

Conflict of Interest Statement

The Andrus Family Fund was created to promote philanthropy and service among the younger generations of the Andrus Family. Inspired by this charge, AFF trustees may increase their involvement in their communities through service in nonprofit organizations, either as board members or in some other capacity. As a result, potential conflicts of interest, or the appearance of such conflicts, will inevitably arise from time to time. It is AFF's policy to deal with such conflicts in as open and appropriate a way as possible.

Possible conflicts

Conflicting involvements include, but are not limited to, the following:

- AFF trustees or staff affiliated with, or serving as board members of, organizations applying for grants;
- Immediate family members of AFF trustees or staff affiliated with or serving as board members of applicant organizations; and
- AFF trustees or staff or their immediate family members affiliated with, employed by or doing business with applicant organizations. Affiliation exists if the person is a director, trustee, officer or employee of the applicant organization, or has an unofficial role, such as significant donor, volunteer, advocate or advisor.

Procedures

In the case of any potential conflicts, or the appearance thereof, AFF trustees and staff are expected to disclose the conflict as soon as it is identified, and certainly prior to making any related grant decisions. Once such a disclosure has been made, and after any discussion with the interested trustee, he or she shall leave the board or committee meeting while the determination of a potential conflict of interest is discussed and voted upon. The remaining trustees shall decide if a conflict of interest, or appearance thereof, exists.

Should it be so determined, the trustee involved shall abstain from voting.

Memorialization of proceedings

The minutes of the board and all committees with board-delegated powers shall contain:

- (a) the names of any persons who disclosed or otherwise were found to have a conflict of interest, the nature of the 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.
- (b) the names of any persons who were present for discussions and votes relating to the proposed grant, the content of the discussion, and a record of any votes taken in connection therewith.
- (c) if a conflict of interest was determined to be present, the minutes of the meeting shall contain a specific entry that the conflicted trustee[s], if any, did not participate in the voting.

Violations of the policy

If the board or committee thereof has reasonable cause to believe that a trustee or staff member has failed to disclose actual or possible conflicts of interest, it shall inform the trustee or staff member of the basis of such belief and afford the trustee or staff member an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the trustee or staff member and making such further investigation as may be warranted in the circumstances, the board or committee thereof determines that the trustee or staff member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate action.

Self Dealing

AFF trustees generously give of their time without compensation. AFF is careful to avoid any situations that could be construed as self-dealing. A self-dealing situation is any transaction or decision from which a trustee or employee may profit or receive a monetary benefit. Any expenses incurred by trustees in the course of board service shall be reimbursed only if: 1) the expense was necessary for the operation of the fund, and 2) the amount paid was reasonable. AFF will not pay for travel or related expenses for spouses or partners of trustees.

Acknowledgment of Policy

Each trustee, officer, member of a committee with board-delegated powers and staff member shall sign a statement affirming that such person:

- (a) has received a copy of the conflict of interest policy;
- (b) has read and understands the policy;
- (c) has agreed to comply with the policy; and
- (d) understands that AFF is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Signature

Date