

Creativity Unlimited in Wisconsin
Policy and Procedure for Conflict of Interest

Purpose:

This conflict of interest policy is designed to help anyone connected to Creativity Unlimited in Wisconsin (CUW), identify and avoid conflicts and potential conflicts of interest with CUW. The interest of CUW supersedes all other interests. This policy provides CUW with a procedure which, if observed, will allow a transaction to be treated as valid and binding even though a director has or may have a conflict of interest with respect to the transaction. This policy is intended to meet or exceed WI Chapter 181, Section 181.0831, which governs director conflict of interest.

Policy:

Members of the board, committees or appointees to positions in CUW at all times shall present themselves in the best interest of CUW. No member of the Board of Directors or any of its committees or any person appointed to a position within CUW shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with CUW. In addition to material financial interests, conflict of interest can include personal benefit, private interest, and/or personal financial, professional or political gain.

Each individual shall disclose to CUW any personal interest which he or she may have in any matter pending before CUW and shall refrain from participation in any decision on such matter.

Upon disclosure of an interest or relationship, the Board of directors may authorize, approve or ratify any contract or transaction by vote. A financial interest or potential financial interest is not necessarily a conflict of interest until determined as such by the board of directors. The contract or transaction must be fair and reasonable to CUW.

Members of the board of Directors with a conflict of interest may be counted in determining the presence of a quorum at a meeting that authorizes, approves or ratifies a contract or transaction.

Members of the board, committees or appointees to positions in CUW shall refrain from obtaining any list of schools, organizations or teams to use for personal or private solicitation purposes at any time during the term of their affiliation. Members of the board, committees or appointees shall take care to not disclose confidential information acquired in connection with his/her status or duties in CUW.

Procedure:

- A. Members of the board of directors, committees or appointees to a position in CUW will:
 - 1. Review the conflict of interest policy upon election or appointment.
 - 2. Complete and sign a conflict of interest statement identifying any conflict of interest or potential conflicts of interest following election or appointment.
 - 3. Disclose to the board any potential conflict that may arise during the course of carrying out his or her duties.

- B. The board of directors will demonstrate due diligence to determine whether an actual conflict harmful to CUW exists by:
 - 1. Investigating alternatives, involving a person who does not have a conflict, to the proposed transaction.
 - 2. Deciding whether CUW can obtain a more advantageous transaction with reasonable effort from someone without a conflict of interest.
 - 3. Deciding whether the transaction is in the best interest of and whether it is fair and reasonable to CUW.

- C. Following discussion and due diligence, those board members who do not have conflict of interest will vote on whether a conflict exists and the best interests of the organization.

- D. Written record of the procedures, persons involved and votes taken will be documented in the minutes.

- E. In the event that the board finds out and has reasonable belief that someone may have a conflict of interest, the board chair will inform that person of that belief and give them an opportunity to present the situation and their failure to bring the potential conflict forward for review earlier. If the board is not satisfied with the person's explanation, it can then take appropriate disciplinary action.

- F. This policy will be reviewed annually by all members of the board of directors, committees and appointees to positions in CUW.

Resources:

- A. Charities Review Council
- B. Minnesota Council of Nonprofits
- C. WI Chapter 181.0831
- D. Nonprofit Conflict of Interest Policy Template-IRS 990
- E. Developing Policies and Procedures document from AD task force led by KBL

Date Authorized: 12-9-14

Dates Reviewed: