

JESSIE SMITH NOYES FOUNDATION CONFLICTS OF INTEREST POLICY

1. Purpose

Jessie Smith Noyes Foundation depends upon the active participation of its Directors and Employees. Additionally, The Foundation recognizes how it and its grantees can benefit from the knowledge and experiences of its trustees regarding the kinds of activities and organizations funded. Nevertheless, the growing complexity and expanding scope of the Foundation's activities make it prudent for the Board to recognize both the fact and perception of the Foundation's honesty and integrity in its dealings be maintained. Therefore, the Board of Directors has adopted the following policy.

2. General Standard

All Directors and Employees shall exercise the utmost good faith in all matters relating to their duties and responsibilities to the Foundation, and shall act in the best interests of the Foundation whenever they are carrying out the business of or representing the Foundation. Each Director and Employee shall prefer the interests of the Foundation over the Director's/Employee's interest or the interests of others.

For purposes of this policy, a "Conflict of Interest" is defined to be any activity that violates, or could potentially violate, the foregoing standard, such as (but not limited to): financial dealings that are contrary to the Foundation's best interests; memberships or employment relationships that are in conflict with the Foundation's best interests; and acceptance of favors, money or other consideration which influence a Director or Employee to take actions that are not in accord with the Foundation's best interests.

A Director or Employee has a "Potential Conflict of Interest" if the Director or Employee has a "Personal Interest" with respect to a particular transaction or arrangement. A Director or Employee has such a "Personal Interest" if he or she, knowingly:

- a. has a "Financial Interest" (defined as an ownership interest of 5% or greater, or in the case of a privately-held entity, has an ownership interest of 1% or greater) in any entity with which the Foundation has or is contemplating a grant, transaction or arrangement;
- b. is a director, officer, employee, volunteer or committee member of any person or entity with which the Foundation has or is contemplating a grant, transaction or arrangement;
- c. as a compensation arrangement (whether actual or potential) with any person or entity with whom or with which the Foundation has or is contemplating a grant, transaction or arrangement;
- d. has a spousal or familial relationship (or its equivalent) with any person with whom the Foundation has or is contemplating a grant, transaction or arrangement, or with a principal of any entity with which the Foundation has or is contemplating a grant, transaction or arrangement.

3. Procedures

Because Directors and Employees may be involved in other organizations that may have business dealings or affiliations with or seek grants from the Foundation, the following general principles have been established:

Each Director and Employee is responsible for recognizing a "Conflict of Interest" and refraining from any actions which constitute a "Conflict of Interest". In the event a Director has any question about whether activities constitute a "Conflict of Interest", he/she shall disclose it pursuant to the "Potential Conflict of Interest" procedures described below, and the Board shall decide what actions are warranted.

In the event that a Director or Employee believes that he or she may have a "Potential Conflict of Interest" such Director or Employee shall disclose the material facts of such potential conflict of interest to the Board of Directors in a timely manner. A Director shall not vote on such transaction, and shall not attempt to influence the decision on the matter directly or indirectly; however, a Director may be counted in determining the presence of a quorum for a meeting. The minutes of the meeting will reflect the disclosure and that such Director did not vote or participate in the deliberations. The foregoing shall not be construed to forbid a Director or Employee from recommending a potential grantee, from briefly stating his or her view of the grantee, or from responding to questions from other members of the Board. The Board may, at its discretion, ask that a Director or Employee leave the room when a matter involving a "Potential Conflict of Interest" is under consideration by the Board.

4. Other Provisions

While the Foundation should rigorously avoid discrimination in favor of a board member-related organization, it also should not penalize an organization because of a Board member connection nor should it exclude a Board member from providing useful service to the Foundation when qualified to do so.

The above procedures complement those included in the Foundation's Policy on Board Members Referring Organizations to Staff for Grant Consideration. At all times, a Board member shall make it clear that she/he has no special advantage in securing funding for any organization or activity, other than through the use of her/his individual discretionary funds.

5. Compliance

All Directors and Employees will be sent a copy of this policy and shall sign a compliance statement annually concerning conflicts of interest and compliance with this policy.

JESSIE SMITH NOYES FOUNDATION CERTIFICATION

I hereby certify that I have read the Policy on Conflicts of Interest of Jessie Smith Noyes Foundation and I agree to comply with its provisions.

Date: _____ Name (Print): _____

Signature: _____