

ADIRONDACK FOUNDATION CONFLICTS OF INTEREST

It is incumbent upon Board Members, staff and committee members to represent the best interests of Adirondack Foundation at all times. Attached is a copy of the policy of the Foundation regarding conflicts of interest (the “Policy”) adopted by the Board in accordance with the New York law governing the Foundation. In accordance with the Policy any activities that could result in a conflict of interest must be acknowledged. Even if there is no perceived or potential conflict of interest, an annual statement to that effect must be submitted by completing the conflict of interest statement attached. The Policy is designed to require the disclosure of any conflicts of interest and the recusal of parties with a financial interest in a proposed transaction from any discussion or decision related to the transaction

There are two types of conflict of interest to be considered: financial conflicts and grantee conflicts.

A financial conflict of interest exists whenever any trustee, staff or member of a committee has a direct or indirect financial interest in a transaction or arrangement in which the Foundation participates. Any conflict of interest must be disclosed to the Board, and the Board must determine that the transaction is fair, reasonable and in the best interests of the Foundation. The existence of such an interest requires that the related parties recuse themselves from deliberation and voting on the proposed transaction. More detail regarding the circumstances giving rise to a conflict of interest are described in the Policy. If the financial interest of the related party is substantial, more stringent rules apply as spelled out in the Policy.

A grantee conflict of interest exists whenever any Trustee, staff or member of a committee has a relationship with another entity that is engaging in a transaction with the Foundation.

Even if there is no perceived or potential conflict of interest, an annual statement to that effect must be signed, submitted and kept on file at the Foundation office. What matters in the long run is the integrity of the grantmaking process and the trust with which the community treats the Foundation.

**Adirondack Foundation
Conflict of Interest Policy adopted by the Board of Trustees May 23, 2014**

This policy is adopted in accordance with the requirements of Section 715(a) of the New York Not-for-Profit Corporation Law and shall be interpreted in a matter consistent therewith.

For purposes of this Policy, the following are deemed to be Related Parties:

1. All Trustees, staff and committee members of the Foundation
2. All Trustees of Supporting Organizations of the Foundation, currently Bruce L. Crary Foundation and Lake Placid Education Foundation
3. Each relative (as defined below) of any of the persons identified in paragraphs 1-2 above
4. Any entity in which any of the persons identified in paragraphs 1-3 above has a direct or indirect ownership or beneficial interest greater than 35% or, in the case of a partnership or professional corporation, greater than 5%.

For purposes of this Policy, the following are “relatives” of the persons identified in paragraph 1-2 above:

5. Each lineal ancestor of such persons
6. Each lineal descendant of such persons, including adoptees
7. Each brother and sister of such persons, whether by whole or half blood
8. Each spouse of any such persons
9. Each domestic partner of such persons as defined in Section 2994(a) of the New York Public Health Law.

For purposes of this Policy, a “Covered Transaction” means any transaction, arrangement or agreement in which the Foundation participates and in which any Related Party has a financial interest.

- 1) It is the policy of the Foundation to collect the information necessary to determine when the Foundation may be entering into a Covered Transaction and that the Board shall determine that any Covered Transaction be fair, reasonable and in the Foundation’s best interests at the time such determination is made. The person whose interest results in a transaction being a Covered Transaction shall disclose the material facts concerning such interest to the Board in good faith. No Related Party may participate in deliberations or voting related to such transaction, provided that the Board or the relevant Committee of the Board may request the Related Party to make a presentation prior to the commencement of deliberations or voting relating thereto.
- 2) In accordance with Section 715(b) of the NYNPCL, it is the policy of the Foundation with respect to any Covered Transaction in which a Related Party has a substantial financial interest:
 - a. The Board or an authorized committee shall, prior to entering into such a transaction, consider alternatives to the extent available;
 - b. Such transaction shall require the approval of a majority of the Board or the Committee of the Board present at the meeting authorizing the transaction; and
 - c. The basis for the approval of the transaction and the consideration given to alternatives shall be documented in writing by the Board or the relevant committee of the Board.
- 3) Each Trustee, staff and committee member of the Foundation shall prior to taking office and annually thereafter sign and submit to the Secretary of the Foundation a statement in the form prescribed by the Secretary a

statement of potential and actual conflicts of interest affecting that person. The Secretary shall provide all such statements to the chair of the audit committee of the Board.

- 4) The existence and resolution of conflicts of interest shall be documented in the Foundation's records.

It is further the policy of the Foundation that no Trustee or staff member who is, or is a relative of, a board member, officer or employee of a non-profit entity shall participate in the Foundation's decisions regarding that entity.

**ADIRONDACK FOUNDATION CONFLICT OF INTEREST STATEMENT
2014-2015**

As it is incumbent upon Board Members, staff and committee members to represent the best interests of Adirondack Foundation at all times, any activities that could result in a conflict of interest must be acknowledged. Even if there is no perceived or potential conflict of interest, this annual statement to that effect must be submitted.

I have reviewed the Adirondack Foundation Conflict of Interest Policy. I understand the Foundation's policy on conflict of interest and I understand that this policy applies to me and any "related persons" in my family as defined in the Policy. Please complete this statement and return it to the Adirondack Foundation.

Name: _____
(Please print)

_____ Neither I, nor any "related persons" received any compensation, grants, or other assistance for serving on the board of the Adirondack Foundation, except, in the case of staff of the Foundation, my salary as approved by the Board.

_____ I am not aware of any current and/or potential conflict(s) of interest between my service as a Trustee of the Foundation, staff or committee member and my business, professional, non-profit or other relationships, nor am I aware of any current and/or potential conflict(s) of interest between any of my "related persons" as defined in the policy and the Foundation.

_____ I or a "related person" have or may potentially have a conflict of interest due to following interests or relationships:

Nonprofit organization, business, and/or professional activities in which I or a "related person" hold as an officer, board member, owner, partner, employee, or beneficiary

Name of Organization or Business	Position Held & By Whom
_____	_____
_____	_____
_____	_____
_____	_____

Other activities that may produce a possible conflict of interest:

Signature

Date