Conflict of Interest Policy

Adopted By: The Board of Directors of The Youth Peace & Justice Foundation/The Uvalde Foundation For Kids

Effective Date: January 1, 2025

1. Purpose

The purpose of this Conflict of Interest Policy is to protect the interests of the Youth Peace & Justice Foundation/The Uvalde Foundation For Kids (the "Organization") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or key employee, or result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest.

2. Definitions

A. Interested Person: Any director, officer, or key employee who has a direct or indirect financial interest in an arrangement or transaction with the Organization.

B. Financial Interest: A person has a financial interest if they, their spouse, domestic partner, child, or a related party, has:

1. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement.
2. A compensation arrangement with any entity or individual with which the Organization has a transaction or arrangement.
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. Procedure for Disclosing and Handling Conflicts

A. Duty to Disclose

Any Interested Person must disclose the existence of any Financial Interest to the Board of Directors or the appropriate committee, and must be completely candid and truthful in making such disclosure.

B. Determining a Conflict

After disclosure of the Financial Interest, the Board or committee shall determine if a conflict of interest exists.

C. Addressing the Conflict

If the Board or committee determines that a Conflict of Interest exists, the following steps must be taken:

1. **Interested Party Recusal:** The Interested Person shall not be present during the Board or committee's discussion or vote on the transaction or arrangement that could give rise to the conflict.
2. **Documentation:** The minutes of the Board or committee meeting must clearly document:
    - The nature of the disclosure made by the Interested Person.
    - The names of the persons who were present for the discussion and vote.
    - The action taken regarding the transaction, including the vote count.
    - The basis for the Board's or committee's decision, including documentation that the transaction was fair, reasonable, and in the Organization's best interest (e.g., through competitive bids or comparison to similar market rates).

4. Annual Statements

Every director, officer, and key employee must annually sign a statement affirming that they:

1. Have received, read, and understand this Conflict of Interest Policy.
2. Have agreed to comply with the terms of the policy.
3. Have disclosed all known potential or actual conflicts of interest.

5. Violation of the Policy

If the Board has reasonable cause to believe a person has failed to disclose an actual or possible conflict of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

If, after hearing the person's response and after making further investigation as warranted, the Board determines that the person has violated the policy, it shall take appropriate disciplinary and corrective action, up to and including removal from their position or termination of employment.