



NORTH CAROLINA COMMUNITY FOUNDATION
CONFLICT OF INTEREST POLICY
FOR BOARD MEMBERS, AFFILIATE BOARD MEMBERS,
COMMITTEE MEMBERS AND STAFF MEMBERS

Purpose of this Policy

The North Carolina Community Foundation (NCCF) strives to maintain the highest ethical standards in all policies, procedures and programs and to avoid conflicts of interest whenever possible. Therefore, NCCF keeps written documentation of all actual or potential conflicts. Each director, affiliate board member, or committee member has the duty to place the interests of NCCF foremost in any dealings on behalf of NCCF, and has a continuing responsibility to comply with this policy. Although conflicts of interest are not inherently unethical, we've seen a greater demand for transparency in the not-for-profit sector. Some, but not all, conflicts are required to be disclosed on the organization's IRS Form 990-*Return of Organization Exempt from Income Tax*. At NCCF, Board members, affiliate board members, committee members and staff members are expected to abstain from voting on matters where a conflict is determined to exist. This Policy sets forth guidelines for evaluating, reporting and handling potential and actual conflicts.

Definition of Conflict

A conflict of interest exists when the personal or professional interests of a director, affiliate board member, committee member or staff member affects his or her ability to be objective. As board members, affiliate board members, committee members and staff members are likely to be affiliated with one or more organizations in their communities, both on a professional and a personal basis, it is not unusual for actual or potential conflicts of interest to arise. However, it is expected that no director, affiliate board member, committee member or staff member shall use his or her position in such a manner that a conflict arises between the interests of the NCCF (or any of its Affiliates) and his or her personal or professional interests.

These individuals set forth above are asked to weigh carefully all circumstances and relationships in which there exists the possibility of any accusation of self-interest. For the purposes of this Policy, the "family" of an individual is meant to include his or her life partner, ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren, and life partners of brothers, sisters, children, grandchildren, and great-grandchildren.

1. Do I Have a Conflict of Interest?

- a. Could you, a close friend, client, or a member of your family obtain a non-incident benefit or substantial personal gain from the Foundation?
- b. Do you or a member of your family have an actual or potential ownership or investment interest in any entity with which the Foundation has a transaction, contract, investment, or compensation arrangement?
- c. Do you or a member of your family own over 35% of, or hold a key position in, a company that does business with the Foundation? "Doing business" includes, but is not limited to, compensation for services performed, furnishing of goods, services, or facilities, or any sale or exchange of cash or property valued in excess of \$10,000.

- d. Is the Foundation or one of its affiliates considering making a grant to a nonprofit organization of which you or your immediate family serve or served as an officer, director or employee?
- e. Do you have a family or business relationship with any other member of the Foundation's Board of Directors, its officers or employees?
- f. If you are an affiliate board member or committee member, is the Foundation or one of its affiliates considering making a scholarship award to an individual, or for the benefit of an individual, who is related to you? (Please note that NCCF staff members and statewide board members and their families are not eligible for and may not receive scholarship awards from funds administered by the Community Foundation)

If the answer to any of the above questions is "yes," you must:

- a. Announce that you will not participate in the discussions on the matter and that you will not vote;
- b. State generally the nature of your interest;
- c. If asked to do so by the Chairman, leave the room while the matter is being discussed;
- d. Document conflict of interest in minutes of meeting.
- e. If a staff member has a conflict of interest, she should disclose it to his/her supervisor who will document the conflict, and said staff member should refrain from participating in any decisions or activities where his/her own professional and/or personal interest conflicts with NCCF's interest.
- f. Should a conflict of interest of any kind arise after the signature date below, you must make the Board of Directors or the affiliate board aware and follow the procedures set forth in this policy.

2. In Advance of a Meeting

If you are aware of your potential conflict of interest before the meeting, you may submit, in writing, notice of your conflict of interest and may rely upon the Chairman to announce that you will not participate in the discussions or vote.

3. Membership Conflict

This policy is not intended as a substitute for the "disqualified persons" or "inurement" prohibitions established in federal and Internal Revenue Service regulations. The Conflict of Interest Policy is created to further the sound practices of the North Carolina Community Foundation.

I have received a copy of the Foundation's Conflict of Interest Policy, have read and understand the policy and agree to comply with the policy.

Name: _____

Date: _____

Print Name: _____

Position: _____

Known Conflicts (please briefly describe):
