

Kankakee Community College Foundation, Inc.

Code of Ethics Statement

I. PREAMBLE

Integrity, credibility, ethical leadership and management of the highest order are the goals the Foundation aspires to faithfully meet in all its activities. This is absolutely essential in order to achieve the mission of the Foundation to build and provide the “margin of excellence” for students, faculty, donors, and all persons served by the Foundation, and to meet the highest expectations and fulfillment of the public trust and best interests of the Foundation.

II. SCOPE

The Foundation establishes and adopts this Code of Ethics to apply to and govern the conduct of all Members of the Foundation, its directors, officers, and staff. It is also intended to serve as guidance for all persons employed by Kankakee Community College in positions of significant staff responsibility for the activities of the Foundation.

III. FIDUCIARY RESPONSIBILITIES

Members of the Board of Directors and officers of the Foundation serve the public trust and have a clear obligation to fulfill their responsibilities in a manner consistent with this fact. All decisions of the Board and officers are to be made solely on the basis of a desire to promote the best interest of Kankakee Community College, the Foundation, and the public good and trust. The integrity of the Foundation and Kankakee Community College must be protected and advanced at all times and in every decision and action undertaken.

People of substance inevitably are involved in the affairs of other institutions and organizations. An effective board cannot consist of individuals entirely free from at least perceived conflicts of interest. Although most such potential conflicts are and will be deemed to be inconsequential, it is each person’s solemn responsibility to ensure that the Board is made aware of situations that involve personal, familial or business relationships that may be questionable for the Foundation or Kankakee Community College. *Thus, the Board requires each Board member and officer annually*

- (1) To review this policy.*
- (2) To disclose any possible personal, familial or business relationships that reasonably could give rise to a conflict of interest involving the Foundation or Kankakee Community College*
- (3) To acknowledge that he or she is in accordance with the letter and spirit of this policy.*

IV. DISCLOSURE

All Board members and officers are requested to disclose *only those substantive and business relationships* that they maintain (or members of their families maintain) with organizations that do business with the Foundation, Kankakee Community College or any related or affiliated organization, or which otherwise could be construed to potentially affect their independent, unbiased judgment in light of their decision-making authorities or responsibilities. Any uncertainties as to the appropriateness of listing a particular relationship may be resolved by consultation with the Executive Director of the Foundation, who in turn may consult legal counsel, the Executive Committee or the board of Directors in executive session.

Information disclosed or provided by any person pursuant to this policy shall be held in confidence except when, after consultation with that person, the best interests of the Foundation or Kankakee Community College would be served by disclosure. The following definitions are provided to assist Board members and officers in determining whether to disclose a particular relationship.

Substantive Relationship. One in which a Board member, officer or family member, or an organization with which the Board member, officer or family member benefits directly, indirectly or potentially from cash, property receipts, or reciprocal considerations.

Business Relationship. One in which a Board member, officer, or family member is an officer, director, employee, partner, trustee, controlling stockholder, or the actual or beneficial owner of more than 5 percent of the voting interest of an organization, or serves in similar capacities with non-profit organizations, including other universities or colleges.

Family Member. A spouse, parents, siblings, children or any other relative of a Board member or officer if the latter resides in the same household as the Board member or officer.

V. CONFLICT of INTEREST

Board members or officers who have declared or have been found to have a conflict of interest by the KCC Foundation Executive Committee as defined herein shall refrain from consideration of proposed transactions, unless for special reasons the Board or administration requests information or interpretation. Persons with conflicts shall not vote, participate in discussion or be present at the time of the vote. Any proposed transaction in which a conflict of interest has been declared or found to exist must be approved by a majority of the disinterested members of the Board or the Executive Committee of the Board after disclosure of the conflict of interest.

VI. RESPONSIBILITY for DONOR INTERESTS

First and foremost, in all matters involving donors or prospective donors, the interest of the donor shall come before that of the Foundation. No program, trust, contract, or commitment shall be urged upon any donor or prospective donor who would benefit the Foundation at the expense of the donor's interest. No agreement shall be made between the Foundation and any agency, person, company, or organization on any matter whether investments, management or otherwise which would knowingly jeopardize the donor's interest.

VII. THE USE of LEGAL COUNSEL

The Executive Director shall seek the advice of legal counsel as necessary in matters pertaining to the execution by the Foundation of agreements, contracts, trusts, or other legal documents. Further, all prospective donors shall be advised to seek the counsel of their attorney and tax advisor in any and all aspects of their proposed gift, whether by bequest, trust agreement, contract or other. They shall particularly be advised to consult their attorney on all matters relating to the tax planning of a gift and matters relating to estate planning.

VIII. CONFIDENTIAL INFORMATION

All information concerning donors or prospective donors, including their names, the names of their beneficiaries, the amount of gifts, size of estate, etc., shall be kept strictly confidential by the Foundation unless permission is obtained from the donor or their counsel to release this information.

IX. INTERPRETATION

This policy cannot describe all conflicts of interest situations that may arise involving the foundation. Therefore, foundation members 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 foundation's Executive Director prior to entering into such transaction.

X. 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. This 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 interest 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 member.

- *Influence peddling*: Soliciting benefits for yourself or your family from outside organization in exchange for using your influence to advance the interests of that organization within the foundation.
- *Other business relationships and dealings*: Approving grants or contract with organizations in which you or your family having 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 contract, 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 transaction*: 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 (unless nominal—generally \$100 or less), including without limitation, payments, gifts, or loans from the foundation, other organizations on individuals that have any business pending before the foundation or that have applied for or have received grants from the foundation during the preceding three years.

XI. REMOVAL of BOARD MEMBER for VIOLATIONS

Any Board member or officers found to have willfully committed a material violation of the Code of Ethics as determined by the Foundation Board of Directors and its legal counsel may be removed by a majority vote of the Board.