

AGENDA

PORT OF HOOD RIVER FOUNDATION

Date: Tuesday, December 17, 2024

Time: Upon adjournment of Regular Session

Where: Port Conference Room – 1000 E. Port Marina Drive, Hood River

View Meeting at: <https://www.youtube.com/@portofhoodriver2178/streams>

1. **Call to Order**

2. **Consent Agenda**

- a. Approve Res. No. 2024-01 Naming Officers (*D. Smith-Wagar, Pg. 3*)
- b. Approve Res. No. 2024-02 Creating a Conflict of Interest Policy (*D. Smith-Wagar, Pg. 7*)

3. **Adjourn**

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MEMO

PORT OF HOOD RIVER FOUNDATION

Prepared by: Debbie Smith-Wagar, Port of Hood River Finance Director

Date: December 17, 2024

Re: Resolution No. 2024-01 – Appointment of Officers

BACKGROUND:

The Port of Hood River Foundation was established as a 501(c)(3) charitable organization to support the Port of Hood River in its charitable, educational, and scientific endeavors. As outlined in the Foundation’s bylaws, officers must be appointed from the Foundation’s Board of Directors to oversee governance and operations.

Currently, the members of the Port of Hood River Board of Commissioners also serve as the Board of Directors for the Foundation. To formalize this arrangement and ensure compliance with the bylaws, Resolution No. 2024-01 proposes the appointment of the current Commissioners as officers of the Foundation.

PROPOSED ACTION:

The resolution appoints the following individuals as officers of the Port of Hood River Foundation, effective immediately:

- **Kristi Chapman**, President
- **Heather Gehring**, Vice President
- **Michael Fox**, Secretary
- **Tor Bieker**, Treasurer
- **Ben Sheppard**, Director

These officers will perform their duties as outlined in the Foundation’s bylaws to support its mission and operations.

RECOMMENDATION:

Staff recommends that the Board of Directors approve Resolution No. 2024-01 to appoint the current Commission members as officers of the Port of Hood River Foundation.

SUGGESTED MOTION:

Motion to approve Resolution No. 2024-01 appointing the current Port Commission members as officers of the Port of Hood River Foundation.

ATTACHMENTS:

Resolution No. 2024-01

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**PORT OF HOOD RIVER FOUNDATION
RESOLUTION NO. 2024-01**

**A RESOLUTION APPOINTING CURRENT PORT COMMISSION MEMBERS
AS OFFICERS OF THE PORT OF HOOD RIVER FOUNDATION**

WHEREAS, the Port of Hood River Foundation was established as a 501(c)(3) charitable organization to support the Port of Hood River in its charitable, educational, and scientific endeavors;

WHEREAS, the Foundation’s bylaws require the appointment of officers from its Board of Directors to oversee governance and operations;

WHEREAS, the current members of the Port of Hood River Board of Commissioners also serve as the Board of Directors for the Port of Hood River Foundation;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT OF HOOD RIVER FOUNDATION, that:

The current members of the Port of Hood River Board of Commissioners, who also serve as the Board of Directors for the Port of Hood River Foundation, are hereby appointed as officers of the Foundation, effective immediately:

- **Kristi Chapman**, President
- **Heather Gehring**, Vice President
- **Michael Fox**, Secretary
- **Tor Bieker**, Treasurer
- **Ben Sheppard**, Director

These officers shall fulfill their duties as outlined in the bylaws of the Port of Hood River Foundation, ensuring the effective governance and operation of the Foundation to achieve its charitable purposes.

This resolution is adopted by the Board of Directors of the Port of Hood River Foundation and shall take effect immediately.

Adopted by the Board of Directors of the Port of Hood River Foundation this December 17, 2024.

SIGNED

Kristi Chapman, President

ATTEST

Michael Fox, Secretary

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MEMO

PORT OF HOOD RIVER FOUNDATION

Prepared by: Debbie Smith-Wagar, Port of Hood River Finance Director

Date: December 17, 2024

Re: Conflict of Interest Policy

Although a conflict of interest policy is not required by the Internal Revenue Service (IRS) to become recognized as a nonprofit 501(c)(3) organization, it is highly recommended and the attached policy is a sample policy provided directly by the IRS.

The policy requires any Foundation board member who would financially benefit from a Foundation transaction to declare either a potential or actual conflict of interest. There are steps for determining if the conflict is potential or actual, and whether or not the board member should recuse themselves from voting on the transaction.

Recommendation: Staff recommends passing the resolution adopting the conflict of interest policy.

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**PORT OF HOOD RIVER FOUNDATION
RESOLUTION NO. 2024-02**

A RESOLUTION ADOPTING A CONFLICT OF INTEREST POLICY

WHEREAS, the Port of Hood River Foundation was established as a 501(c)(3) charitable organization to support the Port of Hood River in its charitable, educational, and scientific endeavors;

WHEREAS, the Internal Revenue Service highly recommends that all 501(c)(3) organizations have a conflict of interest policy;

WHEREAS, the current members of the Port of Hood River Board of Commissioners also serve as the Board of Directors for the Port of Hood River Foundation;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT OF HOOD RIVER FOUNDATION, that:

1. The Board adopts the conflict of interest policy attached as Exhibit A, effective immediately.
2. The conflict of interest policy will be reviewed annually and directors will acknowledge and agree to abide by the policy.

Adopted by the Board of Directors of the Port of Hood River Foundation this December 17, 2024.

SIGNED

Kristi Chapman, President

ATTEST

Michael Fox, Secretary

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Exhibit A

Article I

Purpose

The purpose of the conflict of interest policy is to protect the Port of Hood River Foundation's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. 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.

Article II

Definitions

1. Interested Person Any director, principal officer, 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.

2. Financial Interest A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. 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.
- d. Compensation includes direct and indirect remuneration as well as gifts or favors that aren't insubstantial. A financial interest isn't necessarily a conflict of interest. Under Article III, Section 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.

Article III

Procedures

1. Duty to Disclose In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

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.

3. Procedures for Addressing the Conflict of Interest

- a. 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.
- b. 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.
- c. 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.

d. If a more advantageous transaction or arrangement isn't reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization 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. Violations of the Conflict of Interest Policy

a. 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.

b. 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.

Article IV

Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

a. 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.

b. 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.

Article V

Compensation

a. 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.

b. 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.

c. 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.

Article VI

Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

a. Has received a copy of the conflict of interest policy,

b. Has read and understands the policy,

c. Has agreed to comply with the policy, and

d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Periodic Reviews To ensure the Organization operates in a manner consistent with charitable purposes, and doesn't 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:

a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

b. 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 don't result in inurement, impermissible private benefit, or in an excess benefit transaction.

Article VIII

Use of Outside Experts

When conducting the periodic reviews, as provided for in Article VII, the Organization 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.