

Conflict of Interest Policy

I. Introduction

The Foundation is a publicly supported charitable foundation serving the communities of Cumberland County, NC and is dedicated to its mission of expanding private philanthropy in those communities. The Foundation operates within the public trust and strives to maintain the highest code of conduct in all of its operations.

The Foundation recognizes that it can best accomplish its mission when the board of directors, volunteer committee members, staff and other groups associated with the foundation represent the diverse interests, cultures, occupations and expertise of the community. Thus, the Foundation recognizes that members of the board of directors and others representing or affiliated with the Foundation will from time to time face possible conflicts of interest or situations in which the appearance of conflict of interest could be detrimental to the Foundation and the communities it serves. The Foundation adopts this Policy in recognition of its responsibility to the public trust, in recognition of the importance of fairness and objectivity in its conduct of business, as a means of assuring that every decision of the Foundation is made in the interest of the Foundation and the communities it serves and as a means of publicly codifying its expectations of board, staff, volunteers, and others serving the Foundation.

This Conflict of Interest Policy applies to all persons holding positions of responsibility and trust on behalf of the Foundation, including but not limited to members of the board of directors, members of board committees who are not members of the board, volunteer committee members, members of the boards of supporting organizations to the Foundation, and members of the Foundation staff (*hereinafter "members"*). This Policy shall be provided to each member at the time that he or she is asked to serve the Foundation.

II. General Policies and Expectations

Members of the foundation are expected to commit themselves to ethical and professional conduct. This includes the proper use of authority and appropriate decorum.

Members must represent unconflicted loyalty to the interest of the Foundation. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, business interests, personal interests, or paid or volunteer service to other organizations. It also supersedes the personal interest of any staff or volunteer member acting as a consumer or client of the foundation's services.

It is the policy of the Foundation that no member shall derive any personal profit or gain, directly or indirectly, by reason of his or her service to the Foundation. There may be no self-dealing or any conduct of private business or personal services between any member and the Foundation except those conducted in an open and objective manner to ensure equal competitive opportunity and equal access to information.

Board members or volunteer committee members must not use their positions to obtain employment in the Foundation for themselves, family members, or close associates. Should a board or volunteer committee member desire employment, he or she must first resign.

Board and volunteer committee members may not attempt to exercise individual authority over the policies and operations of the Foundation except through their roles as voting members of the board or volunteer committees. Staff members may not attempt to exercise individual authority over the policies and operations of the Foundation except through their specific job responsibilities and established supervisory structure.

Board members and volunteer committee members in their interaction with the press and the public must recognize the inability of any individual member of the board or committee to speak for the Foundation except as expressly authorized by the Board President. Staff members in their interactions with the press and the public must recognize the inability of any individual staff member to speak for the foundation except as expressly authorized by the Executive Director.

The Foundation will comply with both the letter and spirit of all public disclosure requirements, including the open availability of its Form 990 tax returns. However, all members must hold strictly confidential all issues of a private nature, including, but not limited to, issues related to private businesses, contributions from individuals, businesses and other private entities, and all personnel matters.

III. Policies on Conflict of Interest

In conducting the affairs of the Foundation, duality or conflict of interest shall be presumed when a person to whom this policy applies or a member of his/her immediate family serves as a trustee, officer, staff member, or holder of more than 10% of corporate stock of an affected organization or firm; has a formal affiliation or interest in an affected organization or firm; or could expect financial gain or loss from a particular decision.

Before a member of the staff, board or volunteer committee begins his or her service with the Foundation, he or she shall file with the Executive Director of the Foundation a list of his or her principal business activities, as well as involvement with other charitable and business organizations, vendors or business interests, or with any other associations that might produce a conflict of interest. Disclosure shall be made by all members in writing at the beginning of each fiscal year and prior to conducting Foundation business.

In addition to the disclosure required by the previous paragraph, each member is under an obligation to the Foundation, to his or her fellow staff or volunteers, and to the community served by the Foundation to inform the Foundation of any position he or she holds or of any business or a vocational activity that may result in a possible conflict of interest and/or bias for or against a particular grantee, action or policy, at the time such grant, action or policy is under consideration by the board or any volunteer committee of the Foundation. Any duality or possible conflict of interest on the part of any member shall be disclosed to the Board President (in the case of volunteers) or the Executive Director (in the case of staff members) and made a matter of record as soon as the issue in question is raised and a possible conflict is known. ***De minimis service as a volunteer for a grantee does not itself present a duality or conflict where there is not also board service or committee membership.***

When the board, committee, or staff is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall physically absent herself or himself without

comment from not only the vote, but also from the deliberation, unless directly requested by the Board President or relevant committee chair to provide factual information or answer factual questions that may assist the board or committee in making a wise decision. In no case shall that member vote on such matter or attempt to exert personal influence in connection therewith.

