
DENVER PET PARTNERS – POLICY STATEMENT

CONFLICT OF INTEREST POLICY

PURPOSE

The purpose of this Conflict of Interest Policy is to protect the interests of Denver Pet Partners (DPP) when it is contemplating taking an action or making a decision that may benefit the private interest of a Responsible Person or Related Party (defined below). The standards set forth in this Policy are guiding principles, which must be used along with one’s good judgment, for handling these situations.

This Policy is intended to supplement, but not replace, federal and state laws governing conflicts of interest applicable to nonprofit corporations. However, nothing in this Policy will be deemed to cause a transaction or arrangement to be or become void or voidable if the transaction or arrangement is not otherwise void or voidable under those laws.

DEFINITIONS

Conflict of Interest. A “Conflict of Interest” occurs when a Responsible Person’s private interest interferes in any way – or even appears to interfere – with the interest of Denver Pet Partners as a whole. Therefore, a Conflict of Interest may arise when a Responsible Person or a Related Party receives an improper personal benefit (financial or otherwise) as a result of the Responsible Person’s position with Denver Pet Partners. It may also arise, however, when a Responsible Person or a Related Party takes an action or has an interest that may make it difficult for the Responsible Person to perform his or her work for Denver Pet Partners objectively and effectively, even if there is no improper personal benefit.

The following are examples of situations in which a Conflict of Interest may arise. The examples are not exhaustive, however, and each Responsible Person has a duty to identify any other situation in which he or she may be unable to act in the best interests of Denver Pet Partners.

- i. Denver Pet Partners enters into a contract, transaction or financial relationship of any kind with a Responsible Person or a Related Party, including, without limitation, (i) the supply of goods or services; (ii) the lease of property or equipment; (iii) the purchase or sale of real estate, securities or other property; (iv) the making of a gift or grant; and (v) the extension or receipt of credit.
- ii. A Responsible Person or a Related Party obtains a non-financial benefit that would not be available absent the Responsible Person’s relationship with Denver Pet Partners, such as (i) preferential treatment by Denver Pet Partners, or (ii) access to or use of nonpublic information obtained from Denver Pet Partners for personal benefit, or (iii) adoption by Denver Pet Partners of a policy that provides significant personal benefits..

- iii. A Responsible Person takes for himself or herself, or another person, a “corporate opportunity” (i.e., a venture, activity, investment, property or idea) that he or she has reason to believe Denver Pet Partners would have a legitimate interest in pursuing. A “corporate opportunity” includes when a Responsible Person competes, prepares to compete or assists others in competing with Denver Pet Partners in providing services to, procuring funding from or entering into a contract, transaction or financial relationship with a third party.
- iv. A Responsible Person accepts gifts, entertainment or other favors from any individual or entity that (i) does or is seeking to do business with Denver Pet Partners, or (ii) has received, is receiving or is seeking to receive a grant or loan or to secure other financial commitments from Denver Pet Partners, under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value.

Responsible Person. A responsible person includes any director, officer, volunteer, member of a committee with board-delegated powers of Denver Pet Partners, and all DPP volunteers.

Related Party. A “Related Party” includes the following relationships:

- A Family Member (as defined below) of a Responsible Person;
- Any organization (whether for-profit or nonprofit) in which a Responsible Person or a Family Member serves as an officer, director, trustee or general partner (or in similar capacity), whether paid or unpaid;
- Any organization (whether for-profit or nonprofit) in which a Responsible Person or a Related Party has a Material Financial Interest; and
- Any estate or trust in which a Responsible Person or a Related Party has a beneficial interest.

Family Member. A Family Member of a Responsible Person includes his or her (i) spouse or domestic partner, (ii) descendants and their spouses or domestic partners, (iii) ancestors and their spouses or domestic partners, and (iv) siblings and their spouses or domestic partners and descendants, in each case, whether by blood, marriage or adoption.

Material Financial Interest. A Material Financial Interest includes any financial interest that, in view of all the circumstances, could call into question the objectivity of the Responsible Person with respect to the matter to be decided, including, without limitation: (i) an ownership or investment interest (or potential interest) in the organization; (ii) a compensation arrangement (or potential arrangement) with the organization (including, without limitation, as employee or agent or representative of the organization); and (iii) the receipt of gifts, entertainment, favors, grants or loans from the organization that are substantial in nature.

POLICY AND PROCEDURES

General Policy on Conflicts of Interest. Denver Pet Partners recognizes that the interests of Responsible Persons will inevitably involve them in organizations and endeavors that intersect with the affairs of Denver Pet Partners. It is not the intention of Denver Pet Partners to deprive itself of the participation of these individuals in the affairs of Denver Pet Partners, but rather, to set forth guidelines to ensure that their participation does not impair the fairness or integrity of the decision-making process.

