disapproved except gifts of a value less than \$50, which could not be refused without discourtesy. No personal gift of money should ever be accepted.

#### **SECTION 5. INTERPRETATION OF THIS STATEMENT OF POLICY:**

The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 4, are not exhaustive. Conflicts might rise in other areas through other relations. It is assumed that the directors, officers, and management employees will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of the AIDS Service Foundation of Greater Kansas City. However, it is the policy of the board that the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the board, officers, and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

#### **SECTION 6. DISCLOSURE POLICY AND PROCEDURE:**

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and
4. The (board or a duly constituted committee thereof) has determined that the transaction is in the best interest of the organization.

Disclosure in the organization should be made to the President (or if she or he is the one with the conflict, then to one of the Vice Presidents), who shall bring the matter to the attention of the (board or a duly constituted committee thereof). Disclosure involving directors should be made to President, (or if she or he is the one with the conflict, then to one of the Vice Presidents) who shall bring these matters to the (board or a duly constituted committee thereof).

The (board or a duly constituted committee thereof) shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to the AIDS Service Foundation of Greater Kansas City. The decision of the (board or a duly constituted committee thereof) on these matters will rest in their sole discretion, and their concern must be the welfare of the AIDS Service Foundation of Greater Kansas City and the advancement of its purpose.

**AIDS Service Foundation of Greater Kansas City**  
**CONFLICT OF INTEREST DISCLOSURE STATEMENT**

Preliminary note: In order to be more comprehensive, this statement of disclosure/questionnaire also requires you to provide information with respect to certain parties that are related to you. These persons are termed "affiliated persons" and include the following:

- a. Your spouse, domestic partner, child, mother, father, brother or sister;
- b. Any corporation or organization of which you are a board member, an officer, a partner, participate in management or are employed by, or are, directly or indirectly, a debt holder or the beneficial owner of any class of equity securities; and
- c. Any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar capacity.

1. NAME OF EMPLOYEE OR BOARD MEMBER: (please print)

\_\_\_\_\_

2. CAPACITY     board of directors  
                   executive committee  
                   officer  
                   committee member  
                   staff (position): \_\_\_\_\_

3. Have you or any of your affiliated persons provided services or property to the AIDS Service Foundation of Greater Kansas City in the past year?         YES                     NO

If yes, please describe the nature of the services or property and if any affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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\_\_\_\_\_  
\_\_\_\_\_

4. Have you or any of your affiliated persons purchased services or property from the AIDS Service Foundation of Greater Kansas City in the past year?         YES                     NO

5. Please indicate whether you or any of your affiliated persons had any direct or indirect interests in any business transaction(s) in the past year to which the AIDS Service Foundation of Greater Kansas City was or is a party?

YES                     NO

If yes, describe the transaction(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Were you or any of your affiliated persons indebted to pay money to the AIDS Service Foundation of Greater Kansas City at any time in the past year (other than travel advances or the like)?

YES                     NO

If yes, please describe the indebtedness and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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7. In the past year, did you or any of your affiliated persons receive, or become entitled to receive, directly or indirectly, any personal benefits from the AIDS Service Foundation of Greater Kansas City or as a result of your relationship with the AIDS Service Foundation of Greater Kansas City, that in the aggregate could be valued in excess of \$1,000, that were not or will not be compensation directly related to your duties to the AIDS Service Foundation of Greater Kansas City?       YES       NO

If yes, please describe the benefit(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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8. Are you or your affiliated persons a party to or have an interest in any pending legal proceedings involving AIDS Service Foundation of Greater Kansas City?       YES       NO

If yes, please describe the proceeding(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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9. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by AIDS Service Foundation of Greater Kansas City's (board or a duly constituted committee thereof) in accordance with the terms and intent of AIDS Service Foundation of Greater Kansas City's conflict of interest policy?       YES       NO

If yes, please describe the situation(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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I HEREBY CONFIRM that I have read and understand AIDS Service Foundation of Greater Kansas City's conflict of interest policy and that my responses to the above questions are complete and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will notify (designated officer or director) immediately.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date