



CONFLICT OF INTEREST POLICY

Section 1. Background and Purpose

Nebraska Community Foundation (Foundation) is a Nebraska nonprofit corporation exempt from tax under Section 501(c)(3) of the Internal Revenue Code. Maintenance of the Foundation's nonprofit corporation and tax-exempt status is essential for its continued financial stability and for attracting and maintaining public support. The Internal Revenue Service and state regulatory and tax officials view the operation of the Foundation as a public trust which is subject to scrutiny by and accountable to those governmental authorities as well as to members of the public. Consequently, there exists between the Foundation, its governance and management personnel and the public a broad and unyielding fiduciary duty of loyalty, fidelity and care. The governance and management personnel of the Foundation are responsible for administering the affairs of the Foundation honestly and prudently, and for exercising their best care, skill and judgment for the sole benefit of the Foundation. Those persons shall exercise the utmost good faith in all transactions involved in their duties for the Foundation, and they shall not use their positions with Foundation or knowledge gained therefrom for their personal benefit. The interests of the Foundation shall be the first priority in all decisions and actions.

The purpose of this Conflict of Interest Policy (Policy) is to assist the Foundation and members of its Board of Directors (Board), officers, employees, and members of certain committees thereof (defined below as Responsible Persons) in identifying situations that present potential conflicts of interest, and to provide the Foundation with procedures to appropriately determine and manage identified conflicts in accordance with applicable state and federal legal requirements and the goals of accountability and transparency in the Foundation's operations. This Policy is intended to supplement, but not replace, any state laws governing conflicts of interest applicable to nonprofit and charitable tax-exempt organizations.

Section 2. Definitions

- a. A "Conflict of Interest" is any circumstance described in Section 3 of this Policy.
- b. A "Contract or Transaction" is any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a grant or loan, or the establishment of any other type of pecuniary relationship with any person or organization that the Foundation might receive resources from or direct resources to. The making of a gift to the Foundation is not a Contract or Transaction under this Policy.
- c. A "Family Member" is a spouse, domestic partner, parent, child, spouse of a child, sibling, or spouse of a sibling, of a Responsible Person.
- d. A "Material Financial Interest" in an entity is a financial interest of any kind which, in view of all the facts and circumstances, is substantial enough that it

would, or reasonably could, affect a Responsible Person's or Family Member's judgment with respect to transactions to which the entity is a party. A Material Financial Interest includes all forms of compensation.

- e. A "Responsible Person" is any person serving as a member of the Board of Directors, officer, employee, or member of a committee of the Foundation having Board-delegated powers.

Section 3. Conflict of Interest

For purposes of this Policy, the following circumstances shall be deemed to create a Conflict of Interest:

- a. Outside Interests.
 - i. A Contract or Transaction between the Foundation and a Responsible Person or Family Member.
 - ii. A Contract or Transaction between the Foundation and an entity in which a Responsible Person or Family Member has a Material Financial Interest, or of which a Responsible Person or Family Member is a director, officer, employee, member, committee member, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative.
- b. Outside Activities.
 - i. A Responsible Person competing with the Foundation in the rendering of services or in any other Contract or Transaction with a third party.
 - ii. A Responsible Person's having a Material Financial Interest in, or serving as a director, officer, employee, member, committee member, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative of, or consultant to, an entity or individual that competes with the Foundation in the provision of services or in any other Contract or Transaction with a third party.
- c. Gifts, Gratuities and Entertainment. A Responsible Person accepting gifts, entertainment or other favors of more than a nominal value from any individual or entity that:
 - i. does or is seeking to do business with, or is a competitor of, the Foundation; or
 - ii. has received, is receiving or is seeking to receive a grant or loan from the Foundation, or to secure other financial commitments from the Foundation;
 - iii. under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person

in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of the Foundation.

