



**Stark Community Foundation**  
**CONFLICT OF INTERESTS**  
**AND ETHICAL STANDARDS POLICIES**

1. **General Policy**

- A. This policy is adopted to assist all persons holding positions of responsibility and trust in Stark Community Foundation, Stark Community Foundation, Inc., Newmarket Project, Inc., or any of their committees or affiliated entities, (hereinafter collectively referred to as the “Foundation”) to avoid any actions or relationships which might give rise to a conflict of interest or to the appearance of a conflict of interest, and also to establish other ethical standards to be followed by this organization.
- B. Each member of the Board of Directors and each officer, employee, or representative of the Foundation (hereinafter “Person”) should carefully consider any potential conflict of his or her personal interest with the interest of the Foundation and shall refrain from any actions which might result in an actual or apparent conflict of interest.

Examples of Conflict of Interests

- *Self-benefit*: Using your position with the Foundation to promote your own interests or those of your family.
  - *Influence peddling*: Soliciting benefits for yourself or your family from outside organizations in exchange for using your influence with the Foundation to advance interests.
  - *Other business relationships and dealings*: Approving grants with organizations in which you or your family have a significant financial or other interest.
  - *Property transactions*: Leasing, renting, trading, or selling real or personal property to or from the Foundation.
  - *Dealings with grantees*: Personally accepting anything of value from organizations or individuals that are current or potential grantees.
- C. Directors and employees of the Foundation are committed to communicating fully with the Foundation regarding any relationship or commitment that could affect the impartial fulfillment of their role in the affairs of the Foundation. This includes, but is not limited to, serving as a board member, employee or consultant to a current or potential grantee, service provider or vendor, or doing business with the grantee, service provider or vendor.

- D. For purposes of these policies, “Family Member” shall mean: spouse, sibling, spouses of siblings, ancestors, children, grandchildren, great grandchildren, and spouses of children, grandchildren, and great grandchildren of a Person.

## 2. **Grantmaking Policy**

- A. Each Person affiliated (as identified in the annual conflict of interest disclosure statement for Stark Community Foundation) with an organization applying for a grant shall disclose to those considering the grant his or her potential conflict of interest. The Person may present any factual information to the group and answer any questions posed by the group, as the group determines appropriate but will excuse himself or herself from the vote. Each Person affiliated or who has a Family Member affiliated with the application organization in any governing or administrative capacity shall refrain from acting on the requested grant.
- B. No Person or Family Member may inure to a more than incidental benefit as a result of a grant or other transaction by the Foundation.
- C. Recognizing that the Foundation draws on individuals with civic and philanthropic commitment to serve as staff and directors, it is unavoidable that they may have engagements with organizations that may receive grants from the Foundation from time to time.

No organization with which any Person, or Family Member, is connected, shall receive any special consideration whatsoever by the Foundation or such organization’s grant application, and no variation in the Foundation’s procedures or standards for processing grants shall be permitted for such organizations.

- D. Each Person is expected to exercise his or her judgment and powers in the best interests of the Foundation over his or her individual interests when evaluating and approving grants and other transactions undertaken by the Foundation.
- E. No Person shall disclose any confidential, financial, or inside information learned in connection with his or her involvement in the Foundation which is not generally available to the public. The officers of the Board of Directors have the responsibility to make public announcements. No one, except persons authorized by them to make such announcements, shall do so.

## 3. **Financial Policy**

- A. No Person shall sell property of any kind to, or purchase property of any kind from the Foundation without the prior written consent of the Foundation. No Person shall sell property to, or purchase property from, any trustee financial institution or any investment manager without the prior written consent of the Foundation, if the Foundation has an interest, either as an owner or as a grantor to an organization, in such property.

- B. No Person shall accept any gift or service, without payment of full value therefore, from anyone with which the Foundation is conducting business or as an inducement to enter into or restore business relations, provided that de minimis items or services provided to customers of businesses in the course of ordinary marketing and business appreciation shall not be prohibited.
- C. No false or misleading entries shall be made in the books or records of the Foundation for any purpose. No undisclosed or unrecorded asset or account is to be held or established by the Foundation for any purpose. No payments will be approved or made by the Foundation with the knowledge or intention that any part is to be used for any purpose other than that described in the supporting documents, including minutes, contracts, and invoices.
- D. No transactions or compensation arrangements shall occur between the Foundation and any Person, a Family Member of any Person, an organization in which any Person has a material financial interest or any other individual, entity or organization, with a substantial influence over the affairs of the Foundation, unless such Person provides adequate consideration for the financial benefit the Foundation provides to such Person in the transaction and the Foundation approves the transaction according to the following procedure:
  - 1. The body approving the transaction is disinterested, i.e., the members comprising the body approving the transaction do not have a conflict of interest or an appearance of a conflict of interest;
  - 2. The body approving the transaction, given the knowledge and expertise of the members of the body, has sufficient information to determine whether a compensation arrangement will result in the payment of reasonable compensation or a transaction will be for fair market value; and
  - 3. The body adequately documents the basis for its determination concurrently with the making of that determination.

#### 4. **Administration**

- A. For purposes of administering this policy, each Person shall, once each year, furnish to the Corporate Secretary and Administrative Assistant a statement listing all charitable organizations with which such Person is affiliated in a governing or administrative capacity. The Corporate Secretary and Administrative Assistant shall be responsible for disclosing any such affiliation to the President of the Foundation any time that any such organization is considered for a possible grant or evaluated in connection with a grant previously made.
- B. Any Person who has knowledge of any action or conduct in violation of these policies shall promptly report the same to the Chairperson or President of the Foundation.