



# Kiwanis®

## **BYLAWS**

### ***Greater Kingston Kiwanis Foundation***

#### **ARTICLE 1. NAME AND PURPOSES**

- 1.1 This is the Greater Kingston Kiwanis Foundation, which exists by permission of Kiwanis International. The foundation is a nonprofit corporation under the laws of the State of Washington. The foundation is the non-profit affiliate of the Kiwanis Club of Greater Kingston Washington, which is also known as the Greater Kingston Kiwanis Club. The foundation is not formed for pecuniary profit. No part of the income or assets of the foundation is distributable to or for the benefit of its Members, Trustees or Officers, except as permissible by law.
- 1.2 The purposes of the foundation, as stated in the Articles of Incorporation, are exclusively charitable, artistic, scientific or educational and consist of the following:
- A. To sponsor and create support opportunities for charitable needs in Kingston and the North Kitsap area.
  - B. To aid, support and assist by gifts, contributions or otherwise, children and families, other corporations, community chests, funds and foundations organized and operated exclusively for charitable, scientific, artistic or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation.
  - C. To do any and all lawful activities which may be necessary, useful or desirable for the furtherance, accomplishment, fostering or attainment of the foregoing purposes, either directly or indirectly and either alone or in conjunction or cooperation with others, whether such others are persons or organizations of any kind or nature, governmental bureaus, departments or agencies.
  - D. Without in any way limiting the foregoing statements of purpose, the current focus of the foundation is to develop an endowment to fund scholarships for graduating high school seniors from the greater Kingston area based on a demonstrated record of community service and other factors; provide support for qualifying charitable activities of the Greater Kingston Kiwanis Club and support other charitable activities in our community such as those of the North Kitsap School District and North Kitsap School District Foundation.

#### **ARTICLE 2. COMPLIANCE WITH KIWANIS INTERNATIONAL**

- 2.1 This foundation and its board, officers, and members will at all times abide by the Bylaws and Policies of Kiwanis International, as adopted or amended, and will comply with all conditions and requirements regarding use of the Kiwanis names and marks.
- 2.2 In the event this foundation does not comply with these conditions and if so requested by the Kiwanis International Board, the foundation will dissolve or change its form of organization so that it is no longer associated with the Kiwanis name or marks.

### **ARTICLE 3. MEMBERS OF THE FOUNDATION AND OF THE FOUNDATION BOARD OF TRUSTEES**

- 3.1 The members of the foundation will be all active members in good standing of the Greater Kingston Kiwanis Club, with which the foundation is associated.
- 3.2 The affairs of the foundation shall be managed by a Board of Trustees.
- 3.3 The Board of Trustees shall consist of:
  - a) Three trustees, who are elected by the foundation membership to staggered three year terms.
  - b) Four officers, who are elected for the following administrative year by the foundation membership, for one year terms.
  - c) Trustees and officers are voting members of the foundation board.

### **ARTICLE 4. OPERATIONS**

- 4.1 The administrative and fiscal year of the foundation will be the same as Kiwanis International, which is October 1-September 30.
- 4.2 Each calendar year, the foundation will hold an annual meeting of its membership immediately following the annual meeting of the Greater Kingston Kiwanis Club, which is to be held between January 1 and May 30. The foundation membership annual meeting will be at such time and place as determined by the foundation Board of Trustees. The annual meeting of the foundation membership shall be for the election of trustees and officers for the upcoming administrative year beginning October 1, who will serve staggered three year terms. The foundation membership annual meeting will also include review of annual reports, and the transaction of such other matters as may come before the meeting. At least 14 days previous notice of the annual meeting will be given to members.
- 4.3 During the month of October the foundation Board of Trustees will hold the foundation board of trustees' annual meeting, to install new trustees and officers, to appoint a financial review committee as described in Article 10 of these bylaws and to adopt a budget for the upcoming fiscal year, which begins October 1. Also, during this meeting, foundation board members will review the foundation's conflict of interest policy and will review and sign their annual conflict of interest statement.
- 4.4 Special meetings of the membership may be called by the foundation board or by a majority of foundation members, at such time and place as determined by the foundation board, provided at least three (3) days previous notice of any special meeting will be given to members.
- 4.5 All meetings of the foundation members and the foundation board shall be in Kingston WA at a place designated by the President of the foundation board or in a manner described by Section 4.6 of these bylaws.
- 4.6 Subject to the laws of local jurisdiction, foundation members may meet and conduct business by any method that allows all participants to simultaneously communicate with each other, including by email, or as otherwise allowed by law. Participation constitutes attendance. Normal meeting rules apply. If any votes taken verbally are unclear, they should be taken by roll call.
- 4.7 At least one-half (1/2) of the foundation members in good standing constitutes a quorum. Once a quorum is established, at least a majority vote of the members present and voting is required to approve all business unless otherwise provided in these bylaws. At least fourteen (14) days previous notice of any meeting and any pending vote must be given to the foundation members.
- 4.8 The foundation may have committees as determined by the foundation board, with their purpose, term, and duties defined upon creation. The president will appoint all committee chairs and members, subject to the approval of the board. A committee quorum shall be a majority of its members. A majority vote of the members present and voting is required to approve committee business. Committees will be governed in all other aspects by foundation policies.