Section 4. Disclosure Policy and Procedures

Transactions with parties with whom a Conflict of Interest exists may be undertaken only if all of the following procedures are observed:

- a. Prior to Board or committee action on a Contract or Transaction involving a potential Conflict of Interest, the Responsible Person having a Conflict of Interest shall prepare a written statement describing the manner and the nature of the Conflict of Interest, and shall disclose therein all facts and circumstances material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.
- b. Disclosure involving directors shall be made to the Board Chairman (or if the Board Chairman is the one with the conflict, then to another Director), who shall bring the matter to the Board or duly-constituted committee thereof. Disclosure in the organization shall be made to the Executive Director (or if the Executive Director is the one with the conflict, then to the Board Chairman), who shall bring the matter to the attention of the Board or duly constituted committee thereof.
- c. A Responsible Person who has a Conflict of Interest shall not participate in or be permitted to hear the Board's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- d. A Responsible Person who has a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a Conflict of Interest may not vote on the Contract or Transaction and shall not be present in the meeting room when the vote is taken. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.
- e. Responsible Persons who are not members of the Board of Directors of the Foundation, or who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of Board or committee action, shall disclose such conflict to the Executive Director. Such disclosure shall be made as soon as the Conflict of Interest is known to the Responsible Person. The Responsible Person shall refrain from any action that may affect the Foundation's participation in such Contract or Transaction. In the event it is not entirely clear whether a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the Executive Director, who shall determine whether there exists a Conflict of Interest that is subject to this Policy.

- f. The Board, or duly constituted committee thereof, shall determine whether an actual Conflict of Interest exists and, in the case of an existing conflict, whether the contemplated Transaction may be authorized as just, fair, and in the best interests of the Foundation. The decision of the Board or duly constituted committee on such matters shall rest in their sole discretion, with the overriding priority being the welfare and best interest of the Foundation and the advancement of its charitable purpose. The basis for the Board's or committee's determination that the Transaction is in the best interest of the Foundation shall be reflected in the minutes of the meeting.
- g. In circumstances involving a Contract or Transaction where fair market value may not be determined through comparable data or other external sources, a competitive bid or bids shall be obtained. All information utilized to determine fair market value shall be retained and reflected in the minutes of the meeting.

Section 5. Confidentiality

Each Responsible Person shall exercise care not to disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of the Foundation. Furthermore, a Responsible Person shall not disclose or use information relating to the business of the Foundation for the personal profit or advantage of the Responsible Person or a Family Member.

Section 6. Review of Policy

- a. Each new Responsible Person shall be required to review a copy of this policy and to acknowledge in writing that he or she has done so.
- b. Each Responsible Person shall annually complete a disclosure form identifying any relationships, positions or circumstances in which the Responsible Person is involved that he or she believes could contribute to a Conflict of Interest arising. Such relationships, positions or circumstances might include service as a director, officer, employee or committee member of or consultant to a nonprofit organization, or ownership of a business that might provide goods or services to the Foundation. Any such information regarding business interests of a Responsible Person or a Family Member shall be treated as confidential and shall generally be made available only to the Chairman, the Executive Director, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.
- c. This policy shall be reviewed annually by each member of the Board of Directors. Any changes to the policy shall be communicated immediately to all Responsible Persons.

**NEBRASKA COMMUNITY FOUNDATION
CONFLICT OF INTEREST INFORMATION FORM**

Please list and describe any Outside Interests, Outside Activities or Gifts, Gratuities and Entertainment that, pursuant to the NCF Conflict of Interest Policy, you believe might contribute to a Conflict of Interest (as defined in Section 3 of the Foundation's Conflict of Interest Policy).

Outside Interests

This includes situations that could give rise to a contract or transaction between you or a related party and the Foundation.

| Organization | Description |
|--------------|-------------|
| | |

Outside Activities

This includes situations that could give rise to competition with the Foundation. Include service to other nonprofit organizations.

| Organization | Description |
|--------------|-------------|
| | |

Gifts, Gratuities and Entertainment

This includes accepting anything of more than a nominal value that might be perceived as influencing you in the performance of your duties for the Foundation.

| Organization | Description |
|--------------|-------------|
| | |

Fund Advisory Committee Participation

I am a member of a Fund Advisory Committee - list fund name(s) _____

I hereby certify that:

- To the best of my knowledge and belief, the information set forth above is true and complete as of the date specified below.
- I will promptly report anything not disclosed here that could give rise to a conflict of interest.
- I have reviewed, and agree to abide by, the Conflict of Interest Policy of the Foundation.

Signature: _____ Date: _____

Printed Name: _____