



FOUNDATION FOR  
**COMMUNITY  
HEALTH**

## **FCH Policies**

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**Policy on Transparency & Confidentiality**  
**For Directors and Employees of The Foundation for Community Health**

***Transparency***

Recognizing the importance of its role as a steward of public funds, The Foundation for Community Health is committed to the concept of transparency in regards to its administrative and financial operations. To that end, the Foundation has established an open dialogue with the members of the community it serves via its interactive website, its public comment line, and through a variety of community outreach methods. The Foundation's financial information will also be available through both an annual report and through the required annual tax reporting on Form 990 filed with the federal and state governments. Grant making policies and procedures will be clear and uniform for all applicants, as will the process for receiving, reviewing and acting on grant applications.

***Confidentiality***

While committed to the practice of transparency as described above, it is also true that the Foundation's role as a funder, leader, convener and decision-maker in the community results in the acquisition of extensive information that is considered confidential and/or privileged. Much information is shared with the Foundation because of its reputation for trust and its ability to make fair decisions. To safeguard the Foundation's integrity as a responsible decision-maker and to protect its capacity to gather data necessary to make those decisions, the Foundation subscribes to specific policies on confidentiality.

***Policy:***

Foundation Board members, Committee members and employees should not engage in private discussion of Foundation matters (except when engaged in the business of the Foundation).

Specifically:

- The positions or statements of individual Board and Committee members should not be discussed outside of official Foundation meetings and internal processes.
- Content of Foundation business that contains confidential/privileged information, including documents or Foundation analysis of documents, should not be discussed or shared outside official meetings and internal processes.

This policy is signed one time, upon employment or induction into the FCH Board of Directors.

I agree to comply with the Foundation for Community Health's Transparency & Confidentiality Policy as outlined above.

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

# The Foundation for Community Health Conflict of Interest Policy and Statement

Conflict of Interest principles are important to prevent members of the Board of Directors of The Foundation for Community Health (the Foundation), any member of one of its committees having Board-delegated powers or any of its employees from taking actions to benefit themselves, others related to them as defined in Section 6.4 of the By-Laws<sup>\*</sup>, or other organizations with which they are affiliated.

The conflict of interest principles also apply in ways which arguably transcend the traditional notion of conflict of interest whenever there is or could be an appearance of a conflict of interest. Many Board and Committee Members and employees may have a duality or diversity of interest not involving personal or pecuniary advantage to the individual Board or Committee Member or employee but rather the interest of another non-profit organization which has or may seek to have dealings with or seek to receive grants from the Foundation.

It is the policy of the Foundation not to enter into any contract, transaction or other arrangement with an outside concern or venture in which a Board or Committee Member or an employee or others related to him or her who is in a position to influence Foundation decisions has a financial<sup>\*\*</sup> or personal interest unless such interest and its relation to the terms of such contract, transaction or other arrangement are fully disclosed to the Board by the relevant Board or Committee Member or employee.

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- Section 6.4 (c)(1) of our by-laws defines a person subject to this conflict of interest policy as follows:  
“Related Party” shall mean any Director, officer or member of a committee having Board-delegated powers as well as the spouse, parent, sibling, child, grandchild or an individual having the same home as such person; or a trust or estate of which an individual specified in this paragraph is a substantial beneficiary, or a trust, estate, incompetent, conservatee or minor of which the director, office or committee member is a fiduciary.

<sup>\*\*</sup> Financial Interest is defined in Section 6.4 (c)(2) of our By-Laws as follows:

“Financial Interest” shall mean:

- (i) any ownership or investment interest in any entity with which the Corporation has a contract, transaction or other arrangement, including without limitation, any direct or indirect stock interest (by vote or value) in the case of corporation; any interest in capital or profits in the case of general or limited partnership, limited liability partnership or limited liability company; or other beneficial interest in the case of a trust, estate or other entity; or
- (ii) a compensation arrangement with any entity or individual with which the Corporation has a contract, transaction or other arrangement including without limitation, any salary, fee, commission, percentage, bonus or other direct or indirect remuneration, as well as gifts or favors that are substantial in nature.

See also subparagraph [4] as to a transaction which either by itself or when combined with other transactions during the preceding year, obligates the Foundation to make payments of over \$50,000.00 to a related party or to another entity in which he/she holds a Common Office or has a Financial Interest.

