

Sierra Madre Community Foundation

Conflict of Interest Policy

A conflict of interest exists when significant personal or professional interests of a board member or committee member of the Sierra Madre Community Foundation (the "Foundation") may affect, or appear to affect, his or her ability to be objective. As board members and committee members are likely to be affiliated with many organizations in the community, both on a professional and a personal basis, it is possible that actual or potential conflicts of interest may arise. This policy defines how the Foundation interprets conflicts of interest and what steps are expected to be taken to deal with such conflicts when they occur.

It is important to keep in mind, however, that the board and committee members will invariably have a personal interest in, and opinions on, the decisions that come before the board and committees, due to the nature of the Foundation's mission and activities. In most instances, personal interests will not prevent a board or committee member from rendering an objective opinion. In order to fulfill the responsibilities of the board and committees, and to make appropriate and informed decisions, representation of different viewpoints is required, and an environment of full and open discussion must be maintained. The intent of this policy is to identify those personal interests that extend beyond the personal interests of an active and involved resident of the City of Sierra Madre.

It is expected that no board or committee member shall use his or her position, or knowledge gained therefrom, in such a manner that a conflict arises between the interest of the Foundation, any of its affiliates and his or her personal or professional interests. Each board or committee member has the duty to place the interests of the Foundation foremost in any dealings on behalf of the organization, and has a continuing responsibility to comply with this policy.

In order to comply with this policy, it is expected that:

- Any board or committee member who gains privileged information by virtue of his or her role in the Foundation shall not use that information for personal or professional gain.
- A board or committee member is considered to have a conflict of interest if they, or their immediate family members have a personal or organizational financial interest in the proposed transaction, or hold a position as trustee, director, officer, or employee in an organization involved in, or benefitting from, that transaction. The board or committee member must make full disclosure of this conflict of interest before any discussion or negotiation of such transaction occurs.
- An immediate family member means any spouse, parent, child, grandchild, sibling, mother- and father-in-law, son- and daughter-in-law, brother and sister-in-law of a board or committee member. Immediate family member shall also include anyone (other than a domestic employee or service provider) who shares the board or committee member's home.

- Further, if a conflict of interest is present, the board or committee member shall not vote on the matter, or participate in discussions--unless invited by the board or committee chair to respond to questions or to provide factual information.

Copies of this policy shall be distributed annually to all SMCF board and committee members, whose signature on this policy will document the member's agreement to abide by this policy to the best of his or her ability.

I have read the above statement of policy regarding conflict of interest and agree to abide by this policy to the best of my ability.

Signature: _____ Date: _____

Print Name: _____