

**Motion for Acknowledgment of Bylaws Policy:  
Conflict of Interest, Inurement, and Self-Dealing**

**Date:** July 14, 2024

**Whereas**, it is required by the Internal Revenue Service (IRS) that all Directors, officers, employees, and volunteers of ChicoryLane Foundation be made aware of the organization's Bylaws policy and acknowledge receipt and awareness of the same;

**Resolved**, that a copy of the Bylaws policy of ChicoryLane Foundation is hereby enclosed and distributed to all Directors, officers, employees, and volunteers;

**Further Resolved**, that all Directors are required to sign a statement indicating their receipt and awareness of the Bylaws policy, as mandated by the IRS;

**Further Resolved**, that the Secretary of ChicoryLane Foundation is authorized and directed to ensure that the Bylaws policy statement is distributed and the acknowledgment forms are collected and filed appropriately.

**Adopted**, July 14, 2024, by the Board of Directors of ChicoryLane Foundation.

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**Signatures:**

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John B. Smith, Chairperson

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Catherine F. Smith, Secretary

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Douglas Bierly, Director

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Thomas Rippon, Director

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Loanne Snavelly, Director

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Suzy Yetter, Director

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James Zubler, Director

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The Secretary should ensure the motion is recorded in the minutes and that the Bylaws policy statement and acknowledgment forms are properly distributed and collected.

**Attached:**  
**ChicoryLane Foundation Bylaws Policy**  
**Conflict of Interest, Inurement, and Self-Dealing**

**Purpose:** The purpose of this policy is to protect the interests of ChicoryLane Foundation (the "Organization"), a Pennsylvania nonprofit entity, a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, and operating as a Private Operating Foundation as defined and authorized by the IRS under section 4942(j)(3) of the Internal Revenue Code (IRC). This policy guides the Organization when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, Director, employee, or other key personnel. This policy also guides officers, Directors, employees, other key personnel, and any disqualified individuals in their interactions with the Organization. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

**Definitions:**

- a. **Conflict of Interest:** A situation in which a person may have a dual interest, direct or indirect, in a transaction or arrangement that might affect the person's ability to act in the Organization's best interest.
- b. **Self-Dealing:** Any transaction in which a disqualified person (as defined by the IRS for private Foundations) engages in direct or indirect financial transactions with the Organization that results in a personal and improper financial benefit.
- c. **Inurement/Private Benefit:** Any use of the Organization's income or assets that directly or indirectly benefits an insider or their family members, beyond what is considered reasonable compensation or reasonable reimbursement for expenses incurred on behalf of the Organization.

**Conflict of Interest Policy:**

- a. **Disclosure:** All Directors, officers, staff, and key employees shall disclose any interest in a transaction or arrangement that might constitute a conflict of interest, using the disclosure form provided by the Organization. This disclosure will be made upon hire or appointment and annually thereafter.
- b. **Recusal:** Any person with a potential conflict of interest regarding a transaction or arrangement that comes before the Board or a committee shall leave the meeting during the discussion and vote on the transaction or arrangement.
- c. **Approval:** Transactions or arrangements involving potential conflicts of interest may proceed only if they are determined to be fair, reasonable, and in the Organization's best interest. Such determinations must be made in good faith by a majority vote of the disinterested Directors or trustees.

**Policy on Self-Dealing:** The Organization prohibits self-dealing transactions unless they are thoroughly reviewed and determined to be in the best interest of the Organization and after ensuring that all IRS regulations and requirements are fully met.

**Policy on Inurement/Private Benefit:** No part of the net earnings, properties, or assets of the Organization, on dissolution or otherwise, shall inure to the benefit of any private person or individual, any director or officer of the Organization, or Disqualified person. Compensation for services rendered and reimbursement for expenses incurred on behalf of the Organization shall be reasonable and not excessive.

**Enforcement:**

- a. Violations of the Conflict of Interest, Self-Dealing, and Inurement policies can result in disciplinary action, up to and including termination of employment or removal from the Board or office.
- b. The Board of Directors is responsible for enforcing compliance with these policies and shall conduct periodic reviews of adherence to the policy.

**Documentation and Records:** All disclosures of potential conflicts of interest, as well as decisions dealing with a possible conflict of interest, shall be recorded in the minutes of the meeting at which the disclosure was made or the action was taken. Documentation shall include 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, and the actions taken to address the conflict of interest.

This policy statement is made available to and acknowledged by all Directors, officers, employees, and volunteers, and is to be strictly followed by everyone associated with ChicoryLane Foundation.