

# **THE YORK COLLEGE FOUNDATION, INC.**

## **CONFLICT OF INTEREST POLICY**

### **SECTION 1. PURPOSE:**

The York College Foundation (The Foundation) is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as State regulatory and tax officials, view the operations of The Foundation as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as members of the public.

Consequently, there exists between The Foundation and its board, officers and management employees and the public a fiduciary duty. The board, officers and management employees have the responsibility of administering the affairs of The Foundation honestly and prudently, and of exercising their best judgment for the sole benefit of The Foundation. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with The Foundation or knowledge gained for their personal benefit. The interests of The Foundation must be the first priority in all decisions and actions.

### **SECTION 2. AREAS IN WHICH CONFLICT MAY ARISE:**

Conflicts of interest may arise in the relations of directors, officers and management employees with any of the following third parties:

1. Persons and firms supplying goods and services to The Foundation.
2. Persons and firms from whom The Foundation leases property and equipment.
3. Persons and firms with whom The Foundation is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities or other property.
4. Competing organizations.
5. Donors and others supporting The Foundation.
6. Agencies, organizations and associations which affect the operations of The Foundation.
7. Family members, friends and other employees.

### **SECTION 3. NATURE OF CONFLICTING INTEREST:**

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 2. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with The Foundation.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with The Foundation.
3. Receiving remuneration of services with respect to individual transactions involving The Foundation.
4. Using The Foundation's time, personnel, equipment, supplies or good will for other than Foundation-approved activities, programs and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with The Foundation. Receipt of any gift is disapproved except gifts of a value not more than \$50, which could not be refused without discourtesy. No personal gift of money should ever be accepted.

### **SECTION 4. INTERPRETATION OF THIS POLICY:**

The areas of conflicting interest listed in Section 2, and the relations in those areas which may give rise to conflict as listed in Section 3, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the directors, officers and management employees will recognize such areas and relations by analogy.

The fact that one of the interests described in Section 3 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of The Foundation.

However, this policy requires the disclosure of any interests as described in Section 3 before any transaction is consummated. It shall be the continuing responsibility of the board, officers and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

### **SECTION 5. DISCLOSURE POLICY AND PROCEDURE:**

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed to the board of directors;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction
3. A competitive bid or comparable valuation exists; and

4. The board of directors has determined that a more advantageous transaction, contract or other arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest and, therefore, the transaction is in the best interest of The Foundation.

Disclosure shall be made in writing to the board chair. The board shall determine whether a conflict exists and, in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair and reasonable to The Foundation.

**SECTION 6. CONFLICT OF INTEREST DISCLOSURE STATEMENT**

1. This statement of disclosure requires you to provide information with respect to certain parties (termed "affiliated persons") that are related to you and include the following:

- Your spouse, domestic partner, child, mother, father, brother or sister;
- Any corporation or organization of which you are a board member, an officer, a partner, participate in management or are employed; and
- Any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee.

2. YOUR NAME: (Please print)

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3. CAPACITY: \_\_\_\_\_ member of the board of directors  
\_\_\_\_\_ officer  
\_\_\_\_\_ managerial employee

4. Have you or any of your affiliated persons provided services or property to the Foundation in the past year? \_\_\_\_\_ YES \_\_\_\_\_ NO

If yes, please describe the nature of the services or property and, if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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5. Have you or any of your affiliated persons purchased services or property from The Foundation in the past year? \_\_\_\_\_ YES \_\_\_\_\_ NO

If yes, please describe the purchased services or property and, if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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6. Please indicate whether you or any of your affiliated persons had any direct or indirect interest in any business transaction(s) in the past year to which The Foundation was or is a party? \_\_\_\_\_ YES \_\_\_\_\_ NO

If yes, describe the transaction(s) and, if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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7. Were you or any of your affiliated persons indebted to pay money to The Foundation at any time in the past year? \_\_\_\_\_ YES \_\_\_\_\_ NO

If yes, please describe the indebtedness and, if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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8. In the past year did you or any of your affiliated persons receive, or become entitled to receive, directly or indirectly, any personal benefits from The Foundation, or as a result of your relationship with The Foundation, that could be valued in excess of \$50? \_\_\_\_\_ YES \_\_\_\_\_ NO

If yes, please describe the benefit(s) and, if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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9. Are you or any of your affiliated persons a party to, or have an interest in, any pending legal proceeding(s) involving The Foundation? \_\_\_\_\_ YES \_\_\_\_\_ NO

If yes, please describe the proceeding(s) and, if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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10. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by The Foundation's board of directors in accordance with the terms and intent of The Foundation's conflict of interest policy? \_\_\_\_\_ YES \_\_\_\_\_ NO

If yes, please describe the situation(s) and, if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

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I HEREBY CONFIRM that I have read and understand The Foundation's conflict of interest policy and that my responses to the above questions are complete and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will notify the chair of the board of directors immediately.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date