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| CONFLICT OF INTEREST | | | | NO. | |
| PURPOSE  The purpose of the conflict of interest policy is to protect Winning Wheels’ (a 501(c)3 tax-exempt organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.  DEFINITIONS   1. Interested Person   Directors, principal officers, or members of a committee with governing board delegated powers, which have a direct or indirect financial interest, as defined below, are an interested person.   If a person is an interested person with respect to entities in the health care system of which the organization is a part, they are an interested person with respect to entities in the health care system.   1. Financial Interest   A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:   * 1. An ownership or investment interest in entities with which the Organization has a transaction or arrangement,   2. A compensation arrangement with the Organization or with entities or individuals with which the Organization has a transaction or arrangement, or   3. A potential ownership or investment interest in, or compensation arrangement with entities or individuals 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. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest if the appropriate governing board or committee decides that a conflict of interest exists. | | | | | |
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| CONFLICT OF INTEREST | | | | NO. | |
| PROCEDURES   1. Duty to Disclose   In connection with actual or possible conflicts of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.   1. Determining Whether a Conflict of Interest Exists   After disclosure of the financial interest and material facts, and after discussions with the interested person, they shall leave the governing 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.   1. Procedures for Addressing the Conflict of Interest    1. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, they shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.    2. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.    3. After exercising due diligence, the governing board or committee shall determine whether the Organization 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.    4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing 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, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement. | | | | | |
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| CONFLICT OF INTEREST | | | | NO. | |
| 1. Violations of the Conflict of Interest Policy    1. If the governing 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.    2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.   RECORDS OF PROCEEDINGS  The minutes of the governing board and committees with board delegated powers shall contain:   1. 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 governing board's or committee's decision as to whether a conflict of interest in fact existed. 2. 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 votes taken in connection with the proceedings.   COMPENSATION   1. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation. 2. A voting member of committees whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation. 3. No voting member of the governing board or committees whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to committees regarding compensation. 4. Physicians who receive compensation from the Organization, whether directly or indirectly or as employees or independent contractors, are precluded from membership on committees whose jurisdiction includes compensation matters. No physician, either individually or collectively, is prohibited from providing information to committees regarding physician compensation. | | | | | |
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| CONFLICT OF INTEREST | | | | NO. | |
| ANNUAL STATEMENTS  Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:   1. Has received a copy of the conflicts of interest policy, 2. Has read and understands the policy, 3. Has agreed to comply with the policy, and 4. Understands the Organization is charitable 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.     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 periodic reviews shall, at a minimum, include the following subjects:   1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining. 2. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.   USE OF OUTSIDE EXPERTS  When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted. | | | | | |
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