

THIS IS NOT A CONTRACT OF EMPLOYMENT. EMPLOYMENT REMAINS AT-WILL AND MAY BE TERMINATED BY EITHER PARTY AT ANY TIME, WITH OR WITHOUT NOTICE OR REASON.

Code of Ethics

Effective July 1, 2008

Introduction

The mission of Mary Black Foundation, Inc. (the “Foundation”) is to improve the health and wellness of the people and communities of Spartanburg County, South Carolina. The Foundation’s Trustees have adopted this Code of Ethics (the “Code”) to ensure that the Foundation will work to fulfill its mission in a manner that is honest, fair, ethical, and transparent.

This Code is applicable to all Trustees, non-Trustee committee members, officers, and employees of the Foundation (each a “Foundation Representative” and hereinafter collectively referred to as “Foundation Representatives”). The Foundation expects every Foundation Representative to read and understand this Code and its application to the performance of his or her responsibilities and the operations of the Foundation.

The Foundation is committed to maintaining the highest standards of conduct and ethics.

Conflicts of Interest

Effective governance depends on deliberate, thoughtful, and objective decision-making. Decisions must be made in the best interests of the Foundation and its mission, be fair and reasonable to the Foundation, and not be influenced by the financial or personal interests of Foundation Representatives. This applies to all levels of decision-making, including decisions involving matters of organizational policy, contracting for goods and services, grant making, investment of Foundation funds, and other transactions.

The Foundation has adopted a Conflict of Interest Policy (see Exhibit A) to provide safeguards to prevent actual, potential, or apparent situations in which decisions are not made in the manner set forth above.

Confidentiality

Grantee and Applicant Organizations:

All information gained from Board or Committee deliberations, discussions with staff, or disclosures from applicant or grantee organizations will be treated with complete confidentiality.

Foundation Representatives:

The Foundation has an obligation to safeguard the confidentiality of certain information about its Foundation Representatives. Accordingly, the Foundation will limit disclosure of sensitive personal information about Foundation Representatives to those disclosures required by law or otherwise deemed necessary and appropriate by the Foundation's management. When such disclosures are deemed necessary, they will be made by the Director of Finance or President.

Equal Opportunity and Prohibition of Harassment

Equality of opportunity is an important principle in all the Foundation's employment, grant, and other decisions. The Foundation does not tolerate discrimination against, or sexual or other harassment of, employees, grantees, or others due to race, color, religion, national origin, citizenship, gender, sexual orientation, age, pregnancy, or disability. See also the policies regarding Equal Employment Opportunity and Harassment in the Foundation's Personnel Policies.

Transparency/Public Accountability

The financial and other information reported by the Foundation are fairly presented, complete, and clear in all material respects.

It is the Foundation's policy to provide comprehensive and timely information to the public and to be responsive to reasonable requests for information about the Foundation.

The Foundation will comply with both the letter and the spirit of all applicable public disclosure requirements, including the open availability of its Form 990-PF tax returns.

Accuracy and Retention of Records

In our reporting (internally and externally) and in maintaining Foundation records, the Foundation is honest, fair and ethical. It is essential to the successful operation of the Foundation that the integrity of its books and records be resolutely maintained.

Internal Reporting:

In the course of their work, Foundation Representatives record and report internally information relating to themselves. Examples include expense reports, time sheets, medical claim forms, and personnel reviews. This reporting is honest, complete, and fairly presented in all material respects.

In the course of their work, Foundation Representatives record and report internally information relating to the Foundation. Examples include reports to the Board, correspondence, and minutes from meetings. This reporting is honest, complete, and fairly presented in all material respects.

External Reporting:

In the course of their work, Foundation Representatives record and report information externally. Examples include grant agreements, disbursements, evaluations, annual reports, and research results. This reporting is honest, complete, and fairly presented in all material respects.

Records Maintenance:

Records maintenance involves the retention and protection of confidential and vital information so that the Foundation will have the ability to respond to internal and external inquiries in a timely and complete manner. Effective maintenance also means retaining only information that is required and properly disposing of records and copies that are no longer needed or subject to any compliance requirements. The Foundation's goal is to adopt a formal record retention policy within one year of the adoption of this Code and, at all times, the Foundation will maintain records and information as required by law and Foundation policy.

Employees may not destroy or alter documents with the intent to impair a document's integrity or obstruct or influence the investigation or proper administration of any matter by any federal, state, or local governmental agency with appropriate and demonstrated jurisdiction over the matter.

Compliance with the Law

It is the Foundation's policy to be knowledgeable of and comply with all laws and regulations applicable to its operations.

Employees are expected to obey all laws applicable to the Foundation's work, including, but not limited to, the following:

- Employment and labor, including anti-discrimination and harassment;
- Criminal; and
- Private foundation and other tax laws and regulations, including self-dealing with disqualified persons.

Professional Standards

It is the Foundation's policy for Foundation Representatives to be knowledgeable about emerging issues and professional standards in the Foundation's field and conduct themselves with professional competence, fairness, efficiency, and effectiveness. Continuing education and training opportunities are available and encouraged for Foundation Representatives. For the Foundation's senior staff, as designated by the Foundation's President, such Foundation-related continuing education is required.

