

Code of Ethics Conflict of Interest Policy

I. Code of Ethics

The Jewish Community Foundation was created in 1972 to serve the Greater Hartford Jewish community and its agencies by responding to unforeseen needs and emergencies, supporting special projects and new programs, and managing funds for the benefit of Federation and its agencies. Today, the Foundation carries out its charitable mandate through endowment and legacy development, grantmaking and charitable endowment management for local Jewish institutions.

The Foundation is responsible for the stewardship of resources of the Greater Hartford Jewish community and believes it should be held accountable for the use of community resources it is privileged to hold.

The Foundation is a respected and trusted resource to donors, grantees and the Greater Hartford community as a whole and to this end is committed to organizational integrity and excellence.

The Foundation's value-added philosophy places a premium on helping donors to achieve their personal philanthropic goals and helping grantees to apply for and obtain funding for their operations and programs.

The need for a free and open internal discussion of all activities of the Foundation, as well as the possibility that activities of the Foundation may impact other organizations, require that confidential information received as a Board or committee member or as a member of the Foundation's staff be kept confidential and not disclosed to others.

Ethical and responsible behavior requires that each individual exercise sound independent judgment. It is expected that Board and committee members, as well as employees, will be guided by these ethical standards in making the right choices regarding matters that may be encountered when engaging in activities that could reflect on the Foundation.

II. Conflicts of Interest Policy

The Jewish Community Foundation is committed to fairness and transparency in the conduct of all of its activities. The Foundation recognizes that its Trustees, committee members and employees will involve themselves with organizations, charitable causes and other endeavors which may intersect with the affairs of the Foundation. This means that, from time to time, potential conflicts of interest, or the appearance of such conflicts, will inevitably arise. It is the Foundation's policy to deal with such conflicts in an open and appropriate manner.

This conflict of interest policy requires disclosure of financial and other interests and mandates abstention from decision-making actions when a potential for conflict exists. Since the

appearance of bias or conflict can be as damaging to the Foundation as the existence of an actual conflict, these principles are intended to preclude any such appearance of conflict.

This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to charitable organizations, specifically including sections 33-1127 to 33-1130 of the Connecticut Revised Nonstock Corporation Act concerning "Director's Conflicting Interest Transactions."

(1) Potential Conflicts. Trustees, committee members and staff members and members of their families associated with the Foundation must be alert to situations in which a conflict or potential conflict of interest could arise. These situations may be ones in which the individual is in a position to benefit personally, either directly or indirectly, or is in a position of serving interests that compete with the best interests of the Foundation. Affiliations that could lead to conflicts of interest include, but are not limited to, serving as a board member, committee member or employee of a current or potential grantee (other than the Jewish Federation of Greater Hartford), vendor or service provider, or doing business with a current or potential grantee, service provider, or vendor.

(2) Duty to Disclose. Trustees, members of committees and employees of the Foundation are expected to fairly and fully disclose any affiliation they or family members have which could affect their ability to fulfill their role in the affairs of the Foundation in an impartial manner. For this purpose, the term "family member" includes a spouse or domestic partner, parents, siblings, children and grandchildren, and the spouses or domestic partners of children, grandchildren and siblings.

Disclosure of any affiliations that could lead to a conflict or appearance of a conflict should be made *prior to* any discussion of the matter under consideration. Once such disclosure has been made, the Chair of the Board, committee chair or President, as may be appropriate, will determine whether or not an actual or apparent conflict of interest exists.

Appropriate disclosures of affiliations of Trustees, committee members and staff members or members of their families with any prospective grantee, service provider or vendor will be incorporated into relevant Board or committee meeting minutes.

(3) Abstention from Foundation Decision Making. In any situation in which a conflict of interest or appearance of conflict exists, the disclosing Trustee, committee member or employee shall abstain from voting and shall not participate in the discussion of the matter under consideration other than to answer specific questions that may be raised by others at the meeting. The abstention shall be formally noted in the Foundation's minutes. The Board or committee, in the sole discretion of a majority of its members present at the meeting, shall have the right to review and discuss the matter without the affected individual being present.

(4) No Material or Financial Benefit. The Foundation shall pay no more than fair market value for services or property provided by an employee, other service provider or vendor. Incidental and intangible benefits to persons affiliated with the Foundation, such as name recognition or public acknowledgment, are permitted.

