

**DALTON STATE FOUNDATION  
CONFLICT OF INTEREST POLICY  
AND ANNUAL DISCLOSURE STATEMENT**

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**I. Purpose**

This Conflict of Interest Policy provides guidance to Dalton State Foundation (“the Foundation”) representatives in order that real or perceived conflicts of interest are appropriately identified, disclosed, and resolved, and that Foundation representatives act with the utmost integrity and good faith and in the best interest of the Foundation and its mission.

**II. Scope**

This policy applies to all Foundation representatives regardless of position.

**III. Definitions**

- A. A conflict of interest arises when a Foundation representative’s duty of loyalty to the Foundation presents a real or perceived conflict with a duty of loyalty to another organization, or overlaps with a competing personal interest he/she may have, with regard to a proposed transaction.
- B. A related party transaction is a business transaction or arrangement between two parties who are joined by a special relationship prior to the transaction or arrangement.
- C. Foundation representatives are any and all Trustees, directors, officers, employees, staff members, volunteers, and agents of the Foundation.
- D. Family shall be deemed to include an individual’s spouse, children (including legally adopted children), parents, grandparents, great grandparents, siblings (whether by whole or half-blood), spouse of that individual’s siblings, grandchildren and great grandchildren, and members of that individual’s household.

**IV. Responsibility**

All decisions of the Foundation Board of Trustees, its Committees, officers, staff, volunteers, and other agents are to be made solely on the basis of a desire to promote the best interests of the Foundation, Dalton State College, and our donors.

Individuals inevitably are involved in the affairs of other institutions and organizations. Effective boards and organizations will include individuals who have relationships and affiliations that may raise questions about perceived conflicts of interest. Although many such potential conflicts are and will be deemed inconsequential, every Foundation representative has the responsibility to ensure that the Foundation is made aware of situations that involve personal, familial, business, or other relationships that could create a real or perceived conflict of interest.

Therefore, the Foundation requires each of its representatives to:

- A. Be familiar with the terms of this policy;
- B. Disclose any possible personal, familial, business, or other relationships that reasonably might give rise to a conflict involving the Foundation; and

C. Acknowledge by signature on the Annual Disclosure Statement attached to this policy that he or she is in compliance with the letter and spirit of this policy.

**V. Disclosure of Conflicts of Interest**

In the event a Foundation transaction, financial or operational, also involves a Foundation representative or a member of his or her extended family, or an entity or organization with which any Foundation representative has any material financial interest, or an entity or organization with which any Foundation representative has any governing, ownership, or other interest, the Foundation representative having the affiliation or interest, at the first knowledge of the transaction, shall disclose fully the precise nature of the interest or involvement. Transactions of this nature are also known as related party transactions. An individual is deemed to be affiliated with any organization of which he or she or a member of his or her family is a director, officer, trustee, partner, employee, or agent, or in which he or she or members of his or her family receive direct financial benefit from sales or services, or in which he or she or members of his or her family have a 33% or greater interest.

**VI. Disclosure Statement**

Each Foundation representative shall be required annually to submit the Annual Disclosure Statement attached to this policy.

**VII. Administration**

All disclosures required under this policy shall be directed in writing to the Secretary of the Foundation who shall deliver them to the Foundation's Audit Committee. The Chair of the Audit Committee and the Foundation Director shall be responsible for the administration of this policy. Information disclosed under this policy shall be held in confidence by the persons authorized to receive and act upon it except where, in the judgment of any of such persons, the best interests of the Foundation require further disclosure. The administration of this policy shall be reported annually to the Board by the Chair of the Audit Committee.

**VIII. Restraint on Participation**

- A. Any Foundation representative shall recuse himself or herself at any time from involvement in any decision or discussion in which the representative believes he or she has or may have a conflict of interest.
- B. A Foundation representative who has declared or has been found to have a conflict of interest in any proposed transaction or other matter shall refrain from participating in consideration of the proposed transaction or other matter. In the case of a Trustee or officer, he or she shall not be counted as part of a quorum, discuss, make a motion, or vote on the matter in question, but may be recorded as present when the vote is called, provided he or she is in attendance at the meeting where the matter is taken up. The Chair of the Committee considering the transaction shall determine whether a conflict of interest is of such import that the Trustee with the conflict should be excused from the meeting while the matter is under consideration. In any event, the Chair of the Committee shall notify the Committee at the time of meeting that the conflict exists and that the member, if

present, has previously acknowledged same to the Chair. This statement by the Chair shall be included in the minutes of the meeting.

- C. With regard to restraint on participation by Foundation staff, the Foundation Director or, where applicable, the Chair of the Audit Committee shall take such action as necessary to assure that the transaction is completed in the best interests of the Foundation without the substantive involvement of the individual with the conflict of interest.
- D. The conflict of interest requirement applies on a transaction-by-transaction basis.

**IX. Records of Proceedings**

The minutes of the meetings of the Board of Trustees and all Committees with Board-designated powers shall include the names of persons who disclosed or otherwise were found to have a real or perceived conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present, and the Board's or Committee's decision as to whether a conflict of interest in fact existed. The minutes of such meetings shall also include the names of members present for discussion and votes related to the transaction or arrangement, the content of the discussion, including any proposed alternatives to the transaction or arrangement, and a record of any votes taken in connection with the matter.

**X. Advance Determinations**

Any Foundation representative who is uncertain about a possible conflict of interest in any matter may request the Audit Committee to determine whether a possible conflict exists or, in the case of staff, the Foundation Director or the Chair of the Foundation. If referred to the Audit Committee, the question shall be resolved by majority vote and may be forwarded to the Executive Committee for further review.

*Approved and adopted by the Executive Committee, September 11, 2014.*

**DALTON STATE FOUNDATION  
CONFLICT OF INTEREST ANNUAL DISCLOSURE STATEMENT**

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I have received, read, understand, and am in compliance with the letter and spirit of the Dalton State Foundation Conflict of Interest Policy. With my signature below, I affirm that the foregoing is true and that any potential conflicts of interest real or perceived have been disclosed to the appropriate persons.

Foundation Representative: \_\_\_\_\_  
Print name

*Relationship: (check all that apply)*

Board of Trustees:    \_\_\_ Yes       \_\_\_ No

Committee member: \_\_\_ Yes       \_\_\_ No

If yes, name(s) of committee(s): \_\_\_\_\_

Foundation staff:    \_\_\_ Yes       \_\_\_ No

If yes, title: \_\_\_\_\_

College staff:        \_\_\_ Yes       \_\_\_ No

If yes, title: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date