

Background Information on the Ethics Policy

The driving force behind the adoption of this new ethics policy by Bucks County Community College (“the College”) and the Bucks County Community College Foundation (“the Foundation”) is the Sarbanes-Oxley Act of 2002. SOX, as Sarbanes-Oxley is commonly known, was passed by Congress in reaction to the fraud exposed in public companies such as Enron and Worldcom. Implicit in SOX is the need for all organizations to step back and assess the state of their policies, procedures and internal controls. The goals of the Act include accountability, reliability and transparency, and these apply equally to both public corporations and the nonprofit sector. While the Act does not strictly apply to nonprofits unless they violate certain provisions, most prudent nonprofits are reviewing their processes to demonstrate their commitment to enhanced fiduciary oversight.

Adoption of this Ethics Policy by the Foundation Board of Directors, with its accompanying Conflict of Interest Disclosure Form, attempts to ensure that our business processes are transparent.

The Foundation is committed to standards of performance which comply with the laws of the Commonwealth of Pennsylvania. Additionally it is expected that its Board of Directors, and staff of the College will act ethically and with the sole purpose of advancing the best interest of the Foundation, the College, and its constituents. All persons who represent the Foundation and the College have the responsibility to do so with a high standard of personal and business ethics which protects the integrity of the Foundation and the College at all times. To ensure that this goal is understood and achieved the Foundation Board of Directors is adopting the College’s Board of Trustees ethics policy to serve as the standard applicable to all individuals when performing their duties as representatives of the Foundation and the College.

Standards for Ethical Conduct

Foundation Board of Directors and staff shall:

- Perform their duties to the best of their ability/in good faith while supporting the objectives and policies of the Foundation and the College.
- Protect the confidentiality of all information to which they have access.
- Act impartially and not give preferential treatment to any individual or organization.
- Refrain from using their position to secure special privileges or gain for themselves or other persons.
- Refrain from making unauthorized commitments or promises binding to the Foundation and/or the College.
- Refrain from unauthorized use of College facilities or property for their benefit or that of any other person.
- Refrain from accepting gifts of more than nominal value from people or organizations with whom the Foundation and/or College has a business relationship.
- Refrain from accepting employment or participating in any business or professional activity that conflicts, or may appear to conflict with official duties and responsibilities at the Foundation and/or the College.
- Refrain from personal activities in which they could use, or might appear to have the opportunity to use, for personal gain, confidential information or special knowledge gained as a result of their relationship with the Foundation and/or the College.
- Provide full disclosure of any business or financial enterprise or activity in which they are involved, either directly or through family connections, which might

influence, or might appear to have the capacity to influence, his or her official decisions on Foundation and/or College matters.

- Recuse themselves from participation in any activities or decision making which may be impacted by a potential conflict of interest situation.

Acceptance of Gifts

No member of the Foundation's Board of Directors and staff shall directly or indirectly seek or accept any payments, fees, services or other gratuities outside the normal course of the individual's business duties from any person, company or organization which does or seeks to do business with the Foundation and/or College. Acceptance of cash in any amount is strictly prohibited.

Foundation Board and staff members may not accept gifts of more than token or nominal value from a supplier or vendor under any circumstances. While at times it may be difficult to quantify the cost of a gift, it is always important to consider the appearance of impropriety and unfair business practice.

Conflict of Interest

The Foundation desires to avoid any conflict of interest or appearance of conflict between the Foundation's and/or College's interests and those of any Board or staff member. Any circumstances which could cast doubt, or even the appearance of doubt, upon an individual's ability to act with total objectivity regarding the Foundation's interests represent a potential conflict of interest situation.

A conflict of interest exists when a person is in a position to benefit personally, directly or indirectly, as a result of a business transaction or arrangement of the Foundation and/or the College. All Board and staff members have an obligation to avoid conflict, the appearance of conflict, between their personal interests and the interests of the Foundation and/or the College in dealing with outside organizations or individuals.

Disclosure

Most concerns regarding conflict of interest may be resolved and appropriately addressed through prompt and complete disclosure. As conflict of interest situations may be complex and subject to different interpretation, the practice of disclosure is aimed at preventing an individual from inadvertently placing himself in a questionable situation. To achieve that end, Foundation Board and staff members will be required annually to complete a Conflict of Interest Disclosure Form.

Compliance

All members of the Foundation Board of Directors and staff are responsible for reviewing this policy carefully to ensure that each fully understands this policy. Likewise each individual must comply with whatever is required of them. Additionally each individual bears the responsibility of disclosing any violation of this policy, and may do so publicly or by reporting the violation to the Foundation's Executive Director or the College's President. Failure to comply with this policy, to disclose a potential conflict of interest or to comply with the Foundation's requirement for managing a determined conflict of interest may result in disciplinary action or resignation from the Board of Directors.