# CALIFORNIA COMMUNITY FOUNDATION
# CONFLICT OF INTEREST POLICY

## PURPOSE

The purpose of the conflict of interest policy is to protect the interests of the California Community foundation, a California nonprofit public benefit corporation (the "Foundation"), when it is contemplating entering into a transaction or arrangement that could (i) benefit the private interest of an officer or director of the Foundation within the meaning of Treasury Regulations section 1.501(c)(3)-1(d)(1)(ii), (ii) result in an excess benefit transaction within the meaning of section 4958(c) of the Internal Revenue Code of 1986, as amended (the "**Code**"), or (iii) be a self-dealing transaction within the meaning of section 5233 of the California Corporations Code. This policy is intended to supplement but not replace any state and federal laws governing conflicts of interest applicable to the Foundation.

## DEFINITIONS

**Interested Person**: An Interested Person is any director, officer, Key Employee, or member of a committee of the board of directors (the "Board") with delegated powers (a "Committee"), who has a direct or indirect "Financial Interest," as defined below.

**Financial Interest**: An Interested Person has a Financial Interest if the person has, directly or indirectly, through business, investment, or Family Member, any of the following:

- An ownership or investment interest in excess of 5% in any entity with which the Foundation has a transaction or arrangement.

- A direct or indirect compensation arrangement valued in excess of $10,000 in any calendar year with any entity or individual with which the Foundation has a transaction or arrangement. "Compensation" also includes gifts or favors, regardless of value, which are not insubstantial, but specifically excludes business meetings conducted over sponsor paid meals or outings that are reasonable to attend per customary and reasonable industry practices.

- A potential ownership or investment interest in excess of 5% in, or compensation arrangement in excess of $10,000 in any calendar year with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

- Nothing in this Conflicts Policy precludes any director, officer or Key Employee from receiving compensation from, or serving on organizational boards of, companies with which the Foundation has no transaction or business arrangement.

- A Financial Interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a Financial Interest may have a conflict of interest only if the Board or an appropriate Committee decides that a conflict of interest exists.

**Family Member:** The family of an individual includes only his or her spouse, ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great grandchildren, and spouses of brothers, sisters, children, grandchildren, and great grandchildren.

**Key Employee:** An employee is a Key Employee only if that employee meets all of the following three tests: (1) he or she receives compensation of more than $150,000 from his or her employer and all Related Organizations in the calendar year ending with or in the fiscal year, (2) meets one of three "responsibility tests" (defined below), and (3) is one of the employer's 20 most highly compensated employees (not counting officers, directors and trustees who meet tests (1) and (2)). The responsibility test is met if the employee (a) had organization-wide responsibilities, powers or influence similar to that of an officer, (b) has decision making authority over a segment of the employer that represents 10% or more of its activities, assets, income or expenses, or (c) had or shared control over 10% or more of the employer's capital expenditures, operating budget or employee compensation.

**Related Organizations:** Parent organizations and subsidiaries, organizations with brother/sister-type affiliations (where the same persons are a majority of both governing boards) and supporting or supported organizations.

## PROCEDURES

### Duty to Disclose

In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of any Financial Interest known to him or her on the Conflict of Interest Policy Affirmation and Disclosure Statement (the "**Disclosure Statement**") or, if such Financial Interest arises subsequent to that person's most recent Disclosure Statement, to the Chair of the Board of the Foundation, or if none, the President. The Interested Person will be given the opportunity to disclose all material facts to the directors and Committee members concerning the proposed transaction or arrangement.

### Determining Whether a Conflict of Interest Exists

After disclosure of the Financial Interest and all material facts concerning the transaction, and after any discussion with the Interested Person, the Interested Person shall leave the Board or Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Committee members shall decide if a conflict of interest exists.

### Procedures for Addressing the Conflict of Interest

An Interested Person may make a presentation at the Board or Committee meeting, but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The chairperson of the Board or Committee shall, if appropriate in the discretion of the Board or Committee, appoint an individual who is not an Interested Person, or a committee comprised of individuals who are not Interested Persons to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, including a review of appropriate data as to comparability, the Board or Committee shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement not producing a conflict of interest is not reasonably possible under circumstances, the Board or Committee shall determine whether the transaction or arrangement is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. The Board or Committee shall decide by a majority vote of the directors or Committee members then in office, as applicable, without counting the vote of any Interested Person, whether to enter into the transaction or arrangement in conformity with such determination.