Disclosure of Apparent or Actual Conflict of Interest. Each Responsible Person has a continuing obligation to (i) scrutinize his or her interests, positions and relationships, both direct and indirect, to identify any Conflict of Interest, and (ii) disclose the Conflict of Interest as soon as it is known. Disclosure is required annually (see “Annual Statements and Disclosure”), and whenever a Responsible Person becomes aware of a Conflict of Interest that has not previously been disclosed.

Approval of a Matter Involving a Conflict of Interest. If a Responsible Person has a Conflict of Interest with respect to a particular matter to be acted upon by Denver Pet Partners:

- He or she must disclose to those charged with making the decision on behalf of Denver Pet Partners all facts material to the Conflict of Interest and any material facts that bear on the decision from the standpoint of Denver Pet Partners, prior to Denver Pet Partners taking action; and
- Although the Responsible Person may make a presentation at the meeting, and respond to questions, he or she must excuse himself or herself from deliberation and debate on the matter, and must not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.

Denver Pet Partners may approve the matter if:

- The material facts as to the Responsible Person’s or Related Party’s interest, position or relationship giving rise to the Conflict of Interest, and as to the matter, are disclosed or are known to the board of directors or any board committee delegated authority over the matter; and
- The board or board committee in good faith authorizes, approves or ratifies the matter by the affirmative vote of a majority of all of the disinterested directors or committee members at a meeting at which a quorum is present, even though the disinterested directors or committee members are less than a quorum.

If the matter is not of the type that is normally acted upon by the board or a board committee, it may be acted in the same manner upon by the Executive Director (unless the Conflict involves the Executive Director, in which case the matter must be acted upon by the board). Transactions involving a Conflict of Interest that provide for ongoing or continuing services or product sales on an as-needed basis should be reviewed and approved by those charged with approving the transaction periodically, but do not require a transaction-by-transaction approval.

Documentation of a Conflict of Interest. Denver Pet Partners should document in the corporate records:

- The name of any Responsible Person who disclosed or was otherwise found to have a Conflict of Interest;
- The Responsible Person's disclosure of material facts relating to the Conflict of Interest and the matter to be decided;
- The fact of the Responsible Person's departure from the meeting during deliberation and voting;
- The names of the persons who were present for deliberation and voting on the matter; and
- That Denver Pet Partners determined to enter into the transaction or arrangement for its own benefit, and those charged with the decision determined that the transaction or arrangement was fair and reasonable to Denver Pet Partners.

Violations. If a Responsible Person has reason to believe that another Responsible Person has failed to disclose a Conflict of Interest, he or she shall promptly inform the board of directors, and the board shall promptly investigate and afford the affected Responsible Person an opportunity to respond. If, after hearing the response, and making such further investigation as may be warranted in the circumstances, the board determines there was a failure to disclose, the board will take such disciplinary and corrective action as it deems appropriate, which may include removal under Denver Pet Partners' bylaws.

INTEGRATION WITH INTERMEDIATE SANCTION RULES

In the event that a Responsible Person or a Related Party is also a "disqualified person" (as defined in the intermediate sanction rules applicable to tax-exempt organizations (see Treas. Reg. § 53.4958-3)), any transaction or arrangement between Denver Pet Partners and the Responsible Person or Related Party must be approved in accordance with this Policy and with such other substantive and procedural requirements as may be required to satisfy the applicable intermediate sanction rules. To the extent reasonably feasible, the transaction or arrangement should be approved in accordance with the procedural requirements necessary to establish the "rebuttable presumption" of reasonableness under Treas. Reg. § 53.4958-6.

ANNUAL STATEMENT AND DISCLOSURE

Annual Statement. Each Responsible Person shall, upon election or appointment and annually thereafter, sign a statement that affirms such person:

- Has received a copy of the Policy;
- Has read and understands the Policy; and
- Has agreed to comply with the Policy.

Annual Disclosure. In addition, each Responsible Person shall, upon election or appointment and annually thereafter, complete a disclosure form identifying any interests, positions or relationships that he or she believes could contribute to a Conflict of Interest. Disclosure forms shall be submitted to the board of directors for review and evaluation. Information disclosed shall be treated as confidential and shall generally be made available only to the President and members of the board, except to the extent additional disclosure is necessary in connection with the implementation of this Policy. All such information will remain on file in the corporate records of Denver Pet Partners.

Denver Pet Partners reserves the right to amend and/or supplement this Policy at any time.

The form of the annual statement is attached as Appendix A.

