



OLD WESTBURY COLLEGE FOUNDATION, INC.

P.O. Box 210, Old Westbury, NY 11568-0210

CONFLICT OF INTEREST POLICY

SECTION 1. PURPOSE: The Old Westbury College Foundation, Inc. (hereinafter Foundation) is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of the Foundation as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public.

Consequently, there exists between the Foundation and its board, officers, and management employees and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity.

The board, officers, and management employees have the responsibility of administering the affairs of the Foundation honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the Foundation. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the Foundation or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

SECTION 2. PERSONS CONCERNED: This statement is directed to any and all trustees, officers and employees who can influence the actions of the Foundation. For example, this would include all who make purchasing decisions, all persons who might be described as "management personnel," and anyone who has proprietary information concerning the Foundation.

SECTION 3. AREAS IN WHICH CONFLICT MAY ARISE: Conflicts of interest may arise in the relations of trustees, officers, and management employees with any of the following third parties:

1. Persons and firms supplying goods and services to the Foundation and/or to the State University of New York at Old Westbury (hereinafter College).
2. Persons and firms from whom the Foundation and/or the College leases property and equipment.
3. Persons and firms with whom the Foundation is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting the Foundation.

6. Agencies, organizations, and associations which affect the operations of the Foundation.
7. Family members, friends, and other employees.

SECTION 4. NATURE OF CONFLICTING INTEREST: A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with the Foundation and/or College.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with the Foundation and/or College.
3. Receiving remuneration for services with respect to individual transactions involving the Foundation and/or College.
4. Using the Foundation's time, personnel, equipment, supplies, or good will for other than Foundation-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with the Foundation. No personal gift of money should ever be accepted.

SECTION 5. INTERPRETATION OF THIS STATEMENT OF POLICY: The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 4, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the trustees, officers, and management employees will recognize such areas and relation by analogy. The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of the Foundation.

However, it is the policy of the board that the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the board, officers, and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

SECTION 6. DISCLOSURE POLICY AND PROCEDURE: Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;

3. A competitive bid or comparable valuation exists; and
4. The board has determined that the transaction is in the best interest of the organization.

Disclosure in the organization should be made to the Audit Committee Chair (or if she or he is the one with the conflict, then to the Executive Director), who shall bring the matter to the attention of the Board Chair for action. If the Board Chair is the one with the conflict, then the Board Vice Chair should be notified and conduct any necessary discussions with the board.

The board shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to the Foundation. The decision of the board on these matters will rest in their sole discretion, and their concern must be the welfare of the Foundation and the advancement of its purpose.

*Policy accepted by the Board of Trustees of the
Old Westbury College Foundation and effective as of October 2, 2015.*