



Conflict of Interest and Compensation Policy

Dated March 20, 2025

A. PURPOSE

1. The purpose of this **Conflict of Interest and Compensation Policy** (the "Policy") is to protect RPNC's interests when considering actions or transactions that could:
 - Provide a **private benefit** to a director, officer, or key person.
 - Result in the **payment of excessive compensation** to a director, officer, or key person; or
 - Otherwise violate **state or federal laws** governing nonprofit conflicts of interest.
2. As a **charitable nonprofit organization**, RPNC is accountable to both **government agencies and the public** to ensure the responsible and ethical use of its resources. Directors, officers, and employees have a **fiduciary duty** to act in RPNC's best interests and may not use their positions for personal financial gain.
3. **Conflicts of interest must be taken seriously**, as they can damage RPNC's credibility and expose the organization and its affiliated individuals to legal liability. Even the **appearance** of a conflict of interest should be avoided to maintain public trust.

B. SCOPE OF POLICY

This policy applies to all **directors, officers, and key persons** of RPNC (collectively referred to as "you").

C. IDENTIFYING CONFLICTS OF INTEREST

1. What Constitutes a Conflict of Interest?

A conflict of interest arises when a director, officer, or key person—or their **relative or business entity**—has:

- A **financial interest** in an action RPNC takes or a transaction RPNC enters; or
- Another interest that **impairs, or could be perceived to impair**, their ability to make impartial decisions in RPNC's best interest.

2. Examples of Potential Conflicts of Interest

Conflicts of interest may arise in many situations, including when a director, officer, or key person (or their relative or business entity):

- **Has an ownership or financial interest** in a third party that RPNC does business with or is considering working with.
- **Serves on the board of, manages, is employed by, or volunteers with** an organization RPNC collaborates with or competes against.

- **Receives or expects to receive** compensation, commissions, or financial benefits from an RPNC transaction.
- **Receives personal gifts, favors, or loans** from individuals or businesses engaged with RPNC.
- **Competes with RPNC** for funding, grants, or contracts.
- **Has a close personal or business relationship** with an individual involved in an RPNC transaction.
- **Seeks to personally benefit** from a decision RPNC is considering.

If you are uncertain whether a situation presents a conflict of interest, **err on the side of caution** and disclose it as outlined in Section D.

3. Not All Potential Conflicts Are Conflicts of Interest

A **potential** conflict does not automatically constitute a **conflict of interest**. A conflict is determined only when the **Audit Committee** evaluates the situation, per Section E.

D. DISCLOSING POTENTIAL CONFLICTS OF INTEREST

1. **Timely Disclosure:**
 - You must **disclose any potential conflicts of interest** as soon as you become aware of them, and **before taking any action** related to the matter.
 - Disclosures must be made in **writing** to the **Audit Committee**, detailing all relevant facts.
2. **Annual Disclosure Statement:**
 - All directors and key persons must **submit an annual conflict of interest disclosure** in the form attached to this policy.
 - New directors must complete this disclosure **before their election to the board**.

E. DETERMINING WHETHER A CONFLICT EXISTS

1. After reviewing a disclosed potential conflict and gathering relevant information, the **Audit Committee** will determine whether an **actual conflict of interest** exists.
2. The involved director, officer, or key person:
 - **May not be present** during the deliberation or vote on the matter.
 - **Must not attempt to improperly influence** the decision-making process.
3. A conflict of interest exists if the **transaction or action** raises concerns of **bias, misuse of assets, or impropriety**.
4. **Related Party Transactions** (where an RPNC officer or director has a financial interest) are automatically deemed **conflicts of interest** and must be referred to by the Board of Directors.

