
**Service to Sky**

**Conflict of Interest Policy**

**Article I – Purpose**

The purpose of this conflict of interest policy is to protect the interests of **Service to Sky**, a tax-exempt organization, when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the organization. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

**Article II – Definitions**

**1. Interested Person:**

 Any director, officer, 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.

**2. Financial Interest:**

 A person has a financial interest if the person has, directly or indirectly:

* An ownership or investment interest in any entity with which the organization has a transaction or arrangement,
* A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement, or
* 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.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest.

**Article III – Procedures**

**1. 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 be given the opportunity to disclose all material facts to the directors and members of committees considering the proposed transaction or arrangement.

**2. 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, they shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

**3. Procedures for Addressing the Conflict of Interest:**

* An interested person may make a presentation at the board or committee meeting but must leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
* The chairperson 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 committee shall determine whether the organization can obtain a more advantageous transaction or arrangement from a person or entity that would not give rise to 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 committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the organization’s best interest and whether it is fair and reasonable.

**4. Violations of the Conflict of Interest Policy:**

* If the board or 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.
* If, after hearing the member’s response and after making further investigation as warranted by the circumstances, the board or committee determines the member has failed to disclose an actual or possible conflict of interest, it may take appropriate disciplinary and corrective action.

**Article IV – Records of Proceedings**

The minutes of the board and all committees 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 committee’s decision as to whether a conflict of interest in fact existed.

The minutes shall also contain:

* The names of the persons who were present for discussions and votes relating to the transaction or arrangement,
* The content of the discussion,
* Any alternatives considered,
* And a record of any votes taken in connection with the proceedings.

**Article V – Annual Statements**

Each director, principal officer, and member of a committee with governing board-delegated powers shall annually sign a statement that affirms:

* They have received a copy of the conflict of interest policy,
* They have read and understand the policy,
* They have agreed to comply with the policy, and
* They understand the organization is charitable and to maintain its federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

**Article VI – Periodic Reviews**

To ensure the organization 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. The reviews shall, at a minimum, include:

* Whether compensation arrangements and benefits are reasonable and are the result of arm’s length bargaining.
* Whether partnerships, joint ventures, and arrangements with management organizations conform to the organization’s written policies and are properly recorded.

**Article VII – Use of Outside Experts**

When conducting the periodic reviews, the organization may use outside advisors. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring periodic reviews are conducted.

**Adopted by the Board of Directors on April 1, 2025**

**Benjamin Domian, Co-Founder & Co-Executive Director**

 **Jason Moneymaker, Co-Founder & Co-Executive Director**