Political Activities

In general, as a private foundation, the Foundation is prohibited from carrying on lobbying, legislative, or partisan political activities. The Foundation understands, however, the important role that public policy may have in furthering the Foundation's mission. Therefore, nothing in this paragraph shall be construed to limit the ability of Foundation Representatives to participate in lawful advocacy, public awareness, and educational activities.

Protection and Use of Foundation Assets

Foundation assets, such as supplies, time, computers, software, and facilities, among other properties, are valuable resources belonging to the Foundation. Safeguarding Foundation assets is the responsibility of all Foundation Representatives. All Foundation assets should be used for the legitimate business purposes of the Foundation. The personal use of Foundation assets without permission is prohibited.

Special Provisions Relating to the Foundation's President and Director of Finance

In addition to the other provisions of this Code, as a matter of best practices, the Foundation has more detailed and additional requirements for the President and Director of Finance positions.

- The President and Director of Finance are required to act ethically and honestly, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. To increase documentation of these responsibilities for the President and Director of Finance, the Annual Disclosure Statement Regarding Conflicts of Interest completed by the President and Director of Finance are reviewed by the Audit Committee in addition to the Board Chair. The President and Director of Finance sign a representation annually as part of their annual performance reviews that they have acted ethically and honestly in all their work for the Foundation.
- The President and Director of Finance are required to ensure that (1) all reporting is timely and fairly presented in all material respects and (2) all appropriate disclosures have been made. Compliance with this section of the Code is documented in the representation letter addressed to the audit firm at the conclusion of the audit, signed by the President and Director of Finance. These representations apply to the audited financial reports, as well as the Form 990-PF and any other tax or information returns the Foundation may prepare or file.
- The President and Director of Finance shall comply with all applicable governmental laws, rules, and regulations. To further document compliance with the Code, the President and Director of Finance will sign a representation annually as part of their annual performance reviews which specifically states that they have complied with all applicable governmental laws, rules, and regulations to the best of their actual knowledge.
- The President and Director of Finance are required to report promptly any violations of the Code to the Audit Committee. To document compliance with

this section, the President and Director of Finance shall make representations annually that all known Code breaches or violations have been reported.

Compliance

Acknowledgement:

The Foundation Representatives sign an Acknowledgment and Disclosure Form annually to confirm that they understand, have complied with, and will continue to comply with the Code. (See Exhibit B attached.)

All new Foundation Representatives certify in writing that they received, understood, and agreed to the Code. (See Exhibit C attached.)

Reporting Violations:

The Foundation requires all Foundation Representatives to report fraudulent, dishonest, or illegal conduct or conduct that otherwise violates the Code pursuant to the guidelines set forth herein.

Concerns about possible wrongdoing should be reported (verbally or in writing) immediately. When a Foundation Representative becomes aware of suspected wrongdoing, he or she should:

1. Immediately report the matter to a member of the Audit Committee; and
2. Not discuss the matter with anyone other than members of the Audit Committee or law enforcement officials, as appropriate, and should not contact the suspected person, conduct his or her own investigation, and/or demand restitution or other remedy.

Investigation and Resolution Guidelines:

The Chair of the Audit Committee will work with appropriate persons to coordinate an investigation of a report.

Generally, reports will be shared only with persons or organizations who have a need to know so that the Foundation can conduct an effective investigation and determine what actions to take based on the results of any such investigation.

When a report of wrongdoing has been resolved, the Foundation will make reasonable efforts to disclose that fact to the reporting party. The Chair of the Audit Committee will provide a summary of the resolution of any reported wrongdoing to the Chair of the Board and to the President.

No Retaliation:

No action will be taken against Foundation Representatives or anyone else for reporting in good faith a perceived violation of the Code, even if it turns out that there was in fact no violation.

Violation of the Code

Anyone who is found to have violated the Code will be subject to disciplinary action, through and including discharge, depending on the circumstances. The President and Director of Finance will be held to the highest standards of honesty, fairness, and ethics and, thus, may be subject to more stringent sanctions for violations.

Responsibilities, Changes, and Waivers

The Audit Committee is responsible for reviewing and maintaining the Code.

The Audit Committee, with the Board's approval, may amend the Code and related policies for any reason and at any time.

The Foundation will give prompt notice of changes in the Code. Changes will be effective when approved by the Board of Trustees of the Foundation.

A waiver is the approval of a "material departure" from a provision of the Code. A waiver or variation in a particular situation does not create a general precedent. No waiver of any breach of any term or provision of this policy shall be construed to be, nor shall be, a waiver of any other breach of this policy.

Disclaimers

Please remember the following:

- This Code cannot anticipate every possible situation or cover every topic in detail. Ask for guidance in any area that may create questions or concerns or uncertainties.
- Many of the topics covered in this Code may be explained in greater detail in other Foundation documents, such as the Foundation Personnel Policies.
- Reading this Code is not a substitute for complying with specific policies and procedures.
- The Code is not intended to create, nor does it create, any contractual rights related to employment or otherwise.

Disclosure:

This Code was adapted from the following policies:

- Council on Foundations' *Conflict of Interest: IRS Sample Policy Annotated for Grantmakers*
- *The Saint Paul Foundation and Minnesota Community Foundation Code of Business Conduct Policy*
- The Atlantic Philanthropies' *The Atlantic Code of Ethics*

