

Conflict of Interest Policy

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1. Purpose/General Rule

The purpose of this policy is to provide guidance in identifying and handling potential and actual conflicts of interest involving the foundation. In most instances, conflicts of interest can be avoided simply by continuing to exercise good judgment and, indeed, the foundation relies on the sound judgment of its employees to prevent many such conflict situations.

The foundation is committed to the highest levels of integrity. Employees of the foundation are expected to conduct their relationships with each other, the foundation, and outside organizations with objectivity and honesty. The general rule is that: foundation employees are obligated to avoid and disclose ethical, legal, financial, or other conflicts of interest involving the foundation, and remove themselves from a position of decision-making authority with respect to any conflict situation involving the foundation.

2. Identification and Management of Conflict Situations

2.1 Basic Definitions

Generally, a conflict of interest may occur if an interest or activity influences or appears to influence the ability of an individual to exercise objectivity or impairs the individual's ability to perform his or her employment responsibilities in the best interests of the foundation.

An individual is considered to have a potential conflict of interest when:

- He or she or any member of his or her family¹ may receive a financial or other significant benefit as a result of the individual's position at the foundation;
- The individual has the opportunity to influence the foundation's granting, business, administrative, or other material decisions in a manner that leads to personal gain or advantage; or
- The individual has an existing or potential financial or other significant interest which impairs or might appear to impair the individual's independence in the discharge of their responsibilities to the foundation.

2.2 Specific Relationships that May Create Conflicts of Interest

A variety of situations, affiliations and relationships may create potential conflicts of interest. An employee's former employment with a prospective or actual grantee, contractor, vendor or supplier, could raise an allegation of an apparent or actual conflict of interest. Therefore, if the former employment relationship is within the last six months, you should disclose the relationship and recuse yourself from managing the grant or contract. In addition, even if the former employment relationship is greater than six months but still recent (within the 12 months), you should disclose the relationship and be sensitive to the appearance of a conflict of interest or other impropriety. Financial or other relationships (i.e., significant investor, board member, officer or other management position) by an employee or their family with a prospective or actual grantee, contractor, vendor or supplier could create the appearance of

¹ The "family" of an individual includes his or her spouse, domestic partner, parents, siblings, children, and any other relative who resides in the *same household*.

impropriety or interfere with an employee's discharge of the employee's responsibilities on behalf of and in the best interests of the foundation and the relationship should be disclosed on the employee's Conflict of Interest Questionnaire. When deciding what kind of relationships should be disclosed, consider the situation from the perspective of an outsider and whether the relationship is of such a nature that it could raise an allegation of an apparent or actual conflict of interest, and then err on the side of transparency, as disclosure helps to alleviate or avoid future misunderstandings.

Additionally, certain types of relationships between co-workers may create impermissible conflicts of interest. For example, a romantic relationship in the workplace may raise perceptions of bias and favoritism. For these reasons, personal/romantic or financial/business relationships between co-workers that could create the appearance of impropriety or interfere with an employee's discharge of the employee's responsibilities on behalf and in the best interests of the foundation should be promptly disclosed to the General Counsel or Human Resources. See the foundation's Personal Relationships Policy at [Foundation-wide Policies](#).

2.3 Disclosure and Management of Conflicts of Interest

Should an appearance of impropriety or actual conflict of interest exist, appropriate actions must be taken, which will vary depending upon the particular facts. The employee involved in the conflict situation must work cooperatively with their manager to achieve a resolution of the conflict issues in the best interests of the foundation, as requested by the foundation. This may include the employee being removed from a position of decision-making authority with respect to the conflict situation or other more serious actions, depending upon the nature of the conflict. If the conflict involves a grant or a contract being entered into by the foundation, the due diligence review process must disclose the conflict and document the steps taken to address the conflict. A copy of this information must be provided to the Legal Team.

3. Gifts

Foundation employees may not receive or offer any gift or anything else of significant value for the purpose of influencing the action of the foundation or of the recipient. Gifts (except those generally valued at \$100 or less)² received from vendors, suppliers, consultants, and grantees as part of normal business practice must be declined or given to the foundation or shared with the foundation generally, and if acknowledgement is appropriate, acknowledged on behalf of the foundation. This guideline is not intended to prohibit normal business practices, such as meetings over meals, corporate items given to participants in meetings and conferences, or token hosting gifts, as long as they are of nominal and reasonable value and promote the foundation's legitimate business interests. If an employee believes there is an appropriate reason to make an exemption to this policy for an individual situation, he or she should contact the Legal Team prior to giving or accepting the gift.

² While it may sometimes be difficult to judge the value of gifts offered to foundation employees, it is important to also consider the *appearance* of impropriety. Foundation staff should refrain from accepting gifts when the gifts give the appearance of impropriety. Please contact Legal if you are unsure about the appropriateness of accepting gifts or social invitations.