## **ARTICLE 5. OFFICERS AND DIRECTORS**

- 5.1 The foundation shall have four officers: a president, vice president, treasurer, and secretary. These officers will serve one year terms. The foundation will also have a minimum of three (3) trustees who are not officers. The foundation officers may be partly, but not wholly, the same as the club officers. The foundation officers should include one or more persons who are not club officers. All officers and trustees will be active members in good standing of the Greater Kingston Kiwanis club with which the foundation is associated.
- 5.2 All officers' terms will be one year and trustee terms will three years. Each term will begin on October 1 after election. Trustee terms will be staggered so that one new trustee is elected each year by the foundation membership.
- 5.3 Officers' duties are as defined below and as may be additionally provided in foundation policies:
- a. The president acts as the foundation's executive officer; presides at all meetings of the membership and the board; and regularly reports to both groups. The president guides the foundation to maintain an arm's length relationship with the Greater Kingston Kiwanis club, so that the foundation provides support consistently with the purposes of the foundation. The president has co-authority, with the treasurer, to sign financial transaction documents, such as fund transfers and investment choices, so long as these actions are consistent with foundation board direction.
  - b. The secretary keeps the foundation's records; keeps minutes of the meetings of the foundation membership and board; files required reports (if any) with local, national, and other government authorities; and regularly reports to the foundation membership and board. Also, the secretary leads and facilitates the annual awards of scholarships for graduating high school seniors, including announcing the availability of the scholarships, managing the application process and guiding the review of applications.
  - c. The treasurer handles and accounts for all foundation funds on authority of the board; maintains foundation financial records; and regularly reports to the foundation membership and board. With the president, the treasurer has signature authority for financial transactions.
  - d. The vice president acts in the absence of the president and has such duties as usually pertain to the office and as may be assigned by the president or board.
- 5.4 Trustees have such duties as usually pertain to the office or as may be assigned by the foundation president or board or as provided in foundation policies.

## **ARTICLE 6. NOMINATIONS, ELECTIONS, AND VACANCIES**

- 6.1 Trustees (and nominees for same) must be a member in good standing of the Greater Kingston Kiwanis club. Qualified, consenting members may be nominated either in advance or from the floor of the foundation membership annual meeting.
- 6.2 Officers with terms beginning the next administrative year will be elected by the foundation membership at its annual meeting, by a majority vote.
- 6.3 Trustees with new terms beginning the next administrative year will be elected by the foundation membership at its annual meeting, by a majority vote.
- 6.4 The election process for trustees and officers will follow these rules:
- a. Cumulative voting is not allowed. Absentee and proxy votes are allowed.
  - b. Ballots are only necessary when there are more nominees for a position than positions to be filled. If any ballot does not reflect a majority vote for one nominee, the nominee receiving the fewest votes will be dropped and a new vote taken for the remaining nominees; the same process will be followed until one nominee receives a majority of the votes

- c. If permitted by the laws of local jurisdiction, electronic balloting may be used for trustee elections. Secure website balloting should be used whenever possible to ensure privacy and accuracy.
  - d. Additional nomination and election processes for trustees may be adopted by the foundation board and stated in foundation policies.
- 6.5 Vacancies in a trustee position will be filled by a majority vote of the foundation membership in accordance with Section 6.2 of these bylaws. For a vacancy in any trustee's term, new elections will be held within 60 days, conducted in accordance with Section 6.3, provided at least fourteen (14) days previous notice of the meeting and nomination(s) is given to foundation members.
- 6.6 Vacancies in an officer position will be filled in accordance with Section 6.2 of these bylaws, by a majority vote of the foundation membership, at a special meeting to be held within 60 days of the vacancy. At least fourteen (14) days notice is required for a meeting to replace a vacant officer position.
- 6.7 A trustee or officer who fills a vacancy shall serve the remainder of the unexpired term of their predecessor.