Adopted by DPP Board of Directors: 2013-March-12



Printed Name: Ken McQuarrie

Title: Secretary

Appendix A – Statement and Disclosure Form

DENVER PET PARTNERS

Conflict of Interest Statement and Disclosure Form

CONFIDENTIAL

*To be completed by all directors, officers, volunteers, and
members of committees with Board-delegated powers
of Denver Pet Partners*

NAME (PRINT PLEASE)

YEAR

PURPOSE OF THIS DOCUMENT

You are being asked to supply us with, or verify, information that will be used to monitor compliance with the Conflict of Interest Policy of Denver Pet Partners.

INSTRUCTIONS

1. Please answer every question. If the answer to any question is “No” or “Not applicable,” please so indicate. If additional space is required, please attach separate sheets. For your reference, we have included a copy of the most recent Conflict of Interest Statement and Disclosure Form that you completed, if available.
2. Definitions of special terms that appear in bold and italicized type can be found under Definition of Terms at the end of this document. If you have any questions about the Questionnaire, such as the meaning or application of a special term, or the application of a question to a particular situation, please contact a member of the Board for clarification.
3. The integrity of the data provided on this form relies on your honest and complete self-disclosure of relevant information which discloses an existing or potential conflict of interest. If you are uncertain whether a certain affiliation creates or may create a conflict of interest, it is best to err on the side of over-disclosure so please document those situations.
4. Please sign and date your Conflict of Interest Statement and Disclosure Form in the space provided at the end of the form.
5. Return your completed form no later than _____, 20__ to _____ in the return envelope provided. You may also complete this form online by following this link [[need to create form](#)].

1. Conflict of Interest Policy

Please indicate whether you received a copy of Denver Pet Partners’ Conflict of Interest Policy, read and understand the Policy, and agree to comply with it.

_____ _____
 YES NO

2. Employment

Please identify any current and prior employers of you and any adult **family member** residing in your home over the past year and the positions held with those employers, with applicable dates, with which a conflict of interest does or may exist by virtue of being employed by those organizations.

<u>EMPLOYER</u>	<u>DESCRIPTION OF BUSINESS</u>	<u>POSITION</u>	<u>DATES</u>

3. Positions With Other Organizations

Please identify all organizations (whether for-profit or nonprofit) for which you or any adult **family member** residing in your home (a) currently belong to or did previously belong to as a member or (b) currently serve or have served during the past year as officer, director, committee or task force member, or general partner (or in a similar capacity), with applicable dates, with which a conflict of interest does or may exist by virtue of involvement with those organizations.

<u>ORGANIZATION</u>	<u>DESCRIPTION OF BUSINESS</u>	<u>POSITION</u>	<u>DATES</u>

4. Family Employment

Please identify any **family member** that is, or during the past year was, a paid employee or independent contractor of Denver Pet Partners and the position held, with applicable dates.

<u>NAME</u>	<u>RELATIONSHIP</u>	<u>POSITION</u>	<u>DATES</u>

5. Conflicting Interest Transactions

Please describe briefly any business, financial or contractual relationship that you or any **related party** entered into during the past year, or are proposing to enter into, with Denver Pet Partners, including, without limitation, as supplier, service provider, consultant, customer, lessor or lessee, licensor or licensee or creditor or debtor. Please include in your description such **related party's** name and your relationship, and either summarize the nature of the business, financial or contractual relationship and the amount involved, or identify a representative or agent who can furnish such information.

6. Competition with Denver Pet Partners

Please briefly describe any circumstances in which you competed with (or assisted another person in competing with) Denver Pet Partners during the past year, or are preparing to compete with (or preparing to assist another person in competing with) Denver Pet Partners, in providing services to, procuring funding from or entering into a business, financial or contractual relationship with a third party.

7. Outside Compensation or Benefits

Please describe any payments, personal compensation or other benefit you received from any person or entity, other than Denver Pet Partners, at any time during the past year: (a) for services provided to Denver Pet Partners; (b) pursuant to a transaction between Denver Pet Partners and such party; or (c) by reason of your position with Denver Pet Partners. Please include the identity and address of the party, the amount and nature of the compensation or benefit and a description of the transaction. If the transaction is embodied in a written document, please enclose a copy with your completed form.

8. Other Potential Conflicts of Interest

Please describe any other position or relationship with, or financial interest in, Denver Pet Partners or any other organization that you believe could give rise to a ***conflict of interest*** or that might otherwise interfere with your ability to exercise independent judgment in carrying out your responsibilities to Denver Pet Partners.

I certify that the information set forth above is complete and accurate to the best of my knowledge and belief. I also agree that I will promptly inform the Board of Directors of any actual or apparent ***conflict of interest*** that arises and that has not been disclosed in this Questionnaire in accordance with the Conflict of Interest Policy.

Signature

Date

Definition of Terms

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