

McKean County Community Foundation

Conflict of Interest Policy

The McKean County Foundation is committed to integrity and fairness in the conduct of all of its activities. Inevitably, the interests of Directors and staff employees will involve them in organizations, causes, and other endeavors which may intersect with the affairs of the Foundation. It would disadvantage the Foundation to deprive it of the involvement of interested colleagues, but their participation in Foundation decision making cannot impair the fairness and integrity of Foundation processes. This statement of principle is intended to further the work of the Foundation by facilitating the contributions of its employees and Directors through providing for disclosure of other interests and by requiring abstention from decision-making actions which affect non-Foundation affiliations or interests. These principles are intended to preclude any such appearance of a conflict of interest because the Foundation would suffer if there were any appearance of bias or self-interest in its activities.

Disclosure: Directors and staff employees of the Foundation are committed to communicating fully with the Foundation regarding any relationships or commitment which could affect the impartial fulfillment of their role in the affairs of the Foundation. This policy refers to such a relationship or commitment as affiliation. Affiliation may be defined as the close involvement with a vendor, service provider, or grantee on the part of (a) a director of the Foundation (b) staff member of the Foundation, or (c) the spouse or equivalent, parents, or children of a director or staff member.

Affiliation includes, but is not limited to, serving as a board member, employee, or consultant to a current or potential grantee, service provider, or vendor, or doing business with the grantee, service provider, or vendor. Antecedent affiliations and indirect associations also warrant disclosure. In principle, extra-Foundation affiliations or interests should be disclosed to other participants in the Foundation's decision-making process whenever there is any doubt about whether disclosure is required.

Disclosures regarding affiliations or conflicts of interest ordinarily should be made by members of the staff or Board to the Executive Director or to the President of the Board of Directors. Formal notation of disclosure should be part of the process and documented in Board meeting minutes as appropriate.

In the subject of scholarships: No scholarships will be awarded to applicants who are predetermined or with preferences to director relatives of donors, directors, officers or employees of the McKean County Community Foundation. Relatives of donors, directors, officers or employees of the McKean County Community foundation will be eligible to be considered within the standards of the Pension Protection Act that ensures that all scholarships are competitive in the nature of academics, field of study, financial need and/or involvement in community service and school activities. In these cases, the situation will be treated as any other conflict of interest.

Abstention from Foundation Decision Making. In all situations in which disclosure of affecting relationships should be made, the Foundation-affiliated individual should abstain from decision-taking actions, and that abstention should be formally noted in the Foundation's minutes. With disclosure to other participants, the work of the Foundation is furthered by the willingness of its employees and Directors, however interested, to share information bearing upon the matter under consideration. Such participation is encouraged.

No Return Benefit. In considering any decision regarding an organization or person with which a Foundation employee or Director is affiliated, the Foundation shall avoid any transaction which results in any direct or indirect economic benefit to the affiliated person or which would constitute self-dealing under Internal Revenue Code Section 4941. Incidental and tenuous benefits to affiliated persons, such as name recognition or public acknowledgment, are permitted.

Avoid the Appearance of Conflict. While substance of integrity is the essence of the Foundation's approach to these matters, avoiding the appearance of conflict is an important collateral objective. To that end, the Foundation will not customarily make grants to, or contract with, organizations which employ affiliated persons. The Board of Directors may vote to approve exceptions to this policy when the work of the Foundation will be furthered thereby or where the grant or contract will not affect the job or compensation of the affiliated person in question.

No significant personal benefit of any nature may be derived by any affiliated person from any such organization.

Policy Review. This Conflict of Interest Policy shall be reviewed annually with all McKean County Community Foundation Board of Directors and Staff members. Documentation of this review will include annual policy notification and signed statement of understanding and compliance to be retained on file by the Executive Director.

McKean County Community Foundation

Conflict of Interest Policy

Statement of Understanding and Compliance

I have received and carefully read the Conflict of Interest Policy for board members and staff of the McKean County Community Foundation. By signing this affirmation of understanding and compliance, I hereby affirm that I understand and agree to comply with the Conflict of Interest Policy of the Foundation. I further understand that the McKean County Community Foundation is a charitable organization and that, in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

I hereby state that I do not, to the best of my knowledge, have any conflict of interest that may be seen as competing with the interests of the McKean County Community Foundation, nor does any relative or business associate have such an actual or potential conflict of interest. If a conflict of interest, as defined by this policy, does arise within the course of conducting necessary business and activities of the Foundation, I will properly and promptly disclose the full details of said conflict to the Board President and Executive Director and abstain from any vote or decision making activity concerning the conflict.

Director / Staff Print Name

Signature

Date