### Violations of the Conflicts of Interest Policy

If the Board or Committee has reasonable cause to believe that an Interested Person has failed to disclose an actual or possible conflict of interest as defined in this policy, it shall inform such an Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the Interested Person, and after making further investigation as warranted by the circumstances and in the discretion of the Board or Committee, the Board or Committee determines that the Interested Person has failed to disclose an actual or possible conflict of interest, it shall take such disciplinary or corrective action as the Board or Committee determines to be appropriate.

## RECORDS OF PROCEEDINGS

The minutes of the Board and all Committees shall adequately and concurrently document the basis for its determinations under Article III, including but not limited to:

- The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial 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.

- The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, comparability data reviewed, and a record of any votes taken in connection with the proceedings.

## COMPENSATION

A director who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that director's Compensation.

A member of any Committee whose jurisdiction includes compensation matters and who receives Compensation is precluded from voting on matters pertaining to that member's Compensation.

Directors or committee members whose jurisdiction includes compensation matters and who receive compensation, directly or indirectly, from the Foundation, either individually or collectively, are not prohibited from providing information to any committee regarding compensation.

## AFFIRMATIONS

Each officer and director, upon their election or reelection, and annually thereafter shall sign the Acknowledgment and Certification included with the Foundation's Annual Conflict of Interest Policy Affirmation and Disclosure Statement which, in part, affirms that such person:

- Has received a copy of the conflicts of interest policy,

- Has read and understands the policy,

- Has agreed to comply with the policy, and

- Understands that the Foundation, in order to maintain its federal tax exemption, must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

California COMMUNITY Foundation

## PERIODIC REVIEWS

To ensure that the Foundation operates in a manner consistent with its tax-exempt purposes and does not engage in activities that could jeopardize its tax-exempt status under section 501(c)(3) of the Code, the Board shall conduct or cause to be conducted a review of the implementation of this policy at least every three years.

## USE OF OUTSIDE EXPERTS

When conducting the periodic reviews provided for in Article VII, the Foundation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

## CONFIDENTIALITY

Interested Persons may be privy to confidential information pertaining to the affairs of the Foundation. Interested Persons shall hold such information in trust and confidence, shall not disclose the information, or any portion thereof, to any third party unless legally required to do so, and shall not use the information, or any portion thereof, for any purpose except to make decisions with direct respect to the activities of the Foundation.

An Interested Person requested or required to disclose confidential information in a legal proceeding involving the Foundation or an entity with which the Foundation has contracted shall promptly notify the Chair of the Board of the Foundation, or if none, the President (unless prohibited by law from doing so) to allow the Foundation to seek a protective order or other remedy or to waive the Interested Person's obligation of confidentiality.

Interested Persons shall hold in trust contact information of directors and committee members of the Foundation and shall use the Foundation rosters solely for official Foundation business. Business or political use of a Foundation roster is specifically prohibited.

No Interested Person shall authorize the use of the name, logo, endorsement, services or property of the Foundation, without prior authorization by the Foundation Board.

California COMMUNITY Foundation

Approved by the Board of Directors at its March 13, 2026 meeting.

DocuSigned by:
Carol Bradford Worley
03F976E934E849A...

3/16/2026

Carol Worley — Date

Assistant Board Secretary

California COMMUNITY Foundation

## CALIFORNIA COMMUNITY FOUNDATION

## ANNUAL CONFLICT OF INTEREST POLICY AFFIRMATION AND DISCLOSURE STATEMENT

According to IRS guidelines, we are required to annually solicit information from you regarding interests that could give rise to conflicts of interest between the California Community Foundation, a California nonprofit public benefit corporation (the "Foundation"), and you and certain other people or entities affiliated with you. Each Interested Person is required to annually prepare and sign this Affirmation and Disclosure Statement (the "Disclosure Statement").