## **ARTICLE 7. BOARD OF TRUSTEES**

- 7.1 The foundation board of trustees (sometimes referred to in these bylaws as "the foundation board") consists of all officers and trustees.
- 7.2 The foundation board has the following responsibilities:
- Provide general management of the foundation not otherwise delegated to the membership in these bylaws.
  - Approve an annual budget and any revisions to it.
  - Assure the foundation complies with applicable governmental rules and regulations.
  - Perform other duties as provided in these bylaws.
- 7.3 The foundation board will meet annually, during the month of October. At the foundation board annual meeting, the foundation will elect officers, who will serve in the upcoming administrative year. After election of officers, the foundation board shall approve a budget for the upcoming fiscal year, or schedule a subsequent meeting for review and approval of the annual budget. The board also will hold at least one additional meeting during the year.
- 7.4 The foundation board may also hold special meetings at the call of the president. The president shall determine the time and place of all board meetings, provided at least forty-eight (48) hours previous notice is given to all board members. Subject to the laws of local jurisdiction, the board may meet and conduct business by any method that allows all participants to simultaneously communicate with each other, including by email, or as otherwise allowed by law. Participation constitutes attendance. Normal board meeting rules apply. If any votes taken verbally are unclear, they should be taken by roll call.
- 7.5 All meetings of the foundation board shall be held at the principal office of the foundation or at such other place in Kingston Washington designated by the board.
- 7.6 A majority of the members of the entire foundation board, not counting vacant positions, constitutes a quorum. A majority vote of the board members present and voting is required for all business unless otherwise provided in these bylaws.
- 7.7 Members of the foundation board will not receive any compensation for their services as board members. However, this will not preclude the reimbursement of expenses incurred for performing their duties.
- 7.8 The foundation board may take no action in conflict with an action of the foundation membership. Other than disciplinary measures, an action of the board may be rescinded or amended by two-thirds

(2/3) vote of the foundation members present and voting at a meeting, provided at least fourteen (14) days previous notice is given to the foundation members.

7.9 Any member of the foundation board may be removed with or without cause, at any time, if, in the board's judgement, the best interest of the foundation would be served thereby. Removal requires a vote of two-thirds (2/3) of the entire board except the officer or trustee whose removal is being considered. Each member of the board must receive written notice of the proposed removal at least ten (10) days in advance of the proposed action. Removal of an officer or trustee is effective immediately upon an appropriate vote of the board.

#### **ARTICLE 8. CONFLICTS OF INTEREST**

8.1 The foundation will maintain a conflict of interest policy to protect the foundation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or trustee. Such policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

#### **ARTICLE 9. IDEMNIFICATION**

9.1 The Board of Trustees may provide, through insurance or otherwise, indemnification to the past and present Trustees, officers, employees, or agents of Kiwanis International to the extent permitted by the laws of the State of Washington applicable to not-for-profit corporations.

#### **ARTICLE 10. FUNDS AND ACCOUNTING**

10.1 The use of foundation funds is restricted to charitable purposes and necessary administrative expenses. Administrative expenses shall be kept as low as reasonably possible.

10.2 The foundation board will adopt an annual budget of estimated income and expenses and of planned distributions for charitable purposes.

10.3 The foundation's financial records will be examined annually by either (a) a qualified accounting firm; or (b) a standing financial review committee appointed for that purpose, as provided in foundation policy. The foundation's accounting records will be available for inspection by the accounting firm or the committee and, upon request, by the foundation president or board. A written report of the annual financial examination will be submitted to the foundation board.

