

# Conflict of Interest Policy

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## **I. Introduction**

The Wabash Valley Community Foundation is a publicly supported charitable foundation serving the communities of Clay, Sullivan, and Vigo counties, and is dedicated to its mission of expanding private philanthropy in those communities. The Foundation operates within the public trust and strives to maintain the highest code of conduct in all of its operations.

The Foundation recognizes that it can best accomplish its mission when the board of directors, volunteer committee members, staff and other groups associated with the foundation represent the diverse interests, cultures, occupations and expertise of the community. Thus, the Foundation recognizes that members of the board of directors and others representing or affiliated with the Foundation will from time to time face possible conflicts of interest or situations in which the appearance of conflict of interest could be detrimental to the Foundation and the communities it serves. The Foundation adopts this Policy in recognition of its responsibility to the public trust, in recognition of the importance of fairness and objectivity in its conduct of business, as a means of assuring that every decision of the Foundation is made in the interest of the Foundation and the communities it serves and as a means of publicly codifying its expectations of board, staff and volunteers, and others serving the Foundation.

This Conflict of Interest Policy applies to all persons holding positions of responsibility and trust on behalf of the Foundation, including but not limited to members of the board of directors, members of board committees who are not members of the board, volunteer committee members, members of the boards of supporting organizations to the Foundation, and members of the Foundation staff (hereinafter “members”). This Policy shall be provided to each member at the time that he or she is asked to serve the Foundation.

## **II. General Policies and Expectations**

Members of the foundation are expected to commit themselves to ethical and professional conduct. This includes the proper use of authority and appropriate decorum.

Members must represent unconflicted loyalty to the interest of the Foundation. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, business interests, personal interests or paid or volunteer service to other organizations. It

also supersedes the personal interest of any staff or volunteer member acting as a consumer or client of the foundation's services.

It is the policy of the Foundation that no member shall derive any personal profit or gain, directly or indirectly, by reason of his or her service to the Foundation. There may be no self-dealing or any conduct of private business or personal services between any member and the Foundation except those conducted in an open and objective manner to ensure equal competitive opportunity and equal access to information.

Board members or volunteer committee members must not use their positions to obtain employment in the Foundation for themselves, family members or close associates. Should a board or volunteer committee member desire employment, he or she must first resign.

Board and volunteer committee members may not attempt to exercise individual authority over the policies and operations of the Foundation except through their roles as voting members of the board or volunteer committees. Staff members may not attempt to exercise individual authority over the policies and operations of the Foundation except through their specific job responsibilities and established supervisory structure.

Board members and volunteer committee members in their interaction with the press and the public must recognize the inability of any individual member of the board or committee to speak for the Foundation except as expressly authorized by the board chair. Staff members in their interactions with the press and the public must recognize the inability of any individual staff member to speak for the foundation except as expressly authorized by the president.

The Foundation will comply with both the letter and spirit of all public disclosure requirements, including the open availability of its Form 990 tax returns. However, all members must hold strictly confidential all issues of a private nature, including, but not limited to, issues related to private businesses, contributions from individuals, businesses and other private entities, and all personnel matters.

### **III. Policies on Conflict of Interest**

In conducting the affairs of the Foundation, duality or conflict of interest shall be presumed when a person to whom this policy applies or a member of his/her immediate family serves as a trustee, officer, staff member or holder of more than 10% of corporate stock of an affected organization or firm; has a formal affiliation or interest in an affected organization or firm; or could expect financial gain or loss from a particular decision.

Before a staff, board or volunteer committee member begins his or her service with the Foundation, he or she shall file with the president of the Foundation a list of his or her principal business activities, as well as involvement with other charitable and business organizations, vendors or business interests, or with any other associations that might produce a conflict of interest and shall complete a **Conflict of Interest Disclosure Statement**.

In addition to the disclosure required by the previous paragraph, each member is under an obligation to the Foundation, to his or her fellow staff or volunteers, and to the community served by the Foundation to inform the Foundation of any position he or she holds or of any business or a vocational activity that may result in a possible conflict of interest or bias for or against a particular grantee, action or policy, at the time such grant, action or policy is under consideration by the board or any volunteer committee of the Foundation. Any duality or possible conflict of interest on the part of any member shall be disclosed to the chair of the board (in the case of volunteers) or the president (in the case of staff members) and made a matter of record as soon as the issue in question is raised and a possible conflict is known.

When the board, committee or staff is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall physically absent herself or himself without comment from not only the vote, but also from the deliberation, unless directly requested by the chair of the board or relevant committee to provide factual information or answer factual questions that may assist the board or committee in making a wise decision. In no case shall that member vote on such matter or attempt to exert personal influence in connection therewith.

Disclosure and abstention shall be recorded in the minutes of the meeting(s) at which the issue is discussed and decided.

In any situation not specifically covered by the previous sections of this policy, members shall consider carefully any potential conflict of their personal interests with the interests of the Foundation and refrain from any action that might be perceived as an actual or apparent conflict of interest.

