

Zephyr Foundation

Minutes of the the Board of Directors Meeting February 6th, 2018

Board Members

Present: Clint Daniels, Thomas Adler, Rosella Picado, Mario Scott, and Leah Silen

Absent: Hani Mahmassani, Eric Miller

Others Present

Billy Charlton, Gregory Erhardt, Elizabeth Sall, and Joan Walker

The meeting of the Zephyr Foundation Board of Directors was held at 2:00 pm PST on February 6th, 2018 via videoconference. Five of seven of the Directors were present. Clint Daniels acted as Chair of the meeting and Elizabeth Sall recorded the minutes.

Item 1. Approval of Minutes

The minutes from the November Board Meeting were approved as drafted.

Item 2. Project and Program Update

Elizabeth Sall presented an update from the Workforce Development Committee on behalf of its chair, Leah Silen. The Board agreed to prioritize the State of the Workforce Survey, the Day of Zephyr, and Awards while allowing a speaker and teaching tool database to proceed as it is convenient.

Mario Scott, Communications Committee Chair, presented an update on ongoing communications activities such as the Medium Blog and website. He suggested, and the board agreed with, a content program for the blog which highlighted projects, people and research in addition to Zephyr news. The board discussed the need for a pitch deck and Rosella Picado agreed to deliver a draft pitch deck in two weeks time.

Greg Erhardt presented an update from the Programs Committee. He reported that there had not been any submissions to the project submission website, but that he would take responsibility for responding to them as they came in.

Item 3. Financials

The Chair reported that the bank account had been established at Capital One, with access given to the Treasurer, Rosella Picado, but that online access was not yet working. Billy Charlton, who set up the membership payment system, noted that the bank account was not accepting payments at this

time because it was frozen. The Chair agreed to pursue this and resolve the issue. The Chair also reported that he would be obtaining an organizational credit card so that expenses that were currently being covered by volunteers (i.e. website hosting) could be transferred to the organization.

The Treasurer reported that she had investigated using QuickBooks for the financials in the future, but the Board was able to review a balance sheet, profit and loss statement, and budget-to-actuals through January 2018 as manually prepared by Elizabeth Sall.

The board set a revenue target of no less than \$65,000 before hiring an executive director. The Chair agreed to assign development targets to each board member and instigator.

Item 4. Recruitment

The Chair agreed to lead the Executive Director search and form a search committee.

The Board briefly discussed potential new board members. ??? any actions?

The Board agreed to submit volunteer requests for projects they are responsible for to the Chair and Greg in a weeks time in order for her to compile and recruit.

Item 5. Conflict of Interest Policy

The Board discussed and approved the Conflict of Interest Policy as shown in Exhibit A.

Item 6. IRS 527 Form

In order to complete a 527 form, the application for 501c3 status, Elizabeth Sall requested that each board member submit a list of business or personal relationships between themselves and other board members in a weeks time.

The Board confirmed the use of the Chair's personal address for a place of business for now.

Item 13. Future Meetings

The board approved the following meeting schedule for the next year, with exact dates to be selected as soon as possible:

- May 2018
- June 2018, coinciding with TRB Innovations in Travel Modeling Conference in Atlanta, GA and a "Day of Zephyr"
- November 2018

There being no other business, the meeting adjourned at 3:58pm PST.

**ZEPHYR FOUNDATION
CONFLICTS OF INTEREST POLICY**

(Approved February 6th 2018)

ARTICLE I

Purpose

The purpose of the conflicts of interest policy is to protect the interest of Zephyr Foundation (“Foundation”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Foundation.

Following this Policy is good business, protects the Foundation’s non-profit status, and upholds the Foundation’s reputation. The Zephyr Foundation is committed to the highest levels of integrity. Directors, Executives, and employees are expected to conduct their relationships with each other, the Foundation, and outside organizations with objectivity, honesty, and in the Foundation’s best interest.

This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

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 Foundation has a transaction or arrangement other than standard membership terms, or
- b. a compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement other than standard membership terms, or
- c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement other than standard membership terms.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person with a financial interest has a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

3. Other Interests

A director, principal officer, or member of a committee with board-delegated powers shall not be deemed to have a direct or indirect financial interest solely because that person is an officer, director, member, or potential program beneficiary of a not-for-profit entity that is a candidate for a grant or other support from the Foundation.

ARTICLE III

Procedures

1. Duty to Disclose

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence and nature of his or her financial

interest and must 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. To avoid any appearance of impropriety or favoritism on the part of the Foundation, a person having any other interest in a not-for-profit entity as described in Article II, Section 3, must disclose the existence and nature of that interest before participating in any discussion of, or vote on, potential Foundation support for that applicant; but the existence of such an interest alone shall not prevent him or her from subsequently discussing or voting on the actions of the Foundation relating to that applicant.

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 may, 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 Foundation 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 is not 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 Foundation's

best interest and 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 Conflicts 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

1. A voting member of the **governing** board of directors who receives compensation from the Foundation, directly or indirectly, for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the **governing board or** any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation, 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 that such person-

- a. has received a copy of the conflicts of interest policy,
- b. has read and understands the **policy**,
- c. has agreed to comply with the policy, and
- d. understands that the Foundation is **charitable** and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VII

Periodic Reviews

To ensure that the Foundation operates in a manner consistent with charitable purposes and does not 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 Foundation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.
- c. Whether agreements to provide grants, loans, and other forms of support further the Foundation's charitable purposes and do not result in inurement or impermissible private benefit.

ARTICLE VIII

Use of Outside Experts

When conducting the periodic reviews provided for in Article VII, the Foundation 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 that periodic reviews are conducted.