

## CONFLICT OF INTEREST POLICY

Approved November 16, 2004

The Princeton Area Community Foundation, pursuant to and in furtherance of the Princeton Area Community Foundation Bylaws Section 2.13, follows a policy of avoiding any conflict of interest or the appearance of any conflict of interest on the part of its trustees, committee members and staff.

The Community Foundation recognizes that Board members, committee members and staff will serve in many capacities in the charitable community with agencies, institutions and programs which are grant applicants, vendors, investment managers or business partners.

Such roles can create conflicts, or the appearance of conflict, and thus a sensitivity to eliminate actual or perceived favoritism is necessary.

A “conflict of interest” for the purpose of this policy is:

- a situation where a person, or a member of his or her immediate family \*, is a trustee or director or is employed by a grantee, agency, organization, vendor, investment manager or business partner of the Community Foundation;

*and*

- serves on the Board or committees or is a staff member of the Community Foundation;

The Princeton Area Community Foundation Board policy regarding conflicts of interest is as follows:

1. No employee of the Community Foundation shall serve as a trustee, director or officer of, or in any other official capacity with, any organization which applies for a grant from the Princeton Area Community Foundation, unless such participation has been specifically authorized by the Executive Director and the Chairman, and with disclosure to the full Board.
2. No member of the Community Foundation Board, its grants committee, or staff shall be permitted to act in any matter (including any grant or other transaction) in which he or she has either a direct or indirect personal or financial interest.
3. During the consideration of a proposed grant to any organization by the Foundation Board or by any committee thereof, any member of the Foundation Board or committee who has a conflict of interest shall notify the Chairman if such is not otherwise noted in the review. The Chairman will ask such person to step out of the room for the duration of the discussion and vote, and such person shall refrain from participating in the grant evaluation and voting on the proposed grant. The minutes of grants committee meetings will record all voting abstentions and any conflicts of interest.
4. No trustee or volunteer committee member shall participate in any decision involving an entity with which he/she, or a member of his or her immediate family \*, is employed, is a trustee or director, or has a substantial economic interest.

\* Immediate family refers to any and all linear relations (parents, grandparents, children, siblings, spouse/domestic partner); and any personal relationship that can or may influence the thinking of a trustee, volunteer or staff member.