10.4 If a financial review committee is utilized, it should be composed of two or more foundation members in good standing with financial or accounting experience, excluding any foundation board members. Selection of the committee members will be determined by vote of the foundation board. Their term will be for one year each, October 1 – September 30. It is recommended that no person serve more than three (3) consecutive terms. The examination should include, but not be limited to, bank reconciliations, income, disbursements, budgets, balance sheets and income and expense statements for bank accounts, budgets, and any other financial records or reports of the foundation.

10.5 The foundation board determines the official depository/ies of foundation funds and designates the person(s) authorized to pay foundation charges.

10.6 If this foundation ceases operations for any reason, the foundation board will provide for proper distribution of foundation funds or other assets, in accordance with its Articles of Incorporation and applicable law. Funds or assets not otherwise designated will be transmitted to the Kiwanis Children's Fund or the district foundation.

#### **ARTICLE 11. AUTHORITIES**

11.1 The foundation's bylaws and policies will comply with all applicable laws in its local jurisdiction.

11.2 For authority on all matters not covered by these bylaws, the following authorities and documents

will apply, in this order of priority:

- First – Laws and regulations of the State of Washington
- Second—Kiwanis International bylaws;
- Third—Kiwanis International policies and procedures;
- Fourth—*Robert's Rules of Order Newly Revised* (latest edition) for matters of parliamentary procedure

**ARTICLE 12. BYLAWS AND POLICIES**

12.1 This foundation will incorporate or register as required by law with the proper government authority (ies) upon formation and maintain such incorporation or registration.

12.2 These bylaws will be amended to comply with the Club Foundation Bylaws Template, as approved now or in the future by Kiwanis International. They may also be amended as necessary to comply with the laws of local jurisdiction. Amendments may be adopted by two-thirds (2/3) vote of the foundation members present and voting or by a majority vote of the foundation board, provided at least fourteen (14) days previous notice is given to the members or board. These bylaws and any amendments thereto are not effective unless approved by Kiwanis International.

12.3 If any provision of these bylaws is determined to be invalid, all other provisions will remain in effect.

12.4 The foundation board will adopt and maintain the mandatory policies required by Kiwanis International. [See attached.] The foundation board may adopt additional policies, provided they are not in contravention of the laws of the State of Washington, laws of the local jurisdiction, these bylaws, Kiwanis International Bylaws or Policies, and any district or regional bylaws that may apply. Policies may be adopted by at least a majority vote of the foundation board members present and voting, provided at least fourteen (14) days previous notice is given to the board members.

**CERTIFICATION OF BYLAWS APPROVAL**

These bylaws were adopted or last amended at a meeting of the club foundation board held on [date] April 15, 2021 in accordance with Section 12.2 of the foundation bylaws.

**GREATER KINGSTON FOUNDATION BYLAWS ADOPTION**

**KIWANIS INTERNATIONAL APPROVAL**

Date adopted by the foundation:

Date approved by Kiwanis International

April 15, 2021

Foundation President or Secretary:

By:

Robert I Shoaf

Robert I Shoaf, Foundation President

**MANDATORY POLICIES  
GREATER KINGSTON KIWANIS FOUNDATION**

Section 12.4 of the Greater Kingston Kiwanis Foundation bylaws provides, “The foundation will adopt and maintain the mandatory policies required by Kiwanis International.”

*Complete Policy A, then submit Policies A-I to Kiwanis International for approval with the club foundation’s bylaws.*

**NOTE: If your foundation needs more information or clarification on any policies, contact the Kiwanis Children’s Fund: [childrensfund@kiwanis.org](mailto:childrensfund@kiwanis.org) or 317.875.8755, ext. 254 (or 317.217.6254 direct) [www.kiwanischildrensfund.org](http://www.kiwanischildrensfund.org)**

**POLICY A. ANNUAL FINANCIAL REVIEW**

To perform its annual financial examination as stated in the bylaws, this club foundation shall: ***[check one of the following]***

1.  Hire a qualified accounting firm\*; or
2.  Have a standing financial review committee composed of two or more qualified\*\* foundation members, excluding any board members. Selection of the members will be determined by vote of the ***[check one of the following]***  foundation board or  foundation membership. Committee members’ terms shall be for one year each, October 1 – September 30. It is recommended that no person serve more than three (3) consecutive terms.

**POLICY B. INVESTMENTS**

This foundation will have an investment policy governing the management of permanent funds. Such policy shall be created and maintained in consultation with the foundation’s investment advisor and adjusted from time to time as may be advisable upon agreement by both parties. A copy of the most recent policy shall be retained by both the foundation and its investment advisor.

