

Federation for Jewish Philanthropy of Upper Fairfield County

Conflicts of Interest Policy & Annual Disclosure Form

Approved April 19, 2017

Purpose

The Federation for Jewish Philanthropy of Upper Fairfield County (FJP) believes the trust and confidence of our donors, member agencies and other supporters depend on our continuing to maintain the highest standards of ethical and lawful conduct. It is FJP's position that all individuals involved with its mission must comport themselves so that there is not even the appearance of conflict between personal interests and those of FJP. To ensure the continuity of its high standards of conduct, FJP desires to set forth the common understandings that must exist among the members of its community regarding practices.

This memorandum is intended to assist in understanding FJP's policies and practices relating to business transactions to clarify principles that must guide its conduct, and to provide guidance in resolving ethical and legal questions that might arise. The purpose of the Conflict of Interest Policy is to protect FJP's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director or employee of FJP.

The policy is designed to ensure that all institutional decisions are made solely to promote the best interests of FJP without favor or preference based on personal considerations, and to provide the highest ethical conduct.

Duty of Loyalty and General Requirements

Duty of Loyalty. Conflict-of-interest focus primarily on the duty of loyalty of board of director ("Board") members and employees. This duty broadly commands Board members, officers, and employees to be faithful to an organization's best interests and to refrain from using their organizational position or knowledge to advance a personal or outside agenda at the organization's expense.

Basis of Decisions. All institutional decisions are to be made solely to promote the best interests of FJP without favor or preference based on personal considerations, and to provide the highest ethical conduct. Accordingly, with respect to their personal economic interests, FJP officers, Board members, and employees should not be allowed to participate actively as advocates in their own behalf (or on behalf of other organizations in which they have a personal interest), either formally at Board or committee meetings or informally through private contact, communication, and discussion. Similarly, officers, Board members, or employees may not obtain for themselves, their relatives, or their friends a material benefit of any kind from their association with FJP, or from the knowledge gained therefrom. The fairness of transactions involving potential conflicting interests is usually analyzed by comparing them with similar transactions negotiated by parties dealing at "arm's length" - that is, parties that have no other relationship and are presumed to base their decisions on rational economic interests.

Confidential Information. In addition, one of FJP's most valuable assets is its confidential information, which includes donor and constituent data and lists, research data, financial data, computer software and equipment information, and other information which might reasonably be consider to not be of a public nature, whether in printed, digital, or other format. The security and integrity of all confidential data must be diligently protected. Accordingly, officers, Board members and employees

should not disclose or use any confidential information involving FJP for personal benefit or for non-FJP related purposes.

Definitions

Interested Person. Any director, officer, member of a FJP committee, or employee who has a direct or indirect financial interest, defined below, or who serves on the Board of Directors of an organization with which FJP is conducting business, including but not limited to financial transactions, partnerships, or the allocation of FJP funds, is an Interested Person.

Financial Interest. A person has a financial interest, if a person has, directly or in directly, through business, investment or family:

- an ownership or investment interest in any entity with which FJP has a transaction or arrangement;
- a compensation arrangement with FJP or with any entity or individual with which FJP has a transaction or arrangement; or
- a potential ownership or investment interesting, or compensation arrangement with, any entity or individual with which FJP is negotiating a transaction or arrangement.

Compensation. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

Procedures

Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence and nature of his or her financial interest to the directors of FJP and/or members of any FJP committee considering the proposed transaction or arrangement. This policy does not require a prohibition of all conflicts of interests. Rather, the goal is to permit FJP to manage conflicting interests successfully and to reach optimum decisions with knowledge of the conflicts. Accordingly, so long as transactions are disclosed to the Board, and the transactions are believed to be in the best interests of FJP, they may lawfully be undertaken.

Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest, the Interested Person may be asked to leave the Board or committee meeting which the financial interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists and if the individual will be asked to leave the meeting.

Procedures to Address Conflict of Interest. The following procedure shall be taken:

1. The Char* of the FJP Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
2. After exercising due diligence, the Board or executive committee shall determine whether FJP can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
3. If a more advantageous transaction or arrangement is not reasonably attainable under circumstance that would not give rise to a conflict of interest, the Board or executive committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in FJP's best interest and for its own benefit and whether the transaction is fair and reasonable to FJP and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

Violation of Conflict of Interest Policy. If the Board or a committee has reasonable cause to believe that a member of the Board, committee, officer or employee of FJP has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis of such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing the response of the person and making such further investigation as may be warranted in the circumstances, the Board or committee determined that the person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action as is needed in the circumstances, including removal from office.

Records of Proceedings. The minutes of the Board and all committees shall contain the following information:

1. the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest;
2. the nature of the financial interest
3. any action taken to determine whether a conflict of interest was present
4. the Board's or committee's decision as to whether a conflict of interest in fact existed;
5. the names of the persons who were present for discussions and votes relating to the transaction or arrangement
6. the content of the discussion, including any alternative to the proposed transaction or arrangement; and
7. a record of any votes taken in connection with the matter.

Annual Statements. Each officer, director, member of a committee and employee of FJP shall annually sign and file with FJP a statement which affirms that such person:

1. has received a copy of the Conflict of Interests Policy
2. has read and understands the policy;
3. has agreed to comply with the policy; and
4. understands that FJP is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

**In the event there are Board Co-Chairs, the term "Board Chair" in this policy shall be meant to refer to both Board Co-Chairs.*

Federation for Jewish Philanthropy of Upper Fairfield County

Annual Conflicts of Interest Statement

To be completed annually by all officers, board members, committee members and employees.

I have read and understand the Federation for Jewish Philanthropy of Upper Fairfield County (FJP) Conflicts of Interest Policy and have no items to report.

Without Exception

Except as described on the attached statement.

I agree to advise FJP promptly of any change in circumstances during the year which may create a potential conflict of interest.

Date

Name:

*This annual disclosure of conflicts of interest is not intended to apply to individuals who hold shares of stock or other securities in publicly held corporations that interact with FJP in the ordinary course of business.