

University of Mary Washington Foundation

Conflict of Interests Policy

A. Purpose. The purpose of this Conflict of Interests Policy is to protect the University of Mary Washington Foundation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director or committee member of the Foundation. Such transactions may include services provided by the Foundation; purchase of services and/or tangibles from a vendor; and/or access to specialized or privileged information which can be used for personal gain. This policy is intended to supplement but not replace any Commonwealth of Virginia laws governing conflicts of interests applicable to nonprofit and charitable corporations.

B. Applicability. This Policy applies to any transaction or arrangement between the UMW Foundation and any "interested person".

An "interested person" is a director, officer or member of a committee with board-delegated powers who has a direct or indirect "financial interest".

A "financial interest" is:

1. An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement;
2. A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement; or
3. Being an officer, director, employee or agent of any entity or individual with which the Foundation has a transaction or arrangement.

Compensation includes direct and indirect remuneration and gifts or favors which are substantial in nature.

C. Determination of a Conflict of Interests. With respect to any proposed transaction or arrangement between the Foundation and any entity or individual being considered by the board of directors or any committee with board-delegated powers:

1. Any interested person is called upon to disclose any financial interest and all material facts relating thereto to the board or committee as soon as the interested person becomes aware of a possible conflict of interests.
2. Upon the disclosure by an interested person of a financial interest and all material facts relating thereto and after discussion with the interested person, the Executive Committee will discuss the matter and determine, by majority vote without the interested person voting, whether or not the financial interest of the interested person constitutes a conflict of interests.

D. Addressing a Conflict of Interests. If a conflict of interest is determined to exist, then the board or committee on directors shall:

1. Require the interested person to leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest; provided, however, that the interested person may make a presentation at the meeting prior to leaving;
2. Appoint, if it deems appropriate, a non-interested person or committee to investigate alternatives to the proposed transaction or arrangement; and
3. Determine, by a majority vote without the interested person voting, that the transaction or arrangement is in the Foundation's best interests and for its own benefit; is fair and reasonable to the Foundation; and, after exercising due diligence, determine that the Foundation cannot obtain a more advantageous transaction or arrangement with reasonable efforts under the circumstances.

Any interested person who violates this Conflict of Interests Policy shall be subject to appropriate discipline, including removal from office.

E. Recording Conflict of Interests. The minutes of all board meetings and the meetings of all committees with board-delegated powers shall include:

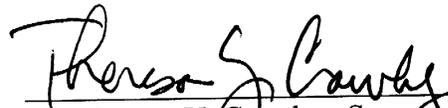
1. The names of the persons who disclose financial interests, the nature of the financial interests and whether the board or committee determined that there was a conflict of interests; and
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement; the content of these discussions, including any alternatives to the proposed transaction or arrangement; and a record of the vote.

F. Distribution of Conflict of Interests Policy

1. At the first annual board meeting a copy of the Foundation's current Conflict of Interests Policy shall be distributed to all directors and committee members.
2. Each director shall sign and return to the secretary of the board a written statement that he or she:
 - a. Has received a copy of the Conflict of Interests Policy;
 - b. Has read and understands the Policy;
 - c. Agrees to comply with the Policy;
 - d. Understands that the Policy applies to all committees and subcommittees having board-delegated powers; and

- e. Understands that the UMW Foundation is a charitable organization and that in order to maintain its tax-exempt status, it must continuously engage primarily in activities which accomplish one or more of its tax-exempt purposes.

G. Periodic Reviews. At the first annual board meeting and at such other times as the board or committee may deem appropriate, the board or committee on directors shall conduct a review of the UMW Foundation's activities to ensure that the Foundation is operating in a manner consistent with accomplishing its charitable purposes and that its operations do not result in private inurement or impermissible benefit to private interests.



Dr. Theresa Y. Crawley, Secretary
UMW Foundation

Adopted by the Board of Directors of the University of Mary Washington Foundation on July 17, 2009

