



CONFLICT OF INTEREST DISCLOSURE CONFIDENTIALITY STATEMENT

It is important for the Foundation for Appalachian Kentucky to have systems in place that help safeguard the integrity and reputation, as well as the assets of the organization. However, it is also important to understand and realize that in small communities, board members, employees, and volunteers participate in (and volunteer with) many community obligations. The duty of loyalty requires that board and committee members, employees, and volunteers act in the best interests of the organization and not in their own interest or the interest of another entity.

A conflict of interest is defined as an activity or interest that may cause, or appear to cause, a bias for or against a particular grantee, action, or policy being considered by the board of directors, a committee or advisory group member, or employee.

Duty of loyalty can best be exercised in the following ways:

- Disclosure of any conflicts of interest
- Adherence to the Foundation's conflict of interest policy
- Avoidance of the use of corporate opportunities for the individual's personal gain or benefit.
- Nondisclosure of confidential information about the organization.

POLICY

Annually, all board members, committee or advisory group members, employees, and volunteers will sign the Conflict of Interest Disclosure and Confidentiality Statement affirming that they have received a copy of the current Conflict of Interest Policy; that they have read and understand the policy; that they agree to comply with the policy.

PROCEDURE

Grant Making

- 1) Prior to discussion and action on any proposed grant or sponsorship, board members or committee members, and employees connected with the grant applicant through employment, volunteer service, or in an advisory role will state the existence of a

conflict, and allow a discussion of the board to determine if a true conflict of interest exists.

- 2) If a true conflict of interest is determined, the voting member will not vote on the request.

Business Relationships

- 1) Prior to discussion and action of any financial transaction or arrangement, board members or committee member, and employees with a conflict of interest or potential conflict of interest will disclose the financial, business, or contractual relationship with the proposed business or individual under consideration to determine if a true conflict of interest exists.
- 2) If a true conflict of interest is determined, the voting member will not vote on the request.

REPORTING

Every year in January, every board member, committee or advisory group member, and employee will submit a statement in writing affirming that they have received, read, and understand the Foundation's Conflict of Interest Policy, and agree to comply with the policy.

The following Disclosure and Confidentiality Statement accompanies this policy.

CONFLICT OF INTEREST

Disclosure and Confidentiality Statement

The Foundation for Appalachian Kentucky strongly believes in protecting the privacy of its donors and donor prospects, and the confidentiality of the information concerning them. It also believes in protecting the privacy of the organizations seeking grants, affiliation, fiscal sponsorship, or financial sponsorship and the confidentiality of the information concerning them.

To that end, as a board member, committee or advisory group member, employee, or volunteer, I agree to honor the confidentiality of all practices, procedures, and information received during the normal course of Foundation business.

Additionally, I agree to disclose any business, financial, or volunteer relationship that may be considered a conflict of interest, or potential conflict of interest, with the mission and goals of the Foundation for Appalachian Kentucky, and actions taken by the Foundation in pursuit of its mission and goals.

- I have received a copy of the Foundation for Appalachian Kentucky Conflict of Interest Policy, adopted on February 11, 2011 YES ___ NO ___
- I have read and understand the Conflict of Interest Policy. YES ___ NO ___
- I agree to comply with the Conflict of Interest Policy. YES ___ NO ___
- I understand that the Foundation for Appalachian Kentucky is a charitable organization and that to maintain its federal tax exemption, it must engage only in activities that accomplish one or more of its tax-exempt purposes. YES ___ NO ___
- Are there any conflicts of interest, or potential conflicts of interest that you believe should be disclosed at this time? YES ___ NO ___

Additional comments or information that you believe to be helpful.

Signature

Date