



Wild Sheep Legacy Foundation, Inc.

Trustee Annual Conflict of Interest

Disclosure Questionnaire

Dear WSLF Board Trustee:

As a Trustee of the Wild Sheep Legacy Foundation (WSLF), you have previously signed the WSLF Trustees Code of Conduct which requires the disclosure of any conflict of interest as defined therein. The IRS Form 990 for 2013 requires organizations to disclose certain relationships, arrangements, and transactions involving conflicts of interest and independent decision making by their governing bodies. By completing this questionnaire, you will meet the requirements of the WSLF Trustees Code of Conduct and assist us in accurately completing the Form 990.

The disclosure requirements focus on three categories:

1. **interested persons** (i.e., those possessing conflicts of interest);
2. **independent directors or trustees** (i.e., those who are independent of the organization); and
3. **relationships among directors, trustees, officers and key employees** (i.e., those between the two parties and not between a party and the organization).

Please answer the questions on the following pages. To assist you in answering, we have added a box below each question containing an excerpt from the Form 990 instructions (*in italics*), along with pertinent definitions.

Once you have completed and signed the questionnaire, please fax or mail it to Oscar Carlson, Chairman at 6985 North Shore Trail, Forest Lake, MN, 55025, or e-mail it to aoc@asqc-mail.com. We will review your answers and determine whether any relationships, arrangements, or transactions meet the criteria for disclosure in the tax return. We will retain your completed questionnaire as part of our Form 990 documentation to substantiate our efforts to accurately make all required disclosures.

Thank you for your assistance.

Oscar Carlson, Chairman
Wild Sheep Legacy Foundation Board of Trustees

I hereby confirm that I accept the WSLF Trustees Code of Conduct, have answered the attached questions, and provided additional information where required.

Print Name:

Signature: _____

Date:

Loans, Grants or Assistance Benefiting Interested Persons

Organizations are required to report each loan, grant (e.g., scholarships, internships, prizes and awards) or other assistance (including provision of goods, services, or use of facilities), regardless of amount, provided by the organization to any interested person at any time during the tax year. A loan includes loans originally made between the organization and a third party or between an interested person and a third party that were transferred so as to become a debt outstanding between the organization and an interested person. A grant includes the gift portion of a part-sale, part-gift transaction, but not a business transaction that does not include a gift element, such as compensation to an employee or contractor in exchange for services of comparable value.

Did you (or a person related to you) receive any loans from or make any loans to WSLF during the past calendar year?

Yes No

Excerpt from Form 990 (Part IV, #26)

“Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization’s tax year?”

Interested Person with respect to loans is limited to:

- any former officer or key employee who received more than \$100,000 of reportable compensation from the organization and any related organizations;
- the organization’s current and former highest compensated employee who received more than \$100,000 of reportable compensation from the organization and related organizations; and
- any person who is a “disqualified person” for purposes of the excess benefit transaction rules.

Did you (or a person related to you) receive any grants or other assistance from WSLF during the past calendar year?

Yes No

If yes, please describe:

- (a) Name of interested person
- (b) Relationship between interested person and the organization
- (c) Amount of grant or type of assistance

Excerpt from Form 990 (Part IV, #27)

“Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member or to a person related to such an individual?”

Substantial contributor is a person that contributed at least \$5,000 to the organization during its tax year.

Related person means:

- a member of the organization’s grant selection committee;
- a family member of any of the organization’s current or former officers, directors, trustees, key employees, substantial contributors or members of the organization’s grant selection committee;
- a corporation, partnership, trust, or estate in which persons described above own more than 35% of the combined voting power, profits interest or beneficial interest (a “35% controlled entity”); or
- an employee (or child of an employee) of a substantial contributor or of a 35% controlled entity of a substantial contributor, but only if the employee (or child) received the grant or assistance by the direction or advice of the substantial contributor or 35% controlled entity, or under a program funded by the substantial contributor that was intended primarily to benefit such employees (or their children).

Business Transactions Involving Interested Persons

Organizations are required to report business transactions for which payments were made during the tax year between the organization and an interested person, if such payments exceed certain reporting thresholds, and regardless of when the transaction was entered into by the parties.

Business transactions include contracts of sale, lease, license, and performance of services, whether initiated during the tax year or ongoing from a prior year. Business transactions also include joint ventures in which either the profits or capital interest of the organization and the interested person each exceeds 10%. Contributions or membership dues paid to the organization, grants, and loans are not considered business transactions for these purposes.