The Board or Committee Member or employee who has determined that there is or may be a conflict as above described shall so advise the Board and shall not attend nor cast his or her vote with respect to the approval of the contract, transaction or other arrangement at issue, nor otherwise participate in the meetings or deliberations at which such contract, transaction or other arrangement is to be approved or authorized.\*\*\*

All Board and Committee members and employees of the Foundation shall make full disclosure of any personal or financial interest in an outside enterprise in which they or anyone related to them has or is to have an interest and that does or proposes to do business with or receives or proposes to receive a grant from the Foundation now or in the immediate future.

Finally any Board or Committee Member employee should inform the Board of any pressure from any outside person or potential grantee who is attempting to influence our usual grant or contract evaluation and award procedures.

\*\*\* Section 6.4(a)(2) of the By-Laws.

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I have read this Conflict of Interest Statement. I understand that any violation of this policy may result in my removal from the Board or any Committee of the Foundation or from my position of employment by the Foundation.

To the best of my knowledge and belief, neither I nor any person related to me (as defined in Section 6.4(c)(1) of the By-Laws) is engaged in any transaction or activity nor has any relationship, which may represent a potential conflict of interest as described therein, except for the organizational affiliations for myself and for those persons related to me listed below.

For-profit Organizations

Non-profit Organizations

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_

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Agreed to and signed: \_\_\_\_\_  
\_\_\_\_\_  
(please print name)

This \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

Modified 6.28.04  
Modified 5.2.16

## **Foundation for Community Health, Inc.**

### **Whistleblower Policy: Reporting Suspected Violations of Law and Policy**

**2/09**

#### **Purpose**

To provide a mechanism for employees to raise good faith concerns regarding suspected violations of the law on the part of the FCH, to cooperate in an inquiry or investigation by a court, agency, law enforcement, or other governmental body, or to identify potential violations of FCH policy; and to protect employees who take such action from retaliation.

#### **Policy**

The Foundation for Community Health is committed to maintaining a workplace where employees are free to raise good faith concerns regarding the FCH's business practices, specifically: (1) reporting suspected violations of law on the part of the FCH, including but not limited to federal laws and regulations; (2) providing truthful information in connection with an inquiry or investigation by a court, agency, law enforcement, or other governmental body; and (3) identifying potential violations of any explicit FCH policy.

An employee who wishes to report a suspected violation of law or FCH policy may do so confidentially by contacting his or her immediate supervisor, the Executive Director, or one of the Executive Officers of the Foundation. The complaint can also be made anonymously in writing to those identified above. If the complaint is against the Executive Director, the Board shall notify the Executive Director in writing within 30 days of receiving the complaint.

The FCH expressly prohibits any form of retaliation, including harassment, intimidation, adverse employment actions, or any other form of retaliation, against employees who raise suspected violations of law, cooperate in inquiries or investigations, or identify potential violations of FCH's policies. Any employee who engages in retaliation will be subject to discipline, up to and including termination.

Any employee who believes that he or she has been subjected to any form of retaliation as a result of reporting a suspected violation of law or policy should immediately report the retaliation to his or her immediate supervisor, the Executive Director, or one of the Executive Officers of the Foundation if the report is filed against the Executive Director.

Reports of suspected violations of law or policy and reports of retaliation will be investigated promptly and in a manner intended to protect confidentiality, consistent with a full and fair investigation. The Executive Director or one of the Executive Officers of the Foundation will initiate the investigation within 15 days of receipt of the complaint at which time the Executive Committee will also be notified of the complaint. The Executive Director or one of the Executive Officers of the Foundation will conduct or designate other internal or external parties to conduct the investigations. Every reasonable attempt will be made to complete the investigation within 60 days of its initiation. The investigating parties will notify the concerned individuals of their findings directly or indirectly where appropriate, and prepare other reports as indicated by the circumstances. A summary of all such reports will be presented to the Executive Committee of the Board of Directors within 15 days of completion of the investigation. The Executive Committee shall review this summary and act on it where necessary within 30 days of its presentation.

## Spending Policy

The Spending Policy is designed to maintain the long-term purchasing power of FCH resources, net of inflation, while also providing a steady and predictable level of funding for program support. It requires FCH to determine an annual Spending Rate, which is based on the expected annual investment portfolio returns (net of management fees) over the next 5 to 10 years minus an estimate of the annual change in the CPI over the same time-frame.

The determination of the annual Spending Rate also takes into account other considerations including the following:

1. the current level of need within the community,
2. the amount by which current asset values exceed historic asset values, net of cumulative inflation,
3. any reserve for Extraordinary Expenditures (outside the annual budget) for future investment in the next “big thing”.

### The Process

The FCH Board of Directors sets the FCH Annual Spending Rate, based on a recommendation from the Finance Committee. The Finance Committee takes into account the spending rate recommended by the Berkshire Taconic Community Foundation’s Investment Committee, which includes an independent estimate of net long term returns on financial assets minus the expected rate of US inflation.

