Conflict of Interest Policy

The purpose of this conflict of interest policy is to protect COMPASS Youth Collaborative interest when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an officer, director, or committee member.

This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

This policy is also intended to identify "independent" directors.

Definitions

Interested person - any director, principle officer, or member of a committee with board delegated powers, who has a direct or indirect financial interest, as defined below.

Financial interest- directly, or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which COMPASS has a transaction or arrangement,
2. A compensation arrangement with COMPASS or with any entity with which COMPASS has a transaction or arrangement,
3. A potential ownership, investment interest in, or compensation arrangement with any entity or individual with which COMPASS is negotiating a transaction or arrangement.

Compensation- direct or indirect remuneration, as well as, gifts or favors that are not insubstantial.

Independent- for the purposes of this policy "independent" is as defined in the instructions for the IRS Form 990, or until such definition is available, the member :

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

2. Does not directly, or indirectly, have a significant business relationship with COMPASS which might affect independent decision-making;

3. Is not employed by another corporation where any of COMPASS' directors or committee members serve on that corporation's compensation committee;

4. Does not have an immediate family member who is a director or employee of COMPASS or who holds a position that has a significant financial relationship with COMPASS.

Procedures

3. Duty to Disclose- in connection with any actual or possible conflict of interest, uninterested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board or Governance Committee.

2. Recusal of Self- any director or committee member may recuse himself, or herself, at any time from involvement in any decision or discussion in which the individual believes he, or she, has, or may have, a conflict of interest, without going through the process for determining whether a conflict of interest exists.

3. Determining Whether a Conflict of Interest Exists- after disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or Governance Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Governance Committee members shall decide if a conflict of interest exists.

4. Procedures for Addressing the Conflict of Interest- The interested person may make a presentation to the the Board or Governance committee, but after the presentation, he/she shall leave the meeting during discussion of, and the vote, on the transaction or arrangement involving the possible conflict of interest.

5. Violations of the Conflict of Interest Policy-

A. The Board or Governance Committee 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 afford the member an opportunity to explain the alleged failure to disclose.
B. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or Governance Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and/or corrective action.

Records of Proceedings

The chair of the Board or Governance Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
After exercising due diligence, the Board or Governance Committee shall determine whether COMPASS can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not be considered a conflict of interest.
If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or Governance Committee shall determine by majority vote of the disinterested members whether transaction or arrangement is in COMPASS' best interest, for it's own benefit, and whether it is fair

and reasonable. In conformity with the above determination , it shall make it's decision as to enter into the transaction or arrangement.
Minutes of the board and all committee with Board delegated powers shall contain:

The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or Governance Committee's decision as to whether a conflict of interest in fact existed.
The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Compensation

1-Any member of the Board who receives compensation, directly or indirectly, from COMPASS for services is precluded from voting on matters pertaining to that member's compensation.
2- A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, form COMPASS for services is precluded from voting on matters pertaining to that members' compensation.
3- No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from COMPASS either individually or collectively is prohibited from providing information to any other committee regarding compensation.

Annual Statements

1- Each director, principle officer, and member of a committee with Board delegated powers shall annually sign a statement which affirms such person;
2- Has received a copy of the conflict of interest policy,
3- Has read and understands the policy,
4- Has agreed to comply with the policy, and
5- Understands COMPASS Youth Collaborative is charitable and in order to maintain it's federal tax- exemption it must engage primarily in activities which accomplish one or more of it's tax-exempt purposes.
6- Each voting member of the Board shall sign annual a statement which declares whether such person is an independent director.
7- 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.
8- The Governance Committee shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such actions as are necessary for effective oversight.

Periodic Reviews

To ensure COMPASS operates in a manner consistent with charitable purposes and does not engage in activities that would jeopardize it's tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects;

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

Use of Outside Experts

When conducting the periodic reviews, COMPASS may or may not need to use outside advisors. If outside advisors are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Adopted Date 11/2012