F. PROCEDURES FOR ADDRESSING CONFLICTS OF INTEREST

1. If the **Board of Directors** is reviewing a conflict-of-interest matter:
 - The conflicted individual may **provide information** but **cannot participate** in deliberations or votes.
2. **Additional Rules for Related Party Transactions:**
 - RPNC **may not** enter a **related party transaction** unless the Board determines it is **fair, reasonable, and in RPNC's best interest**.
 - If the related party has a **substantial financial interest**, the Board must:
 - Consider **alternative transactions** when possible.

- Approve the transaction by a **majority vote** of directors present.
- **Document the decision**, including alternatives considered and justifications for approval.

G. RECORDKEEPING REQUIREMENTS

Meeting minutes must document:

- The **nature of the conflict** and the conflicted individual's involvement.
- The Board's **decision and reasoning** regarding the conflict.
- Any **alternative transactions** considered.
- The **vote results** if a related party transaction is approved.

H. PROHIBITED CONDUCT

1. Self-Dealing

No board member, officer, employee, or related party may improperly benefit from RPNC resources.

2. Use of Insider Information

Confidential information obtained through RPNC may **not** be used for personal gain.

3. Preferential Treatment

No individual or entity may receive **special benefits** in RPNC's decisions due to personal relationships.

4. Improper Compensation

- **Board members and voting officers cannot receive compensation** for their service, except as permitted by law.
- Compensation must be **reasonable, justified, and IRS-compliant**.

5. Retaliation for Reporting

No individual may be retaliated against for **reporting** a suspected conflict of interest or misconduct.

6. Fraud, Dishonesty, or Criminal Conduct

Engaging in fraud or illegal activity will result in **disciplinary action**, including possible removal.

I. COMPENSATION PROCEDURES

1. No individual may **be present for or vote on** their own compensation or that of a relative.
2. **Compensation for Key Persons** must be:
 - **Pre-approved** by the Board or an authorized committee.
 - Based on **comparative data** (e.g., industry benchmarks, IRS guidelines).

- Fully **documented**, including:
 - The decision-making process.
 - Justification for compensation levels.
 - Votes cast and support financial data.

_____ **End of Policy** _____

By signing below, I affirm that:

1. I have received and read a copy of the Conflict of Interest and Compensation Policy.
2. I agree to comply with the policy.
3. I have no actual or potential conflicts as defined by the policy or if I have, I have previously disclosed them as required by the policy or am disclosing them below.

Name	Title	Signature	Date
Andrea Fisher	Board Chairperson	<div><div>Signed by:</div><div>Andrea Fisher</div><div>63AEE3C0822C48F...</div></div>	03/20/2025
Lamar Porter	Board Director	<div><div>Signed by:</div><div>Lamar Porter</div><div>3A74814D56804F6...</div></div>	03/20/2025
Brent Lewis	Board Director	<div><div>Charles B Lewis</div><div><div>Digitally signed by Charles B Lewis</div><div>DN: cn=Charles B Lewis, o=US United States, ou=US United States, ou=TRC, ou=DEG, email=charles@rallypoint.com</div><div>Reason: I agree to the terms defined by the placement of my signature in this document</div><div>Location:</div><div>Date: 2025-03-21 07:09:45:00</div></div></div>	03/20/2025
Ronald Redding	Board Director	<div><div>Signed by:</div><div>Ronald W Redding</div><div>57F942930CC84F9...</div></div>	03/20/2025
Sarah Gumm	Board Director	<div><div>Signed by:</div><div>Sarah Gumm</div><div>A79D94CCE8AF487...</div></div>	03/20/2025

I, **Jeff Watts, Founder & Executive Director**, acknowledge receipt of the adopted policy of Rally Point Nonprofit Council and agree to operate in accordance with its provisions.

Jeff Watts	Executive Director	Jeffery A Watts	03/20/2025
		<div><div>Digitally signed by Jeffery A Watts</div><div>DN: cn=Jeffery A Watts, o=US United States, ou=US United States, email=jeff@rallypoint.com</div><div>Reason: I am the author of this document</div><div>Location: Benton, AR</div><div>Date: 2025-03-21 11:36:05:00</div></div>	