TRUSTEE AND STAFF
CONFLICT OF INTEREST POLICY AND AGREEMENT
Revised and Adopted 12/12/13

The intent of this Conflict of Interest Policy is to ensure the legal and ethical integrity of the Foundation's decision-making and to make clear that no organization or individual benefits inappropriately because of a relationship with Foundation Trustees or Staff. Trustees include individuals and the representative of the Corporate Trustee.

The Board of Trustees and Staff of the Sudbury Foundation are guided by this policy whenever they represent or carry out business on behalf of the Foundation. In this role, each has a duty of loyalty to the Foundation which requires a Trustee or Staff member to put the interests of the Foundation over his/her own personal interests. Each Trustee and Staff member shall maintain the highest level of ethical conduct and shall exercise the highest standard of care, diligence and prudence when conducting any activity on behalf of the Foundation. Any confidential information acquired by a Trustee or Staff member in connection with the work of the Foundation shall not be used for personal benefit.

To avoid conflicts of interest and self-dealings or the appearance of conflicts or self-dealings, the following general principles and procedures have been established:

**1) Conflict of Interest**

A conflict may exist if:

a Trustee/Staff or member of their immediate family (parent, spouse, domestic partner, sibling, in-law, child) is an owner, director, board member, advisory board member, committee member, officer, employee or a provider of services for a fee of:

- an organization applying for a grant from the Foundation, or
- a company/individual doing business with the Foundation

or

a Trustee/Staff or member of their immediate family otherwise stands to benefit from his/her relationship with:

- an organization applying for a grant from the Foundation, or
- a company/individual doing business with the Foundation

An appearance of a conflict may exist when a Trustee/Staff or member of their immediate family has a close relationship with:

- an organization applying for a grant from the Foundation, or
- a company/individual doing business with the Foundation

The Board of Trustees must consider the potential for an appearance of a conflict when such relationships exist. Specifically, the board will consider the potential for an appearance of a conflict when a Trustee/Staff or member of their immediate family has previously held a position that created a conflict and that conflict existed within the prior 12 months.
Trustees and Staff members must disclose to the board known interests or positions that reasonably could create a conflict of interest or the appearance of a conflict.

(2) **Self-Dealing**
Private foundations are prohibited from engaging in acts of “self-dealing” with “disqualified persons” as defined by the Internal Revenue Code and Federal Regulations. Disqualified persons include Trustees and their family members and may include Staff. Self-dealing acts are specified financial transactions which include buying, selling, and renting property; lending money; and excessive or unreasonable compensation.

When addressing potential conflicts of interest or appearance of such conflicts in accordance with this Policy, Foundation Trustees and Staff also must consider potential violations of the federal rules against self-dealing. A conflict of interest or appearance of a conflict may exist without any violation of the specific rules against self-dealing.

(3) **Disclosure**
Annually, each Trustee/Staff member must complete, sign and date a disclosure form identifying any known relationship that could pose a conflict or the appearance of a conflict and acknowledging agreement to comply with this Conflict of Interest Policy. Any changes during the year must be reported to the Chairperson of the Board. The forms will be kept on file in the Foundation office. New Trustees will complete the disclosure form prior to attending their first board meeting.

Trustees and Staff are expected to disclose their relationships and those of their immediate family with nonprofits or businesses not listed on their disclosure statement as soon as they learn of a potential conflict of interest.

(4) **Procedure for Grantmaking**
Trustees/Staff will disclose any potential conflict of interest or appearance of a conflict concerning any proposal under review. The question of whether a conflict or significant appearance of conflict exists will be decided by a majority of the board. The decision will be reflected in the minutes of the meeting.

Once the board has determined that a Trustee or Staff member has a conflict of interest or a circumstance presents a significant appearance of a conflict:

- that Trustee/Staff member will leave the room when the proposal is being reviewed unless asked by the other members of the board to remain. If the Trustee/Staff member has been asked to stay in the room, he/she will not participate in the discussion except to respond to questions directed to him/her by other board members.
- that Trustee may not vote on the matter.

The minutes of the meeting will reflect whether the Trustee/Staff member remained in the room at the request of the trustees and/or responded to questions asked by
other trustees or staff. The minutes also will state that the Trustee recused herself/himself from the discussion and abstained from voting on the matter.

(5) Procedure for Vendors
Trustees/Staff will disclose any potential conflict of interest concerning an individual or company seeking to do business with the Foundation by notifying the Board Chair. The Chair will then ask the board to vote (at the next meeting or via email or conference call) on whether to approve the hire/transaction. The vote will be recorded in the next set of board meeting minutes.

(6) Gifts Policy
Trustees and Staff should decline to accept gifts, consideration or remuneration from individuals of companies/organizations that seek to do or do business with the Foundation, except as approved by the Chairperson of the Board or for gifts of a value of less than $50.

If a Trustee/Staff has relationships of a nature that, in the opinion of the majority of the Trustees, constitute conflicts of interest or self-dealings that are not in the best interests of the Foundation, that Trustee may be asked to resign.

I HAVE READ AND UNDERSTAND THE FOREGOING CONFLICT OF INTEREST POLICY AND AGREEMENT. I AGREE TO ITS TERMS, AND MY ACTIONS HAVE BEEN AND WILL CONTINUE TO BE GUIDED THEREBY.

Name: 

__________________________________________________________

Signature: 

__________________________________________________________

Date: ______________________
The Sudbury Foundation

ANNUAL CONFLICT OF INTEREST DISCLOSURE STATEMENT

Year: ____________

I, ________________________________, ____________________________

(Name) (Title)

of the Sudbury Foundation, under the Foundation’s Conflict of Interest Policy, state the following:

1.) Disclosure of Relationships with Businesses
I (or a member of my immediate family) am an owner, director, employee or a provider of services for a fee of the following company(ies) or individual(s) with which the Foundation does business:

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<th>Company/Individual:</th>
<th>Relationship:</th>
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2.) Disclosure of Relationships with Grantees
I (or a member of my immediate family) am an owner, director, board member, advisory board member, committee member, officer, employee or a provider of services for a fee of the following organizations that are or have been Foundation grant recipients:

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<th>Organization:</th>
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I have disclosed all relationships that to the best of my knowledge may pose a potential conflict of interest or the appearance of a conflict and agree to disclose any potential conflict of interest that may arise. I have reviewed the Conflict of Interest Policy and agree to its terms.

(Signed) ____________________________ (Date) ____________________________

(Signed) ____________________________ (Date) ____________________________