#### **IV. Examples of Appropriate Actions Under This Policy**

**Example 1.** An officer or other paid employee of a bank or other financial institution who is also a board or finance committee member of the Foundation should inform the Board President of his or her potential conflict of interest and abstain from discussing or voting on the retaining, employing or dismissing of his or her financial institution as an investment manager of the foundation.

**Example 2.** A board or distributions committee member who is also a board, staff or committee member of a proposed grantee should inform the chair of his or her conflict of interest and abstain from voting on or discussing any motion for or against the proposed grant, except as expressly requested by the chair to provide factual information or answer factual questions that would be useful to the board or committee in making its decisions. If several grants are being voted upon concurrently, the board or committee member must voice his or her conflict of interest to the chair before the vote so that a vote on the grant with which there is a conflict may be taken separately.

**Example 3.** A board or committee member whose personal financial interests could be positively or adversely affected by the Foundation's accepting, holding or disposing of a particular gift from a donor or by knowledge of the gift should inform the chair of his or her potential conflict of interest; refrain from seeking, obtaining or reviewing non-public information about the gift; and abstain from discussing or voting on acceptance of the gift.

#### **V. Duties of the Board President and the Executive Director**

The Board President shall be responsible for the application and interpretation of these policies as they relate to board members, volunteer committee members or the president. The Executive Director shall be responsible for the application and interpretation of the above policies as they relate to members of the Foundation's staff.

#### **VI. Duties of Members**

Each board member has the affirmative responsibility to report to the Board President (in the case of concerns related to board or committee members or the president) or to the Executive Director (in the case of concerns related to members of the staff) any and all knowledge of any action or conduct that appears to be contrary to this Policy.

#### **VII. Disclosure**

At the beginning of each fiscal year, the Board of Directors, staff members and committee members will be required to complete a **Conflict of Interest Disclosure Statement** identifying any positions held by self or any immediate family member and affiliation with any organization using the following guidelines:

1. Any position held by self or immediate family member with any charitable or community organization currently or within the past five years.
2. Any position held by self or immediate family member with any business enterprise currently or within the past five years.

3. Any consulting work or other affiliation with organizations that may create any interest or bias with respect to the Foundation's actions within the past five years.

The Conflict of Interest Disclosure Statement is attached hereto for reference.

I hereby certify that I have read, understood, and agree to the Foundation's policies as described in this statement and that the information given above is complete and accurate to the best of my knowledge.

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Date/Name (printed or typed)

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Signature

This Conflicts of Interest Policy was approved by the Foundation's board of directors on:

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Date

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Board Secretary

**CONFLICT OF INTEREST  
DISCLOSURE STATEMENT**

1. All communications with the Wabash Valley Community Foundation, Inc. from vendors or grant or scholarship seekers regarding grant or scholarship requests shall be made through the office of the Foundation. No contact shall be made with individual board members or committee members, outside of the site review process.
  
2. Discussions held by directors or Grant or Scholarship Committee members in all Foundation meetings shall be confidential. This includes information gleaned from board meetings or grant or scholarship applications, site visits and information provided by staff members.

**DISCLOSURE QUESTIONNAIRE**

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*(Your Name)*

I have read and understand the attached Conflict of Interest Policy as approved by the Board of Directors.

In compliance with this policy, the following is a list of all businesses or other organizations of which I, my spouse, or minor children am (are) officer(s), member(s), equity holder(s), partner(s), or employee(s), or for which I act as an agent when the Wabash Valley Community Foundation, Inc. (WVCF), enters into a relationship or transaction. This includes organizations that could be the beneficiary of a grant.

1. Are you an officer or director or shareholder of any corporation with which the Community Foundation has business dealings? Yes\_\_\_\_\_ No\_\_\_\_\_

*If you answered yes, please list the names of such corporations and the office held.*

**Corporation**

**Office Held**

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2. Do you, or does any member of your family, have a financial interest in, or receive any remuneration or income from, any business and/or organization (civic and other) with which the Community Foundation has business dealings? Yes \_\_\_\_  
No \_\_\_\_

*If you answered yes, please list the names of the businesses and or organizations (civic and other) in which such interest is held and the person(s) by whom such interest is held.*

<u>Business or Organization</u>	<u>Person Holding Interest</u>

3. Please list all remaining organizations (civic and other) for which you are an officer, board member, partner, or employee, and your relationship to the organization:

<b>Organization</b>	<b>Relationship</b>

I certify that the foregoing information is true and complete to the best of my knowledge.

I agree that at any time any matter comes before the board concerning an existing or contemplated transaction or relationship between the Community Foundation and any party in which I, my spouse, or minor children has/have any interest, I shall make known the potential conflict and, after answering any questions that are asked of me, shall withdraw from the voting. I further understand that if the matter is the item of business for which a special meeting of the board is called, I shall not be counted to establish a quorum.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Printed: \_\_\_\_\_