Disclosure and abstention shall be recorded in the minutes of the meeting(s) at which the issue is discussed and decided.

In any situation not specifically covered by the previous sections of this policy, members shall consider carefully any potential conflict of their personal interests with the interests of the Foundation and refrain from any action that might be perceived as an actual or apparent conflict of interest.

IV. Examples of Appropriate Actions Under This Policy

Example 1. An officer or other paid employee of a bank or other financial institution who is also a board or finance committee member of the Foundation should inform the Board President (or Committee Chair) of his or her potential conflict of interest and abstain from discussing or voting on the retaining, employing or dismissing of his or her financial institution as an investment manager of the foundation.

Example 2. A board or distributions committee member who is also a board, staff or committee member or other volunteer of a proposed grantee should inform the Board President (or Committee Chair) of his or her conflict of interest and abstain from voting on or discussing any motion for or against the proposed grant, except as expressly requested by the Board President (or Committee Chair) to provide factual information or answer factual questions that would be useful to the board or committee in making its decisions. If several grants are being voted upon concurrently, the board or committee member must voice his or her conflict of interest to the Board President (or Committee Chair) before the vote so that a vote on the grant with which there is a conflict may be taken separately.

Example 3. A board or committee member whose personal financial interests could be positively or adversely affected by the Foundation's accepting, holding or disposing of a particular gift from a donor or by knowledge of the gift should inform the Board President (or Committee Chair) of his or her potential conflict of interest; refrain from seeking, obtaining or reviewing non-public information about the gift; and abstain from discussing or voting on acceptance of the gift.

Example 4. A board member who occasionally provides volunteer support to a nonprofit by, for example, serving breakfast to the homeless, collecting used clothing, picking up trash, answering the telephone, or other volunteer services and has no official connection to the organization in any capacity may discuss and vote on grants related to that charitable organization due to the de minimis nature of the relationship.

Example 5. A board member who serves on the endowment committee of a proposed grantee but is not on the organization's board of directors should inform the Board President (or

Committee Chair) of his or her conflict of interest and abstain from voting on or discussing any motion for or against the proposed grant, except as expressly requested by the Board President (or Committee Chair) to provide factual information or answer factual questions that would be useful to the board or committee in making its decisions. If several grants are being voted upon concurrently, the board or committee member must voice his or her conflict of interest to the Board President before the vote so that a vote on the grant with which there is a conflict may be taken separately.

Example 6. A staff member with board-delegated grant decision authority should refrain from exercising that authority when the staff member has a duality of interest or conflict and should refer the approval to the Board President and Committee Chair.

V. Duties of the Board President and the Executive Director

The Board President shall be responsible for the application and interpretation of these policies as they relate to board members, volunteer committee members or the Executive Director. The Executive Director shall be responsible for the application and interpretation of the above policies as they relate to members of the Foundation's staff.

VI. Duties of Members of the Board of Directors

Each board member has the affirmative responsibility to report to the Board President (in the case of concerns related to board or committee members or the Executive Director) or to the Executive Director (in the case of concerns related to members of the staff) any and all knowledge of any action or conduct that appears to be contrary to this Policy.

VII. Disclosure *(To be completed upon initial service and annually thereafter)*

On Exhibit A attached hereto, I have listed my principal business activities and those of my immediate family and those charitable organizations that employ me or a member of my family or for which one of us serves as a member of the board or on committee(s).

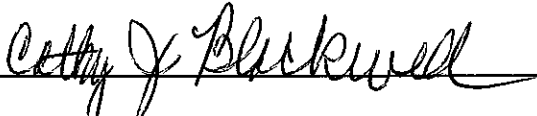
I hereby certify that I have read, understood, and agree to the Foundation's policies as described in this statement and that the information given on Exhibit A is complete and accurate to the best of my knowledge.

Name/ Printed or Typed

Signature

Date

Policy approved on September 15, 2016, amended on February 9, 2017, and amended on May 18, 2017.



Board Secretary

Conflict of Interest Disclosure - Exhibit A

I have listed below my principal business activities and those of my immediate family and those charitable organizations that employ me or a member of my family or for which one of us serves as a member of the board or on committee(s).

Name of Organization	Nature of Affiliation

I hereby certify that I have read, understood, and agree to the Foundation's policies as described in this statement and that the information given above is complete and accurate to the best of my knowledge.

Name/ Printed or Typed

Signature

Date