The Annual Spending Rate is used to determine the total expenses in the Foundation’s annual budget. Total Budget Expenses are determined by applying the Spending Rate to the average ending balances of the Financial Assets for the most recent 20 quarters as of June 20<sup>th</sup> in any given year.

The Financial Assets are defined to include:

1. FCH investments at Berkshire Taconic, including the Managed Pool and Socially Responsible Investments,
2. Trusts for the benefit of FCH which are managed by Bank of America, including Fulton and Raynsford,
3. FCH’s donor advised funds at the Northwest Connecticut Community Foundation and the Community Foundations of the Hudson Valley.

The FCH Annual Budget based on this Spending Policy, is reviewed and approved by the Board prior to the end of each year, effective on January 1<sup>st</sup> of the following year.

The Endowed Funds subject to donor-restrictions will be managed in accordance with the Uniform Prudent Management Institutional Funds Act (UPMIFA) and thus the following additional provisions are considered when determining the spending rate:

1. The duration and preservation of any endowment funds
2. The purposes of the institution and the endowment funds
3. General economic conditions
4. The possible effect of inflation or deflation
5. The expected total return from income and appreciation of assets
6. Other resources of the institution
7. Where appropriate and circumstances would warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the institution
8. The investment policy of the institution

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<b>Fiscal Year</b>	<b>Spending Rate</b>	<b>Board Approval Date</b>	<b>Comments/Rationale</b>
2019	4,25	Sept 11, 2018	This spending rate was only applied to the FCH funds invested with BTCF (which was the policy for all years prior to 2019). The income from the two trusts were treated as income and the DAF funds were used sparingly on small grants.
2020	4.25%	Sept. 9, 2019	Adopted the current Spending Policy calculation to include all assets from which FCH can draw upon. Added \$100,000 to grant budget in response to COVID pandemic at May 4, 2020, Board Meeting
2021	5.00%	Sept. 14,2020	Increased to 5.0% in recognition of the increased need to support non-profits and basic needs of those they serve.
2022	5.00%	Sept. 13, 2021	Recommendation was based on continued impact of COVID on non-profits and the communities they serve.

## **Foundation for Community Health Statement on Policy & Advocacy Related Activities**

The Foundation for Community Health is dedicated to improving the health of the residents of the greater Harlem Valley in NY and the northern Litchfield Hills in CT. In its work toward achieving this end, the Foundation will utilize a number of different strategies. These may include convening, grantmaking, providing technical assistance, conducting research and issue analysis, and the dissemination of information. Another 'tool' it can employ is to advocate for policy change at legislative levels. Policy level change can be most effective when an issue is broad in scope, impacts a large number of individuals, is heavily financed or regulated by government, and/or needs funding well beyond the ability of even large Foundations to supply.

The following statements outline parameters of The Foundation for Community Health's approach to policy and advocacy work.

### **Definition of Policy Work:**

Actions directly targeted at changing public policy which may include:

- Identification of issue
- Production of Materials to influence policy decisions
- Interaction with people central to changing the policy
- Organizing and or participating in a group effort to inform policy makers

### **All Public Policy work must:**

- Support the Mission and Values of the Foundation
- Support and promote the credibility and reputation of the Foundation as a thoughtful and fair organization
- Be a means for achieving the Foundation's Mission
- Be based on timely and accurate identification of important legislative, regulatory and Budget related issues
- Be grounded in thorough research and analysis including understanding the:
  - Qualification of the researcher
  - Root causes of the problem
  - Views of all areas of the political spectrum

**Factors to consider in choice of strategy and or tactic and our level of involvement (e.g. high/low profile, indirect/direct, use of partners):**

- FCH desired role
- Judgment on effectiveness
- Limits established by IRS
- Costs/resource required
- Desired outcome & benefits
- Timeframe necessary to create change



## **FUNDING RESTRICTIONS FOR FAITH-BASED ORGANIZATIONS**

The Foundation for Community Health will not fund faith-based organizations or institutions for activities and/or programs of religious teaching or training such as religious services or bible study. However, the Foundation will consider grants for community-based service programs that meet certain criteria, including the following: services must be available to all regardless of their religion or belief in God and must not be rooted in a particular religious doctrine or belief system; there is a formal structure for provision of services (e.g. mission, staff, program policies and procedure); services go beyond religious charitable work to include activities that make a real impact on the lives of people living in their communities; and the organization agrees to abide by the Foundation for Community Health's policy on nondiscrimination.