**POLICY C. GIFT ACCEPTANCE**

This club foundation shall adhere to the following principles regarding the acceptance of prospective gifts:

1. A gift shall not be accepted by the foundation unless there is a reasonable expectation that acceptance of the gift will support the foundation’s mission.
2. Any gift accepted by the foundation must be used for the purpose designated by the donor.
3. The foundation officers may refuse a gift that would encumber the foundation (such as property with environmental issues or property that would be difficult to sell).
4. A gift shall not be accepted by the foundation if such acceptance would not be in the best interest of the donor. The foundation may assume proposed gifts will be in the best interests of the donor, unless donor provided information or public information indicates a need to examine the issue. If an examination is deemed necessary, a determination of the donor’s “interest” shall include, but not be limited to, the donor’s financial situation and philanthropic interests, as

well as any tax or other legal matters revealed while planning for a gift. The foundation shall not encourage any gifts that are inappropriate in light of the donor's personal or financial situations. In certain unique cases, a gift may be considered inappropriate due to particular restrictions imposed by the donor. By its very definition, a gift cannot be associated with a private benefit that would jeopardize the charitable contribution deduction under Internal Revenue Code Section 170 if the donor and beneficiary of the restriction have less than an arms-length relationship. . There must be a distance between the donor and recipient such that the recipient does not receive benefits that are otherwise not available to those of similar status and interest. For example, in the capacity of donor, an individual cannot subsidize his/her own salary, travel funds, or fringe benefits.

The Greater Kingston Kiwanis Club Foundation assumes no responsibility or liability to donors, regarding whether their donations are in their best interests. Donors are ultimately responsible for ensuring that the proposed gift furthers their personal charitable, financial, and estate planning goals. The foundation does not provide legal, accounting, tax, or other advice to prospective donors.

#### **POLICY D. DONOR'S INTEREST**

The interest of the donor shall have priority over the interest of the foundation. No program, trust agreement, or contractor commitment will be urged upon any donor or prospective donor that shall benefit the foundation to the detriment of the donor's interest. The foundation will seek to exercise extreme caution against the use of any high-pressure techniques when working with prospective donors. Any employees charged with administering or promoting deferred gifts shall be paid a salary or retained on a per-diem basis or an annual basis and shall not receive any commission that might give them an undesirable personal interest in any agreement.

#### **POLICY E. DONORS' RIGHTS**

All foundation donors have the following rights:

1. To be informed of the foundation's mission, of the way it intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To know the identity of those serving on the foundation board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the foundation's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgement and recognition.
6. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To know whether those seeking donations are volunteers, employees of the foundation, or hired solicitors.
9. To have that the foundation does not share their donor mailing list with any other organization.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.



## **POLICY F. DONOR PRIVACY**

To help protect donors' online privacy, the foundation will keep email addresses, telephone numbers, mailing addresses and other information secure by using password-protected areas and restricted access. Donor information is strictly confidential and is not shared outside the foundation under any circumstances. Donor information will never be sold to another organization or vendor. Donors may contact the foundation to review the personal information the foundation has collected on them or to request corrections.

## **POLICY G. REQUEST TO EXAMINE RECORDS**

Upon written request, a donor shall have the right to examine in person or by agent, at any reasonable time for any proper purpose, the foundation's books, papers, records of account, minutes, and records of donations, and shall have the right to make copies at the donor's expense.

## **POLICY H. PROTECTION OF WHISTLE BLOWERS**

If the foundation has employees, it shall provide an avenue for employees to raise concerns in good faith ("whistle blowers") with the assurance that they will be protected from reprisals or retaliation for raising those concerns.

## **POLICY I. DOCUMENT RETENTION AND DESTRUCTION**

The foundation shall comply with document retention and destruction processes for paper and electronic records relating to foundation operations, in compliance with required practices and accepted standards for the subject area the documents or records pertain to (i.e., donor records, employment, finance, tax, legal, board actions, etc.).

Because it is a crime in the U.S. and many other nations to alter, cover up, falsify, or destroy any document or records with the intent of obstructing current or potential legal proceedings, all foundation board members, staff (if any), and volunteers should especially be aware of and comply with applicable laws regarding the preservation and provision of documents in the event of legal proceedings.

