

KIDS' CHANCE OF MISSOURI

Conflict of Interest Policy

Statement of Policy

As a matter of fundamental principle, the nonprofit and philanthropic community should adhere to the highest ethical standards, because it is the right and honorable thing to do. As a matter of pragmatic self-interest, the non-profit community should do so because public trust in our performance is the bedrock of our legitimacy. Donors and volunteers support charitable organizations, like Kids' Chance of Missouri, because they trust them to carry out their missions, to be good stewards of their resources, and to uphold rigorous standards of conduct.

The Board of Directors and Officers of Kids' Chance of Missouri believe in the importance of individual and private philanthropy. We believe that both the needs of charity and of the public are best served if the principles, which guide the management of this body, are openly expressed and fairly followed.

Fundamental to fair relationships with grantees and in handling the funds entrusted to our stewardship are the maintenance of high objectives of truthfulness, integrity and freedom from self-dealing. While the Tax Reform Act of 1969 and the Sarbanes-Oxley Act of 2002 set forth certain useful prohibitions to be followed by private foundations and their management in respect to self-dealing, investments, and non-participation in political campaigns and political issues, there remain numerous grey areas and areas wholly untouched by the tax laws and by current laws relating to non-profit organizations. A code of ethics is, by necessity, general in outlining broad ethical principles. It is not a detailed set of recommended practices on every specific area or issue. As such, this Code of Ethics endeavors to provide guidelines in those grey areas or issues for guidance of this body to be followed by the Directors, Officers, Employees and Agents.

The basic principle and policy is to avoid conflicts of interest between the objectives and needs of the charitable purposes and operation of Kids' Chance of Missouri and the personal, business or other needs of the individual Director or Officer or of other organizations with which they may be affiliated in an official, policy-making or profit-making capacity.

Definitions

Conflicts of interest consist of direct or indirect relationships or obligations, either business or voluntary, which may impair the independence of judgment of a Director or Officer in the exercise of his duties or judgment relating to Kids' Chance of Missouri or its affairs. They are not limited to financial interest or legal obligations, but also extend to duties of loyalty and trust. Excluded are attorney/client, physician/patient or accountant/

client privilege or similar relationships.

Disclosure is declaring on the written record of a meeting or by appropriate written disclosure statements, which are available to the other Directors, Officers and the public, the existence of relations or obligations which might give rise to conflicts of interest in the exercise of their duties or judgment relating to Kids' Chance of Missouri.

Abstention is the recorded non-participation in the consideration and in the voting on matters relating to which the Director or Officer may have a conflict of interest. Absence from the meeting or withdrawal from the meeting shall be deemed abstention if done before discussion on the matter.

He or his also mean she or hers interchangeably.

Code of Conduct

1. No Director, Officer, Employee or Agent of Kids' Chance of America, Inc., or member of his family will accept employment, representation, officership or a policy position with any organization or activity, which has financial or supplier relations with Kids' Chance of Missouri, unless:

- a. The relationship is fully disclosed to the membership; and
- b. The individual discloses the potential interest or obligation, if any, he or his organization has in any transaction immediately pending before the membership (whether or not adverse to the proposed transaction) and thereafter abstains from participation in consideration and voting on the matter; and
- c. Proposed or existing relationships are reviewed with the Board of Directors, or (where decision is necessary in the interim) with the Executive Committee, at such time as it becomes apparent a conflict of interest may be involved.

2. No Director, Officer, Employee or Agent of Kids' Chance of Missouri, shall accept employment, part-time employment or paid remuneration for services or consultation which will impair his independence of judgment in the exercise of duties for the membership. If he has doubt about the propriety of such employment, an advisory opinion should be sought from the Executive Committee or the Board of Directors, as time may permit, and the circumstances placed on the record. In evaluating whether to accept such employment or services, the appearance of conflict of interest, as well as the reality of such conflict should be considered.

3. Directors, Officers, Employees and Agents shall abstain from personal investments of money or of time in enterprises for profit, which they have reason to believe may be directly involved in decisions to be made by them relevant to Kids' Chance of Missouri's affairs unless periodic disclosure of the investment or time be made to the membership on

call of the Secretary, or in the case of Agents, at the time of their retention.

4. The acceptance of entertainment, meals or gratuities of any amount from grantees, prospective grantees or their directors or officers while on Kids' Chance of Missouri business or while grant requests are pending before the membership or while an organization is in the status of a grantee should be carefully avoided as tending to create the appearance of conflict of interest in the eyes of competing prospective grantees and the public.