Please refer to the defined terms in the Foundation Conflict of Interest Policy and answer the following questions. For each "Yes" response, please elaborate on the response in the space provided at the end of this section.

Have you at any time been compensated as an officer or employee of the Foundation?

**__ Yes__ No**

Have you at any time received total compensation or other payments exceeding $10,000 from the Foundation as an independent contractor (other than reasonable expense reimbursements under an accountable plan)?

**__ Yes__ No**

Is any Family Member an officer, director or Key Employee of the Foundation?

**__ Yes__ No**

Were you or any Family Member involved in a transaction with the Foundation?

**__ Yes__ No**

Were you or any Family Member (a) an officer, a director, a trustee or Key Employee of an organization (other than a tax-exempt organization), or (b) a partner, member or shareholder with a direct or indirect ownership in excess of 5% in an organization that was involved in a transaction with the Foundation?

**__ Yes__ No**

Do you have a Business Relationship with the Foundation other than through your position as an officer, director, or committee member of the Foundation? "Business Relationships" include employment and contractual relationships, and common ownership of a business where any officers, directors or trustees, individually or together, possess more than a 35% ownership interest in common. "Ownership" means voting power in a corporation, profits interest in a partnership, or beneficial interest in a trust. If "Yes", identify the individuals and describe the business relationship with each of the Foundation's officers, directors, or committee members.

**__Yes __No**

Do you own more than a 35% interest in, or are you an officer, director, or trustee of a legal entity that is a party to any lease, contract, loan or other agreement with the Foundation? If "Yes" describe the arrangement, identify the parties involved, and whether the terms were negotiated at arms-length and in accordance with fair market value principles.

**__Yes __No**

Are you or a Family Member an officer, director, trustee, or employee of an organization that has received, or may receive, a grant or vendor contract from the Foundation?

**__ Yes__ No**

Space for explanations:

California COMMUNITY Foundation

California COMMUNITY Foundation

## Consent to Electronic Transmission

As a director of the California Community Foundation (the "Foundation"), you must provide consent in order to receive official communications from the Foundation via electronic transmission (fax or email) in accordance with California Corporations Code Section 20.

Before signing the Acknowledgement and Certification, please review and be aware of the following:

You are not required to consent to electronic transmission.  You may request that meeting notices, and other matters of official business be sent to you on paper or in non-electronic form.

You have the right to withdraw this consent at any time by providing the Foundation with written notice that you are withdrawing your consent relative to electronic transmission.

Consenting to electronic transmission allows the Foundation to send you meeting notices, conduct meetings, and handle other official business that requires board approval, by electronic transmission (fax or email).  You are responsible for updating your contact information with the Foundation.

Consenting to electronic transmission via fax requires that you have access to a fax machine and have a current fax number on file with the Foundation.

Consenting to electronic transmission via email requires that you have access to a computer, have a current email account in your name, and have provided your current email address to the Foundation.

California COMMUNITY Foundation

## California Community Foundation

## Acknowledgement and Certification

I, the undersigned, hereby confirm that:

I have received a copy of, have read and understand the California Community Foundation (the "Foundation") Conflict of Interest Policy (the "Conflicts Policy");

I agree to and shall comply with the Conflicts Policy;

except as disclosed herein, neither I, nor my spouse, nor any of our respective Family Members, has or had within the last five years any direct or indirect "Financial Interest" in any corporation or other entity which would give rise to a conflict of interest as defined in the Conflicts Policy;

I understand that the Foundation, in order to maintain its United States federal tax exemption under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, must engage primarily in activities which accomplish one or more of its tax-exempt purposes;

this Disclosure Statement is correct and complete to the best of my knowledge; and

I agree to advise the Board of any changes to the information set forth herein.

I have read the Consent to Electronic Transmission provisions, and hereby consent to receive communications concerning the Foundation via electronic transmission (fax and/or email), until such time as this consent is revoked by written notice provided to the President or Secretary of the Foundation.

Signature: Date:

Name: Title: Director

Please provide the relevant information below regarding the type of electronic transmission you consent to. You may provide either an email address or fax number or both. You may also indicate if you do not want or have access to either type of transmission.

Email address:

Fax number:

Comments: