

THE COMMUNITY FOUNDATION OF HERKIMER & ONEIDA COUNTIES, INC.

2008 ANNUAL DISCLOSURE FORM

FOR

TRUSTEES, OFFICERS, EMPLOYEES AND COMMITTEE MEMBERS

FORMER TRUSTEES, OFFICERS, EMPLOYEES AND COMMITTEE MEMBERS

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Title: \_\_\_\_\_

The purpose of this disclosure is to enable the Foundation:

- (a) to comply with its annual reporting requirements as a tax-exempt organization under Internal Revenue Code Section 501(a) with the Internal Revenue Service and other state regulatory agencies; and
- (b) to comply with its Conflicts of Interest & Confidentiality Policy as set forth in its By-laws at Article X.

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For purposes of this annual disclosure form:

**Conflict of Interest** shall be defined as set forth in the Foundation's Conflicts of Interest & Confidentiality Policy, a copy of which is attached to this form.

**Family Members** include your spouse or domestic partner, ancestors, children, descendants, or siblings and spouses of these individuals.

**Business Relationships** include those situations in which:

- (1) One person is employed by the other or by an organization with which the other is associated as a trustee, officer, or Owner.
- (2) One person is transacting business with the other, directly or indirectly, in one or more contracts of sale, lease, license, loan, or performance of services.
- (3) The two persons are each a trustee, officer or owner in the same business or investment entity.

**Grants or assistance** includes all grants or other assistance (including provision of goods, services or use of facilities), regardless of amount, provided by the Foundation to any Interested Person (Grants) at any time during the Foundation's fiscal year.

Examples of grants are scholarships, fellowships, internships, prizes and awards. A grant includes the gift portion of a part-sale, part-gift transaction.

**Interested Persons (Grants)** for purposes of reporting grants or assistance include current or former officers, committee members, trustees or Employees, Substantial Contributors or related persons. Related Person for these purposes includes a member of the Foundation's grant selection committee, a Family Member of the Foundation's current or former officers, committee members, trustees or Employees. Employees (or child of an employee) of a Substantial Contributor are included, but only if such individual received the grant or assistance at the direction or advice of the Substantial Contributor, or pursuant to a program funded by the Substantial Contributor that was intended primarily to benefit such employees (or their children).

**Substantial Contributor** for these purposes means any person who contributed at least \$5,000 during fiscal year 2008.

**Business transactions** include, but are not limited to contracts of sale, lease, license and performance of services, whether initiated during fiscal year 2008 or prior.

Business transactions include Joint Ventures, whether new or ongoing, in which either the profits or capital interest of the Foundation and of the interested party exceeds 10%.

**Interested Persons (Business Transactions)** for purposes of reporting business transactions include current or former officers, committee members, trustees, Employees, Family Members of such individuals, owned entities (includes direct or indirect ownership, individual or collectively, by current or former officers, trustees or employees or their family members); or an Affiliated Entity.

**Affiliated Entity** includes an entity (other than tax-exempt organizations) in which current or former officers, committee members, or employees were serving at the time of the transaction as an officer, committee member, trustee, employee, partner, or shareholder.

**Confidentiality** is crucial to the operation of The Foundation. Such information includes but is not limited to donor information, financial information, proposals, criteria or decisions made with regard to the business of The Community Foundation of Herkimer & Oneida Counties, Inc. The Community Foundation of Herkimer & Oneida Counties, Inc., its Officers, employees, Trustees and committee members have an ethical and legal obligation to respect the privacy of our donors, their family members and friends in the course of providing services to them and to preserve the restricted nature of this information except where it becomes publicly available, or is otherwise lawfully obtained.

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I. Are you aware of any relationship or transaction during fiscal year 2008, January 1, 2008 to December 31, 2008, with the Foundation which involves or could ultimately harm or benefit financially:

- a. Yourself;  yes  no
- b. Any Family Member; or  yes  no
- c. Any organization in which you or a Family Member are a director, trustee, officer, committee member, member, partner, or owner?  yes  no

If yes, please list all such relationships or transactions, including specific information concerning the essential financial terms of any contract or transaction (description of services, duration, consideration, or price) and whether approval of the transaction has been obtained from the Board of Trustees.

Name	Type of Relationship/Transaction	Approved by Board
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

II. Please fill out completely. If not applicable, indicate “none”.

- a. All not-for-profit institutions (including religious and education institutions) of which I am a trustee, director, or officer, which have a substantial likelihood of being harmed or benefited by any action or policy of the Foundation:

<u>Entity</u>	<u>Position</u>
_____	_____
_____	_____
_____	_____
_____	_____

- b. All trusts, of which I am a trustee, or which benefit me or a Family Member, which have a substantial likelihood of being harmed or benefited by any action or policy of the Foundation:

<u>Entity</u>	<u>Trustee or Beneficiary</u>	<u>Self or Family</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- c. Listed below are any of the Foundation’s other officers, committee members, trustees or Employees that are my Family Members at any time from January 1, 2008 to December 31, 2008:

<u>Individual</u>	<u>Individual’s Title</u>	<u>Relationship</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- d. Listed below are all Business Relationships I had with any of the Foundation's other officers, committee members, trustees or Employees at any time from January 1, 2008 to December 31, 2008:

Individual	Individual's Title	Business Relationship

- e. Listed below are Grants or Assistance I, a Family Member or an Interested Person (Grants) received from the Foundation at any time during January 1, 2008 to December 31, 2008:

Individual	Grant/Assistance Received

- f. Listed below are Business Transactions I, a Family Member or an Interested Person (Business Transactions) had with the Foundation at any time from January 1, 2008 to December 31, 2008:

Parties Involved (list both <u>Interested Person</u> and other party to transaction)	Amount of Transaction	Description of Transaction

III. **Other Significant Involvement** (e.g., membership on foundation boards, consultancies, advisory committees; active political or advocacy role; elected or appointed office):

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I have read and understand this annual disclosure form as well as the Foundation's Conflict of Interest & Confidentiality Policy. The foregoing information is true and complete to the best of my knowledge. I also understand that, under some circumstances, liability for interested person transactions may arise up to five years after my service to the Foundation has ended.

In addition, I recognize the need to maintain confidentiality regarding information I might receive as an officer, committee member, trustee, or staff member regarding donors, donations, investments and grant making activities of The Foundation.

***REMINDER: If at any time there is a matter under consideration, which may constitute a direct or indirect conflict of interest, it is your obligation to disclose the facts to the Board of Trustees or the Committee involved, to abstain from voting and to refrain from using your personal influence on the matter.***

Dated: \_\_\_\_\_

\_\_\_\_\_  
Name:

**THE COMMUNITY FOUNDATION OF HERKIMER  
AND ONEIDA COUNTIES, INC.**

**POLICY ON CONFLICTS OF INTEREST & CONFIDENTIALITY**

The Foundation is expected to conduct its business transactions on that level and with the same integrity that is expected under the law and by the people and institutions of Herkimer and Oneida Counties. This code of conduct 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 trustees, volunteer committee members and members of the Foundation staff.

**Section 1. Definition of Conflicts of Interest:** A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence Foundation policies or actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any member of his or her immediate family (spouse, parents, children, brothers or sisters, and spouses of these individuals); or (c) any organization in which he or she or an immediate family member is a director, trustee, officer, member, partner or shareholder or has a substantial financial interest.

**Section 2. Disclosure of Conflicts of Interest:** A Board member or Foundation officer shall disclose a conflict of interest: (a) prior to voting on or otherwise discharging his or her duties with respect to any matter involving the conflict which comes before the Board or any committee; (b) prior to entering into any contract or transaction involving the Foundation; (c) as soon as possible after the Board member or officer shall learn of a conflict of interest in any other context. Disclosure of the material facts surrounding the Board member or officer's conflict of interest shall be made to the President of the Foundation or, in the case of a committee, the chairperson of that committee (who shall notify the President) and the President or committee chairperson shall inform the other members of the Board of committees prior to any action thereon. The President of the Foundation shall distribute annually to all Board members and officers, a form soliciting the disclosure of all conflicts of interest, including specific information concerning the terms of any contract or transaction with the Foundation and whether the process for approval set forth in this policy was used.

**Section 3. Approval of Conflicts of Interest:** Following receipt of information concerning a contract or transaction involving a potential conflict of interest, the Board shall consider the material facts concerning the proposed contract or transaction including the process by which the decision was made to recommend entering into the arrangement on the terms proposed. The Board shall approve only those contracts or transactions in which the terms are fair and reasonable to the Foundation and the arrangements are consistent with the best interests of the Foundation. Fairness includes, but is not limited to, the concepts that the Foundation should pay no more than fair market value for any goods or services which the Foundation receives and that the Foundation should receive fair market value consideration for any goods or services that it furnishes others. The Board shall set forth the basis for its decision with respect to approval of contracts or transactions involving conflicts of interest in the minutes of the meeting at which the decision is made, including the basis for determining that the consideration to be paid is fair to the Foundation.

**Section 4. Validity of Actions:** No contract or other transaction between the Foundation and one or more of its Board members or officers, or between the Foundation and any other corporation, firm,

association or other entity in which one or more of its Board members or officers are directors or officers, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such Board member(s) or officer(s) are present at the meeting of the Board, or of a committee thereof, which authorizes such contract or transaction, or that his or her or their votes are counted for such purpose, if the material facts as to such Board member's or officer's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the Board or committee, and the Board or committee authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of such interested Board members or officers. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board or committee which authorizes such contract or transaction. At the time of the discussion and decision concerning the authorization of such contract or transaction, the interested Board member or officer should not be present at the meeting.

**Section 5. Employee Conflicts of Interest:** An employee of the Foundation with a potential conflict of interest in a particular matter shall promptly and fully disclose the potential conflict to the President. The employee shall thereafter refrain from participating in deliberations and discussion, as well as any decisions, relating to the matter and follow the direction of the President as to how the Foundation decisions that are the subject of the conflict will be determined. The President of the Foundation shall be responsible for determining the proper way for the Foundation to handle Foundation decisions that involve unresolved employee conflicts of interest. In making such determinations, the President of the Foundation may consult with the Chairperson of the Board, and legal counsel, as appropriate. The President of the Foundation shall report to the Board at least annually concerning employee conflicts of interest that have been disclosed and contracts and transactions involving employee conflicts which the President of the Foundation has approved.

**Section 6. Confidentiality:** Confidential and proprietary information is crucial to the operation of The Foundation. Such information includes but is not limited to donor information, financial information, proposals, criteria or decisions made with regard to the business of The Community Foundation of Herkimer & Oneida Counties, Inc. The Community Foundation of Herkimer & Oneida Counties, Inc., its employees, Trustees and committee members have an ethical and legal obligation to respect the privacy of our donors, their family members and friends in the course of providing services to them and to preserve the restricted nature of this information except where it becomes publicly available, or is otherwise lawfully obtained.

Approved 12/12/06  
Approved 9/12/06  
Approved 12/20/99