## **POLICY J. CONFLICT OF INTEREST**

### **J.1 - Definitions**

- A. Foundation:** "Foundation" in this procedure means "the Greater Kingston Kiwanis Club Foundation."
- B. Interested Person:** Any foundation officer or member of a committee with board-delegated powers or foundation staff person who has a direct or indirect "financial interest" as defined below is an "interested person."
- C. 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 any entity with which the foundation has a transaction or arrangement;
2. A compensation arrangement with the foundation or with any entity or individual with which the foundation has a transaction or arrangement; or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the foundation is negotiating a transaction or arrangement.

**Compensation** includes direct and indirect remuneration, as well as gifts or favors that are substantial in nature.

**NOTE:** 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 foundation board decides that a conflict of interest exists.

## **J.2 - Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence and nature of the financial interest and be given the opportunity to disclose all material facts to the foundation board.

## **J.3 - Addressing a Potential Conflict of Interest**

- A.** An interested person may make a presentation to the foundation board at a board meeting, in writing or in person; if in person, after the presentation, he/she shall leave the meeting while the possible conflict of interest is discussed and voted upon.
- B.** The foundation board shall determine whether a conflict of interest exists, and, if a conflict does exist, shall determine alternatives to the proposed transaction or arrangement which, with reasonable efforts, would not give rise to a conflict of interest. However, if appropriate, the board may appoint an investigation committee composed of one or more disinterested persons to investigate the matter, which shall, after due diligence, report its findings and recommendation to the board.
- C.** If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not produce a conflict of interest, the foundation board shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in the foundation'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.

## **J.4 - Violations**

- A.** If the foundation board or investigation committee has reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, it shall inform the interested person of the basis for such belief and afford him/her an opportunity to explain the alleged failure to disclose.

- B. If, after hearing the interested person's response and after making further investigation as warranted by the circumstances, the foundation board or investigation committee determines the interested person has failed to disclose an actual or possible conflict of interest; the foundation board shall take appropriate disciplinary and corrective action.

#### **J.5 - Records of Proceedings**

The confidential record of the foundation board meeting and investigation committee meeting (if any) shall contain:

- The names of the interested persons who disclosed or otherwise was 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 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;
- Recommendation(s) of the investigation committee;
- Any votes taken in connection with the proceedings; and
- The foundation board's decision as to whether a conflict of interest in fact existed and disciplinary action taken (if any).

#### **J.6 - Compensation**

- A. A voting member of the foundation board who receives compensation, directly or indirectly, from the foundation for services is precluded from voting on matters pertaining to that member's compensation.
- B. A voting member of a committee with board-delegated responsibilities or powers whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the foundation for services is precluded from voting on matters pertaining to that member's compensation.
- C. No voting member of the foundation board or a committee with board-delegated responsibilities or powers whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the foundation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

#### **J.7 - Annual Statements**

Each interested person shall annually sign a statement that affirms such person:

- A. Has received a copy of this conflict of interest policy;
- B. Has read and understands the policy;
- C. Has agreed to comply with the policy;
- D. Has identified in writing any potential conflict of interest; and
- E. Understands the foundation is charitable and, in order to maintain its federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

**J.8 - Periodic Review**

To ensure the foundation 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, which shall include, at a minimum, include the following subjects:

- A. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm’s length bargaining.
- B. Whether any joint venture arrangements or other transactions involving the foundation (including but not limited to agreements to provide or to purchase goods or services) have resulted in private inurement or impermissible private benefit.

**J.9 - Use of Outside Experts**

When conducting periodic reviews, the foundation may, but need not, use outside advisors. The use of outside experts shall not relieve the foundation board of its responsibility for ensuring that periodic reviews are conducted.

**OPTIONAL CLUB FOUNDATION POLICIES**

NONE

**CERTIFICATION OF POLICIES APPROVAL**

These policies were adopted or last amended at a meeting of the club foundation board held on [date]\_\_\_\_\_ in accordance with Section 12.4 of the foundation bylaws.

<b>CLUB FOUNDATION POLICIES ADOPTION</b>	<b>KIWANIS INTERNATIONAL APPROVAL</b>
Date adopted by the foundation:  _____	Date approved by Kiwanis International  _____
Foundation President or Secretary:  _____	By:  _____