Were you (or any interested person) involved in a business transaction with WSLF for which payments were made during the past calendar year?

() **Yes** () **No**

If yes, please describe: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of transactions \$_____, (d) Description of transaction, (e) Did you share organization’s revenues? (Yes or No)

Excerpt from Form 990 (Part IV, #28)

Was the organization a party to a business transaction with one of the following parties:

- a. a current or former officer, director, trustee, or key employee?*
- b. a family member of a current or former officer, director, trustee, or key employee?*
- c. an entity of which a current or former officer, director, trustee or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner?*

Interested person (with respect to business transactions) means a current or former officer, director, trustee, key employee, or any of the following:

- any family member of a current or former officer, director, trustee, or key employee
- an entity more than 35% owned, directly or indirectly, individually or collectively, by (a) one or more current or former officers, trustees, or key employees and/or (b) their family members;
- an entity (other than a Section 501(c) organization) of which a current or former officer, director, trustee, or key employee was serving at the time of the transaction as (1) an officer, (2) a director, (3) a trustee, (4) a key employee, (5) a partner or member with an ownership interest in excess of 5% if the entity is treated as a partnership, or (6) a shareholder with any ownership interest in excess of 5% if the entity is a professional corporation;
- any management company of which a former officer, director, trustee or key employee within the past five years is an officer, trustee, key employee or direct or indirect 35% owner.

Family member includes an individual's spouse, ancestors, siblings (whether of the whole or half blood), children (natural or adopted), grandchildren, great grandchildren, and spouses of siblings, children, grandchildren and great grandchildren.

Independent Directors or Trustees

Form 990 asks for the total number of voting members of the organization's governing body and the number of "independent" voting members. You do not lack independence merely because you are a donor to the organization, regardless of the amount of your contribution.

You were "**independent**" only if **all three** of the following circumstances applied at all times during the organization's tax year:

- You were not compensated as an officer or other employee of the organization or of a related organization, AND

- You did not receive total compensation or other payments exceeding \$10,000 during the organization’s tax year from the organization or from related organizations as an independent contractor, other than reimbursement of expenses under an accountable plan or reasonable compensation for services provided in the capacity as a member of the governing body; AND
- Neither you nor any family member was involved in a transaction with the organization (whether directly or indirectly through affiliation with another organization) that is required to be reported as a business transaction in the organization’s tax return.

Are you “independent” from WSLF?

Yes No

If “No,” please describe:

Excerpt from Form 990 (Part VI, Section A, #1b)

“Enter the number of voting members (of the governing body) that are independent”

Relationships Among Directors, Trustees, Officers and Key Employees

Organizations are required to report family or business relationships between officers, directors, trustees, or key employees. For each relationship, the organization is to identify the persons and whether it is a “family relationship.” No further detail needs to be disclosed in the Form 990.

Business relationship for these purposes excludes relationships in the **ordinary course of business** (that is, on terms generally offered to the public) and **privileged relationships** between attorney and client, medical professional and patient, or clergy and communicant.

Did you have a family relationship with another of WSLF’s officers, directors, trustees, or key employees at any time during the past calendar year?

Yes No

If yes, please describe:

Did you have a business relationship with another of WSLF’s officers, directors, trustees, or key employees at any time during the past calendar year?

Yes No

If yes, please describe:

Excerpt from Form 990 (Part VI, Section A, #2)

“Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?”

Family relationship means a relationship as a spouse, ancestor, brother or sister (whether of the whole or half blood), child (natural or adopted), grandchild, great grandchild, or spouse of a sibling, child, grandchild or great grandchild.

Business relationships between two persons include any of the following:

- One person is employed by the other in a sole proprietorship or by an organization for which the other is a director, trustee, officer, key employee, or greater than 35% owner.
- One person is transacting business with the other (except in the ordinary course of either party’s business on the same terms as are generally offered to the public), directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of \$10,000 in the aggregate during the organization’s tax year. Indirect transactions are transactions with an organization with which the one person is associated as a director, trustee, officer, key employee, or greater than 35% owner. Such transactions do not include contributions to tax-exempt organizations.
- The two persons are each a director, trustee, officer or greater than 10% owner in the same business or investment entity (but not in the same tax-exempt organization).