



## NORTHERN PIEDMONT COMMUNITY FOUNDATION

*Building the Foundation of Community in Our Region*

### **Conflict of Interest Policy and Annual Disclosure Form** **Adopted by the Board of Directors August 29, 2002**

The Northern Piedmont Community Foundation believes that effective nonprofit governance depends on deliberate, thoughtful and completely objective decision making by the Board of Directors and staff members – whether decisions involve matters of organizational policy, issuance of grants, approval of a major transaction, or wise investment of Foundation funds. The Northern Piedmont Community Foundation also recognizes that the ability to make good decisions for the organization is affected by each individual's personal or professional interests.

Directors of the Northern Piedmont Community Foundation have an absolute duty of complete, undivided loyalty to the Foundation. This duty requires that directors disclose conflicts of interest and provide undivided allegiance to the Foundation's mission. The Foundation applies the same standard to its staff and other grant reviewing volunteers. A conflict may exist, for example, when a director or staff member of the Foundation participates in the deliberation and resolution of an issue important to the Foundation while the individual (or a family member), at the same time, has other professional, business or volunteer responsibilities outside the Foundation that could bias the individual one way or another.

The Northern Piedmont Community Foundation is dependent upon directors and others who serve as volunteers and its staff. Accordingly, the Foundation values, supports and encourages its directors and staff members to assume active roles in their communities. This means that from time to time potential conflicts of interest or the appearance of such conflicts may arise. Circumstances that may result in an apparent or actual conflict of interest include, but are not limited to:

- \* Granting funds to a nonprofit organization on which a director, staff member or other grant-reviewing volunteer or their families are serving as staff members, board members or volunteers.
- \* Participating on fund raising committees or in fund raising efforts for an organization seeking a grant from the Foundation.
- \* Hiring investment managers, consultants and vendors.
- \* Investing the Foundation's funds.
- \* Employing a director or relative of a director or staff member temporarily as staff or as a consultant for a project.

\* Accepting meals, tickets or other presents of any kind from current or prospective grantees.

It is the Foundation's policy to deal with such conflicts in an open manner (1) through an annual disclosure statement of memberships and affiliations for directors, select staff and other volunteers and (2) through clear identification of actual or apparent conflicts of interest as they arise. In addition to the annual disclosure statement, directors, staff and other volunteers are expected to notify the Foundation in writing during the year of any change of circumstances that could result in or give the appearance of a conflict of interest such as serving on the board of a charitable organization that has requested or received or may be expected to request a grant from the Foundation.

In the case of such conflict or the appearance thereof, directors, staff members and grant-reviewing volunteers are expected to disclose the conflict prior to the Foundation taking any action or making any related decisions. If a conflict of interest is present, the director, staff member or volunteer involved must identify the conflict and may, at the request of the board or committee, remain in the room to answer questions of a factual nature that may assist the board or board committee in its deliberations. Directors having a conflict of interest on a given issue shall not vote on that issue, however. Directors and staff members will endeavor to avoid accepting any free meals, tickets to sporting, cultural or other events or presents of any kind from current or prospective grantees.

**NORTHERN PIEDMONT COMMUNITY FOUNDATION**

*ANNUAL DIRECTOR/STAFF/VOLUNTEER STATEMENT REGARDING TRUSTEE,  
DIRECTORSHIPS OR OTHER AFFILIATIONS WITH NONPROFIT ORGANIZATIONS*

Name: \_\_\_\_\_

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

1. I am presently an officer, director, governor, or trustee of the following charitable and/or nonprofit organizations:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. I am presently on the staff or a volunteer of the following charitable and/or nonprofit organizations:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. I am presently an officer, director or have a significant ownership interest in the following firms that render investment advice:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Affiliations of immediate family members with charitable and/or nonprofit organizations and with investment advisors (please list the family member, the organization and the affiliation):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Any comments regarding financial interest or financial involvement with any of the above (or other) nonprofit organizations (or other prospective grantee). If none, state "NONE".

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_

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