

The Haven Board of Directors

Conflict of Interest Policy

Adopted by the Board of Directors 10/25/2016

The purpose of this conflict of interest policy is to protect the interest of The Haven when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director of the Organization or might result in a possible excess benefit transaction. 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.

1. Interested Person

Any director is an Interested Person if that person, directly or indirectly, through business, investment or family has an interest in the organization as follows:

- a. has an ownership or investment interest in any entity with which the Organization has a transaction or arrangement.
- b. has a compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement.
- c. has a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.
- d. is a member, director or officer of an organization with which the Organization has entered into or is contemplating entering into a transaction or arrangement.
- e. has or is involved with other situations where a conflict of interest may arise with the organization.

Compensation includes direct and indirect remuneration as well as significant gifts, favors or contributions.

An interest is not necessarily a conflict of interest. A person who has an interest may have a conflict of interest only if the appropriate board decides that a conflict of interest exists. A transaction is not prohibited simply because a conflict of interest exists.

2. Duty to Disclose

In connection with any actual, possible or perceived possible conflicts of interest, an Interested Person must disclose the existence of his or her interest and must be given the opportunity to disclose all material facts to the directors considering the proposed transaction or arrangement.

3. Determining Whether a Conflict of Interest Exists

After disclosure of the interest and all material facts, and after any discussion with the Interested Person, the Interested Person will leave the meeting while the determination of a conflict of interest is discussed and voted upon. The remaining directors will decide if a conflict of interest exists.

4. Procedures for Addressing the Conflict of Interest

- a. An Interested Person may make a presentation at the board or committee meeting, but after such presentation, he/she will leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chair of the board or committee will, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the board or committee will determine whether The Haven 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 or committee will determine by a majority vote of the disinterested directors whether the transaction or arrangement is in The Haven's best interest, for its own benefit, and fair and reasonable to The Haven. It will make its decision as to whether to enter into the arrangement in conformity with such determination.

5. Violations of the Conflicts of Interest Policy

- a. If the board has reasonable cause to believe that a person has failed to disclose an actual or possible conflict of interest, it will inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.
If, after hearing the response of the person and making such further investigation as may be warranted in the circumstances, the board or committee determines that the person has in fact failed to disclose an actual or possible conflict of interest, it will take appropriate disciplinary and corrective action.

6. Record of Proceedings

The minutes of the board meeting will contain:

- a. The names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the board's decision as to whether a conflict of interest in fact existed.
- b. 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.

7. Compensation

- a. A voting member of the board of directors who receives compensation, directly or indirectly, from The Haven 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 The Haven for services is precluded from voting on matters pertaining to that member's compensation.
- c. Individuals who receive compensation, directly from The Haven, whether as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters.

8. Procedure for Establishing Compensation of Interested Persons

- a. An Interested Person may provide information to the board or committee, but after any such presentation, he/she will leave the meeting during the discussion of and the vote on compensation.
- b. Compensation will be approved by the board or a committee of the board that is composed entirely of individuals unrelated to and not subject to the control of the Interested Person whose compensation is being determined.
- c. The board will obtain and rely upon appropriate data as to comparability of compensation, including but not limited to such things as: (i) compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions, (ii) the location of the organization, including the availability of similar specialties in the geographic area, (iii) independent compensation surveys by nationally recognized independent firms, and (iv) actual written offers from similar institutions competing for the services of the Interested Person.
- d. The board will document the basis for its determination, which documentation will be made a part of the permanent minutes and records of the board or committee.

9. Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers will annually sign a statement which affirms that such person:

- a. has received a copy of the conflicts of interest policy,
- b. has read and understands the policy,
- c. has agreed to comply with the policy,
- d. has disclosed all known actual and possible conflicts of interest involving such person and his/her family members, and
- e. understands that the Organization is charitable and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

10. Periodic Reviews

To ensure the Organization operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews will be conducted. The periodic reviews will, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and are the result of arm's length bargaining.
- b. Whether acquisitions of services result in inurement or impermissible private benefit.
- c. Whether partnerships, joint ventures, and arrangements with management organizations conform to The Haven's written policies, are properly recorded, reflect reasonable investments or payments for goods and services, further The Haven's charitable purposes and do not result in inurement, impermissible private benefit, or an excess benefit transaction.
- d. Whether agreements for services and agreements with The Haven's employees and third party payers further The Haven's charitable purposes and do not result in inurement, impermissible private benefit, or an excess benefit transaction.

When conducting the periodic reviews, The Haven may but is not required to use outside advisors. If outside experts are used, their use will not relieve the board of its responsibility for ensuring that periodic reviews are conducted.

The Haven

Annual Conflict of Interest Disclosure Statement

To assure that the highest standards of ethical and fiduciary standards are maintained by The Haven, I, _____ (print full name), a board member of the Organization, affirm that:

- a. I received a copy of the Organization's Conflicts of Interest Policy.
- b. I read and understand the Policy.
- c. I agree to comply with the Policy.
- e. I understand that The Haven is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

My Residence/Contact Information is as follows:

Name:
Address:
City/State/Zip:~~
Telephone:
Fax:
Email:
Cell Phone:

My Employer is:

Employer Name (if self employed/retired, so state):
Address:
City/State/Zip:
Telephone:
Fax:
Email:

I am/was a leadership person, board member, committee member, member or employee of the following organizations similar to or affiliated with The Haven:

Org Name/Position:
Org Name/Position:
Org Name/Position:
Org Name/Position:

Please continue with additional positions on separate paper if necessary.

Finally, I affirm that, except as described herein, to the best of my knowledge, neither I nor my family members* are now or have been at any time during the past year:

1. A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party doing business with The Haven which has resulted or could result in personal benefit to me/him/her.
2. A recipient, directly or indirectly, of any salary payments, loans, significant gifts, free services or discounts, or other fees from or on behalf of any person or organization engaged in any transactions with The Haven.

Exceptions: _____

*Family members include: husband, wife, mother, father, sister, brother, son, daughter, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, and brother-in-law.

In the interest of full and complete disclosure, list anything that might possibly be a concern of which The Haven board should be aware:

Item#1:
Item #2:
Item #3:
Item #4:

Please continue with additional items on a separate paper, if necessary

I declare under the penalty of perjury under the laws of the State of Arizona that the foregoing is true and correct.

Signature

Date

