

**CONFLICT OF INTEREST POLICY
OF
THE BROOKLYN COMMUNITY FOUNDATION**

Purpose

The Brooklyn Community Foundation, Inc. ("the Organization") is committed to maintaining the highest level of professionalism and integrity in all of its dealings. In order to address openly and fairly any conflicts of interest that may arise, the Organization adopts this Conflict of Interest Policy (this "Policy").

A conflict of interest exists when any transaction, agreement or other arrangement with the Organization has the potential to benefit the private interests of a Director, Officer or senior staff members of the Organization, either directly or indirectly, through a family or business relationship. The purpose of this Policy is to protect the interests of the Organization when it is contemplating entering into any such transaction, agreement or other arrangement (a "Conflict of Interest Transaction"). The Organization will not enter into any Conflict of Interest Transaction unless it is determined by the Board, in accordance with this Policy, to be fair, reasonable and in the best interests of the Organization at the time of such determination.

Procedures

Duty to Disclose:

- (1) Disclosure Statement. Upon or before becoming a Director, Officer or staff member of the Organization, and on an annual basis thereafter, each person shall make a full, written disclosure in the applicable form attached hereto (the "Disclosure Questionnaire") outlining the relevant interests, relationships and holdings that may give rise to a Conflict of Interest Transaction, and, further, that will enable the Organization to make the required reports to the Internal Revenue Service on the annual Form 990. This Disclosure Questionnaire shall be kept on file by the Organization and shall be updated by each Director, Officer and senior staff member as necessary to maintain its accuracy.
- (2) Disclosures in Current Transactions: When any Conflict of Interest Transaction comes before the Board, the Director, Officer, or senior staff member standing to benefit, directly or indirectly, (the "Related Party") must make a contemporaneous, full disclosure in writing to the Board of the nature of his or her interest, together with all material facts.

Evaluating Conflict of Interest Transactions. In order to help the Board evaluate a Conflict of Interest Transaction, the Related Party may provide information regarding such transaction prior to any deliberations, but is prohibited from making any attempt to improperly influence the deliberation and, in the case of a Director, from voting on the matter. After disclosure, and after any discussion with the Related Party, the Related Party must leave the meeting while the transaction is discussed and voted upon. The Board shall not authorize the Organization to enter into any such transaction

unless it is determined to be fair, reasonable and in the best interest of the Organization at the time of such determination.

Consideration of Alternate Transactions and Comparability Data; Compensation. When determining whether a Conflict of Interest Transaction is fair, reasonable and in the best interest of the Organization, the Board should consider alternative transactions to the extent possible, prior to entering into such transaction. In addition, certain Conflict of Interest Transactions require the Board to obtain and review appropriate comparability data prior to entering into the transaction in order to ensure that the value of the economic benefit provided by the Organization to the Related Party or a relative of a Related Party does not exceed the value of the consideration received in exchange. Specifically, when considering compensation, the Board should consider (i) compensation levels paid by similarly situated organizations, both for-profit and not-for-profit, (ii) the availability of similar services within the same geographic area, (iii) current compensation surveys compiled by independent firms, and (iv) written offers of similar institutions competing for the same person's services.

Records of Proceedings. The minutes of all meetings of the Board at which a Conflict of Interest Transaction is considered shall be recorded contemporaneously and shall contain: (1) the name of the Related Party, (2) the nature of the relationship and potential benefit, (3) the substance of the discussion, including any alternatives to the proposed transaction, and (4) the record of any votes taken in connection with the proceedings.

Applicability to Grantmaking Process

In order to assure prospective grantees and the public generally that i) no organization has an unfair advantage in obtaining grant funds because of Director or staff affiliation and ii) no Director or staff member will benefit unfairly from the Foundation's grant funds (i.e., no self-dealing), this Policy also pertains to grantmaking policy. The absence of any perception of favoritism is as important as the absence of the condition itself since the reputation and credibility of the Organization rests on its ability to make fair, impartial and objective grantmaking decisions. The Foundation values that its Directors, Officers and staff members have broad interests and participate in many charitable and community activities. In situations where a Director, Officer, or staff member may serve as an officer, staff member, director, trustee or consultant to an organization under consideration for Foundation support or may otherwise have any business or personal interests affected by a Foundation grant decision, the procedures set forth above will also apply to prevent influence or favoritism or the perception thereof in the Foundation's grant decision.

This Policy has been adopted on the 29th day of September, 2015 by the majority vote of the Board of Directors. A copy of this Policy will be distributed to each Director and senior staff member of the Organization each year prior to the Organization's annual meeting, will be affirmed at that meeting and such affirmation will be recorded in the minutes of that meeting, together with the Disclosure Questionnaires.