4. Director's Fees, Honorariums, Expense Reimbursements, and other Similar Payments

Staff members are encouraged to undertake speaking engagements, write articles, and similar provided the time for such activities does not interfere with the employee's foundation responsibilities. Director's fees, author's royalties, honorariums, and payments for published articles or speaking engagements should only be accepted, however if: (1) the materials prepared and all activities undertaken in connection with these activities are prepared or conducted on personal time, (2) the issues addressed are not related to the foundation's activities or mission, (3) foundation resources are not utilized, and (4) the organization making the payment is not a foundation grantee. If an employee believes an exceptional circumstance merits an exception to this policy, the employee should consult the Legal Team for advice and appropriate documentation. Travel costs and expenses incurred in connection with any activities that are not foundation related must be borne by the individual or the organization inviting the individual to participate in the activity and should not be paid or reimbursed by the foundation.

5. Accepting Compensated Work Outside the Foundation

In an effort to prevent potential conflicts, understand the scope and nature of the outside business commitments of foundation management, and ensure that such outside commitments do not infringe on work responsibilities required on behalf of the foundation, foundation employees who hold the position of Program Officer or higher or are otherwise at the level of manager may not conduct outside business or other activities for which they receive remuneration if it is related to their expertise as a foundation employee or the business of the foundation, without prior approval from the Director of their group, or, in the case of a Director, from the President. The Director and/or President must consult with the Legal Team before granting permission. In requesting permission, the employee should disclose the organization for which the work will be done, the nature of the work, the expected time commitment and remuneration to be received, as well as an evaluation of any potential conflicts of interest that could arise with the foundation as a result of the employee's engagement in such activity. All other foundation employees may accept compensated work outside the foundation provided that such work is performed solely on personal time, without the use of foundation resources, and provided that the time commitment required for such outside work does not impact the employee's ability to perform his or her work for the foundation.

6. Foundation Matching Gift Program

A foundation employee may request that the foundation make a grant in connection with the foundation's Employee Matching Gift Program to a charitable organization in which the employee or the employee's family is involved in management and/or decision making activities, provided that the grant funds are not earmarked to pay the salary of the foundation employee or their family member.

7. Political Activities

The foundation is strictly prohibited from engaging in electoral politics or lobbying activities. Foundation employees are free to engage in these types of political activities on a personal basis provided the activities do not conflict with their ability to carry out their foundation responsibilities or create confusion between positions or actions that are taken by them personally versus as a foundation representative. Before a foundation employee becomes actively involved in a political campaign or activity, the employee should discuss with the Legal Team appropriate actions to avoid or minimize the risk of the employee's personal actions being attributed to the foundation and also review any other unintended potential impacts such activity

could have on the foundation. Individual political activities should only occur during off-duty hours, at the employee's own expense, and without use of the foundation's name, resources, facilities, or equipment. If an employee is asked to sign political advertisements or endorsements that include employment, a generic description should be used such as "foundation program officer" or "grant maker in education" rather than including the name of the foundation. Only the Co-Chairs of the foundation can authorize the taking of any position by the foundation on legislation, referenda, or the like.

8. Competing for Foundation Individual Scholarships, Fellowships, or Awards

Employees of the foundation and their family members may not compete for foundation supported scholarships, fellowships, or awards.

9. Conflict of Interest Questionnaire

Upon commencement of employment and annually thereafter, all employees must complete a "Conflict of Interest Questionnaire." Employees are also required to update the Conflict of Interest Questionnaire whenever there has been a change in the employee's affiliations. Employees must disclose all of their affiliations, as requested by the form, even if there is no current conflict of interest.

10. Interpretation

This policy cannot describe all conflicts of interest situations that may arise involving the foundation. Therefore, foundation employees must use good judgment to avoid any appearance of impropriety. Appropriate circumstances may also justify exceptions to the application of the policy. If you have any questions about this policy or its application, please err on the side of caution and transparency and seek advice from the Legal Team prior to entering into such transaction.

EXAMPLES OF CONFLICT OF INTEREST ACTIVITIES AND RELATIONSHIPS

The following activities illustrate types of potential or actual conflicts of interest that should be avoided and disclosed, as applicable, in accordance with this policy. The list is not all inclusive and is intended to provide guidance.

- *Self-benefit:* Using your position or relationship within the foundation to promote your own interests or those of your family, including using confidential or privileged information gained in the course of employment at the foundation for personal benefit or gain or for the personal gain or benefit of family members.
- *Influence peddling:* Soliciting benefits for yourself or your family from outside organizations in exchange for using your influence to advance the interests of that organization within the foundation.
- *Other business relationships and dealings:* Approving grants or contracts with organizations in which you or your family have a significant financial or other interest or relationship, particularly if you are in a position to influence major decisions, are responsible for review, negotiation and approval of the grants or contracts, or otherwise direct the foundation's business dealings with that business or entity.
- *Outside commitments:* Participating in social or political activities is not restricted as long as you participate as an individual and not as a representative of the foundation.
- *Property transactions:* Directly or indirectly leasing, renting, trading, or selling real or personal property to or from the foundation.
- *Use of the foundation property for personal advantage:* Using or taking foundation resources, including facilities, equipment, personnel, and supplies, for private use or other unauthorized non-foundation activities.
- *Recording or reporting false information:* Misrepresenting, withholding, or falsifying relevant information required to be reported to external parties or used internally for decision-making purposes, in order to derive personal benefits.
- *Dealings with grantees:* Personally accepting anything of value from organizations or individuals that have grant proposals pending before the foundation or have received grants from the foundation.