

Kidz Konnect 4 Jesus, INC

Conflict of Interest Policy

Version 2.1



Matt Jones
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1 Document Control

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2 Purpose

The purpose of the conflict of interest policy is to protect KIDZ KONNECT 4 JESUS, INC. (the “Organization”) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a member, officer, director, or key employee of the Organization or might result in a possible excess benefit transaction. The fundamental principles are full disclosure of potential conflicts of interest, abstention of the interested person from any action by or on behalf of the Organization where a conflict exists, and the making of all such decisions solely on the basis of the best interests 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.

3 Definitions

3.1 Interested Person

Any member, director, principal officer, key employee, 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.

3.2 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 Organization has a transaction or arrangement.
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization 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 Organization is negotiating a transaction or arrangement.

3.3 Compensation

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

3.4 Conflict of interest

A financial interest is not necessarily a conflict of interest. Under Section 4.2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

4 Procedures

4.1 Duty to Disclose

It is the policy of the Organization to assure that any conflicts of interest or potential conflicts of interest are fully disclosed to the Board of Directors (the “board”) or relevant committee before a decision is made or before the Organization enters into a proposed transaction. In connection with any actual or possible conflict of interest, an interested person must fully disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the members of the governing board and the members of committees with governing board delegated powers considering the proposed transaction or arrangement. It shall be the continuing responsibility of the all directors and officers to review their outside business or professional interests, personal interests, and family and other relationships for actual or potential conflicts of interest with respect to the Organization, and where such conflicts exist or arise, to immediately disclose to the board the nature of the interest or relationship.

4.2 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, he/she 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. For purposes of this policy, the following financial interests shall not be deemed to be or create a conflict of interest: checking, savings or investment accounts, individual retirement accounts, pension or retirement plan accounts or payments, or loans of an interested person that are held retail business with the general public where the interested person receives no more favorable treatment than is available to the public or other non-interested persons.

4.3 Procedures for Addressing the Conflict of Interest

An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the

discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

1. In the event all members of the governing board or committee are interested persons, the governing board or committee shall obtain and examine comparable data on all proposed transactions or arrangements involving the possible conflict of interest.
2. In the event all members of the governing board or committee are the spouse or descendants of Grandfather Founder or are the spouses of descendants of Grandfather Founder, the governing board or committee shall obtain and examine comparable data on all proposed transactions or arrangements involving the possible conflict of interest.
3. 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.
4. 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.
5. 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 members, directors, or committee members 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.

4.4 Violations of the Conflicts 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.

5 Records of Proceedings

The minutes of the governing board and all 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 any votes taken in connection with the proceedings.

6 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 any committee 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 any committee 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 any committee regarding compensation.

7 Annual Statements

Each member, 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.

8 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.

9 Use of Outside Experts

When conducting the periodic reviews as provided for in Article 7, the Organizations 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.



Director and Officer Annual Conflict of Interest Statement KIDZ KONNECT 4 JESUS, INC

Name:		Fiscal Year:	
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Position:			
Voting Director?	Yes:		No:
Officer?	Yes:		No:
If Officer, list position:			

I affirm the following:	
I have received a copy of the Kidz Konnect 4 Jesus, INC. Conflict of Interest Policy.	Initial: <input style="width: 20px;" type="text"/>
I have read and understand the policy.	Initial: <input style="width: 20px;" type="text"/>
I agree to comply with the policy.	Initial: <input style="width: 20px;" type="text"/>
I understand that Kidz Konnect 4 Jesus, INC. is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of tax-exempt purposes.	Initial: <input style="width: 20px;" type="text"/>

Name:		Fiscal Year:	
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Disclosure of Business Transactions:			
<i>For this section you do not have to report any Business Transaction that involved payment equal to \$10,000 or less.</i>			
Did you, or did a Family Member, engage in new or ongoing Business Transactions with the Corporation during the Reporting Period?	Yes:		No:
Did an entity in which you (together with other directors of the Corporation and any related Family Members) have an ownership interest exceeding 35%, engage in a Business Transaction with the Corporation during the Reporting Period?	Yes:		No:
Did an entity (other than a 501(c) tax-exempt entity) in which you served during the Reporting Period as an officer, director, trustee, key employee, partner, member or shareholder, engage in a Business Transaction with the Corporation during the Reporting Period?	Yes:		No:
<i>If you answered "Yes" to any of these questions please complete the Disclosure of Business Transactions Table on the next page.</i>			

Name:		Fiscal Year:	
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Disclosure of Family & Business relationships:

For this section you only have to disclose that a relationship to another Director exists. You do not have to provide details as to the nature of that relationship. You do not have to disclose any privileged relationships (i.e. attorney-client, doctor-patient, and clergy-communicant). You do not have to report any Business Transaction that involved payment equal to \$10,000 or less.

At any time in the Reporting Period was any other director of the Corporation a Family Member	Yes:		No:	
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If "Yes" please provide:

Family Member Name	Position held by Family Member	Relationship to you

At any time in the Reporting Period were you employed by any other Director of the Corporation, or were you an employee of any outside entity as to which another director was a trustee, director, officer, key employee or greater than 35% owner?	Yes:		No:	
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If "Yes" please provide:

Employer Name	Name of person connected to Corporation and outside employer

Name:		Fiscal Year:	
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Disclosure of Family & Business relationships (continued):			
At any time in the Reporting Period did you engage in a Business Transaction with another Director of the Corporation? This includes any indirect Business Transactions where you or the other Director is a trustee, director, officer, key employee or greater than 35% owner.		Yes:	No:
If "Yes" please provide:			
Other Director Involved	Type of transaction	Any Amounts Paid	
At any time in the Reporting Period did you and any other Director of the Corporation serve in the same business or investment entity as a director, trustee, officer, key employee or greater than 10% owner?		Yes:	No:
If "Yes" please provide:			
Other Business or Investment entity	Other Director Involved	Other Director's relationship to entity	Your relationship to entity

Name:		Fiscal Year:	
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Disclosure of Grants and Assistance:			
Did you or did an entity in which you have an ownership interest or did any Family Member receive any Grant or Other Assistance from your Entity during the Reporting Period.	Yes:		No:
If "Yes" please provide:			
Name of Recipient	Relationship of recipient to you (including ownership percentage if recipient is an entity)	Description of Grant or Other Assistance	Estimated Value

Sign:		Date:	
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Definitions for the purposes of this questionnaire:

- a) **"Business Transaction"** means a sale contract, lease, license, service agreement, joint venture (with interests above 10%) or similar type of agreement or arrangement. This includes the provision of employment or independent contractor services. Individual payments made under the same contract are treated as a single Business Transaction. A transaction that began before the reporting period commenced but included payments in the Reporting Period is treated as a Business Transaction.
- b) **"Corporation"** means KIDZ KONNECT 4 JESUS, INC.
- c) **"Family Member"** means, as applicable; your spouse, your brothers or sisters (by blood, adoption or marriage); your ancestors; your children and grandchildren; and spouses of your brothers, sisters, children and grandchildren.
- d) **"Grants or Other Assistance"** means awards, prizes, scholarships, fellowships, internships and other types of assistance (whether in the form of cash, services, goods, or use of facilities), provided but the Corporation. Do not include services provided to the Corporation of equal value.
- e) **"Reporting Period"** means the Fiscal Year listed at the top of the questionnaire