

Olympic Community of Health
Conflict of Interest Policies and Procedures

Article 1. Purpose

The purpose of this policy is to help inform the Olympic Community of Health (OCH) Board of Directors (Directors) about what constitutes a conflict of interest, and assist the Directors in identifying and disclosing actual and potential conflicts. The OCH is a collaborative of interested parties and it is acknowledged that Directors have personal, tribal, organizational and/or sector-specific self-interests.

Whether a disclosed interest constitutes a conflict or perceived conflict of interest is determined by the OCH in its discretion by the process set forth in this policy. This policy enables individuals to understand, identify, manage and appropriately disclose actual, potential or perceived conflicts of interest. 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.

Conflicts of interest happen all the time. They are inevitable. It is not possible to avoid all conflict-of-interest situations. The purpose of this policy is to help Directors handle them effectively.

Article 2. Definitions

1. Interested Person

Any director, principal officer, member, or delegate who has a direct or indirect financial or personal interest, as defined below, is an interested person.

2. Conflict of Interest

An actual conflict of interest occurs where an interested person's judgment could be affected because he or she has a personal interest in the outcome of a decision over which the interested person has control or influence. The conflict of interest is present when an interested person's stake in a transaction or decision is such that it reduces the likelihood that the interested person's influence can be exercised impartially in the best interests of the OCH. This policy sets forth two types of conflicts of interest: financial and personal.

3. Financial Conflict of Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which OCH has a transaction or arrangement,
- b. A compensation arrangement with OCH or with any entity or individual with which OCH has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which OCH 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. A person who has a financial interest may have a conflict of interest only if the Board of Directors or appropriate Committee decides that a conflict of interest exists.

4. Personal Conflict of Interest

When a director, principal officer, member, delegate or a member of his or her immediate family, including the individual's spouse, domestic partner, child or parent, stands to directly or indirectly gain or be favorably impacted as a result of a decision.

Article 3. Procedures

1. Duty to Disclose

Each interested person shall disclose all material facts regarding his or her interest in the transaction under consideration promptly upon learning of the proposed transaction or arrangement. Before voting on an agenda item related to an expenditure or the awarding of a contract, the chair should ask Directors or Committee Members whether a real or potential conflict of interest exists.

2. Determining Whether a Personal Conflict of Interest Exists

After disclosure of all material facts, if necessary, the Directors or appropriate Committee Members may determine if a personal conflict of interest exists for the interested person. The Director(s) and any other interested person(s) involved with the transaction shall not be present during the discussion or determination of whether a personal conflict of interest exists. The remaining Directors or Committee Members shall decide if a personal conflict of interest exists.

3. Procedures for Addressing a Personal Conflict of Interest

The Directors may ask questions of and receive presentation(s) from the Director(s) and any other interested person(s), but shall deliberate and vote on the transaction in their absence. The Directors shall ascertain that all material facts regarding the transaction and the insider's conflict of interest have been disclosed and shall compile appropriate data, such as comparability studies, to determine fair market value for the transaction.

After exercising due diligence, which may include investigating alternatives that present no conflict, the Directors shall determine whether the transaction is in the OCH's best interest, for its own benefit, and whether it is fair and reasonable to the OCH; the remaining Directors may approve the transaction.

4. Procedures for Addressing a Financial Conflict of Interest

When a vote is required and a conflict of interest is not a personal conflict, the conflict will be stated and the vote will resume with all voting members; the interested person(s) will abstain from the vote if the Directors determine a real conflict of interest exists.

It will not be necessary to excuse oneself from participating in related discussions or in the voting process as long as the conflict is not a personal conflict and has been disclosed.

5. Violations of the Conflict of Interest Policy

If a Director or Committee Member has reasonable cause to believe a member has failed to disclose actual or possible conflict 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 Director or Committee Member determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article 4. Records of Proceedings

The minutes of meetings of Board of Directors and all Committees with Board delegated powers shall contain:

- a. 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.
- 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.

Article 5. Compensation

- a. A voting member of the Board who receives compensation, directly or indirectly, from OCH 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 OCH for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the Board or any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from OCH, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article 6. Periodic Statements

Each Director and Officer shall annually sign a statement that affirms such person:

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands that OCH is a charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Olympic Community of Health
Conflict of Interest Policy Certification

The undersigned hereby acknowledges that the undersigned:

- (a) Has received a copy of the conflict of interest policy,
- (b) Has read and understands the conflict of interest policy,
- (c) Has agreed to comply with the conflict of interest policy, and
- (d) Understands that in order for Olympic Community of Health to maintain its federal tax exemption as a charitable organization, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Please check one of the following boxes:

- ☐ I have no conflicts or potential conflicts to disclose.
- ☐ I have the following conflicts or potential conflicts to disclose (use the space below):
 - Disclose personal or professional affiliations, including those of immediate family members, with companies the OCH does or might do business with. For instance, do you hold a sizable amount of stock or have other financial interests in a company?
 - Disclose any personal business dealings (including those of immediate family members) you have or have had with the OCH in the previous twelve months.
 - List other corporate or nonprofit boards on which you (or an immediate family member) serves.

Dated: _____

Signed: _____

Print Name: _____

Title: _____