The Foundation will not customarily make grants to, or contract with, organizations which employ affiliated persons. The President, with the concurrence of the Chair of the Board of Directors, may approve exceptions to this policy when the work of the Foundation will be furthered by such actions or where the grant or contract will not affect the job or compensation of the affiliated person in question. No significant personal benefit of any nature may be derived by any affiliated person from any such organization.

(5) Investment Activities. Trustees, committee members and staff members and members of their families associated with the Foundation's investment activities have a paramount obligation to make all decisions affecting investments solely on the basis of the Foundation's best interests. This requires that they be alert to situations in which a conflict or potential conflict of interest could arise and apply the strictest ethical standards in determining whether such a conflict exists and resolving any real or apparent conflicts.

To make such scrutiny possible, Trustees, committee members and staff members are required to promptly disclose to the President any present or past business connections they or their family members have or have had with any present or proposed manager of the Foundation's assets or any other organization or individual with which the Foundation has, or considers having, an investment relationship. Such disclosure is not necessary when the relationship with an investment manager is purely through ownership of shares in a public mutual fund managed by the firm in question, where such shares constitute less than 2% of the total outstanding shares. Trustees, committee members and staff members shall not wrongfully use or disclose confidential investment information obtained in the course of Foundation business.

(6) Annual Disclosure Statements. The Foundation will annually distribute to each Trustee, committee member and staff member a form for listing the nonprofit and for-profit organizations with which such person and members of his or her family are affiliated, as well as certain financial relationships. Each Trustee, committee member and staff member is responsible for completing and updating these annual disclosure statements and returning them to the Foundation office. Those having no such affiliations need only affirm this fact on the annual disclosure statement.

III. Compliance

(1) Reporting. Trustees and committee members who believe that someone has violated the Foundation's conflict of interest policy or has engaged in illegal activity should promptly express their concern to the Chair of the Audit Committee or to the Chair of the Board of Trustees. Staff should promptly report the issue to the Foundation's President. If management is unresponsive or has itself violated the policy or engaged in suspected illegal activity, staff should report their concerns directly to the Chair of the Foundation's Audit Committee.

(2) Investigation and Confidentiality. The Foundation will thoroughly investigate reports of violations or suspected illegal activity, and all those involved are required to cooperate with such investigations. The Foundation will act as discreetly as reasonably possible, providing

information on a “need to know basis.” The Foundation will promptly take corrective action if it concludes that there is a problem after completing its investigation.

(3) Procedures to manage conflicts. When a potential conflict of interest is disclosed to the Chair of the Audit Committee, the Chair of the Board of Trustees or the President, steps will be promptly taken to determine whether a conflict exists, and whether to: (1) take no action; (2) assure full disclosure to the Board, committee or others; (3) ask the individual to recuse him/herself from participation in discussions or decision making concerning the matter at hand; or (4) ask the individual to resign from his or her position or, if the individual refuses to resign, initiate possible removal in accordance with the Foundation’s bylaws.

The Foundation’s President and Vice President Finance will make reasonable efforts to monitor proposed or ongoing transactions for conflicts of interest and disclose them to the Chair of the Audit Committee and Chair of the Board of Trustees in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

(4) No Retaliation. The Foundation will not discharge or discriminate against individuals for their allegations made in good faith or participation in any investigation, and it will strongly discipline anyone who threatens or retaliates against such individuals. Staff should act reasonably and in good faith during any complaint and investigation process.

(5) Compliance Officer. The Foundation’s President is the compliance officer and is responsible for policing and enforcing the code of ethics and related conflict of interest policy. Should the Foundation’s Board of Trustees deem, in its sole discretion, that s/he is compromised in fulfilling his/her duties, the Chair of the Audit Committee will serve as compliance officer.

(6) Discipline. Violating Foundation policies or engaging in illegal activity may lead to discipline up to and including immediate termination of employment.

IV. Annual Review of Activities

To ensure that the Foundation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The annual review shall include, at a minimum, the following subjects: (1) whether the Foundation provided personal loans to Trustees or employees; (2) whether compensation arrangements and benefits are reasonable and the result of arm’s length transactions; (3) whether agreements for services, property, facilities, etc. are reasonable and the result of arm’s length transactions; and (4) whether agreements for services, property, facilities, etc. further the Foundation’s charitable purposes and do not result in inurement or impermissible private benefit.

This Code of Ethics and Conflict of Interest Policy was approved on December 31, 2005 and most recently amended on March 16, 2010.

S:\WORD\Web Site\2011 website redesign\About us\Tab 4. Conflict of Interest Policy FINAL.docx