

The role of the Mitchell Technical College Foundation is to raise funds to support the mission of Mitchell Technical College. The Foundation Board is responsible for ensuring this role is fulfilled.

*'It is the mission of Mitchell Technical College to provide skills for success in technical careers.'*

The Board also has the following responsibilities:

1. Duty of Care: take care of the Foundation by ensuring prudent use of all assets, including facility, people, and goodwill.
2. Duty of Loyalty: ensure that the Foundation's activities and transactions are, first and foremost, advancing its mission; Recognize and disclose conflicts of interest; Make decisions that are in the best interest of the Foundation; not in the best interest of the individual board member (or any other individual or for-profit entity)
3. Duty of Obedience: ensure that the Foundation obeys applicable laws and regulations; follows its own bylaws; and that the Foundation adheres to its stated corporate purposes/mission.
4. Determine the mission and purpose of the Foundation, and advocate for them
5. Support the work of the Director of Foundation Relations and Foundation staff
6. Ensure effective planning
7. Monitor and strengthen programs
8. Ensure adequate financial resources
9. Build and sustain a competent board

*Established: September 2014*

*Amended Name Change: October 2020*

### **Introduction and Purpose**

This Conflict of Interest Policy (this "Policy") is intended to set certain guidelines for the Mitchell Technical College Foundation (the "Foundation") and the Foundation's Board of Trustees (the "Board") and each member of the Board (each a "Trustee" and collectively, the "Trustees") when the Trustees or the Board are considering entering into any transaction that may involve a benefit to the Foundation, Mitchell Technical College (the "College") and/or any of the Trustees.

### **Persons Covered**

This Policy shall apply to (i) each Trustee, (ii) each Officer of the College (for purposes of this Policy an "Officer" is an employee or other management personnel who by the power of his or her position can influence any policies or decisions of the Foundation or has any proprietary or confidential information about the College), (iii) all members of such Trustee's or Officer's immediate family or their legal representatives; and (iv) any business, trust, organization or entity in which such Trustee or Officer is a director, officer, shareholder, member, manager, trustee or owner or their legal representative or in which such Covered Person has any financial or pecuniary interest, other than merely as an employee (each a "Covered Person" and collectively, "Covered Persons").

### **Statement of Policy**

Neither the Officers or the Board of Trustees of the Foundation, nor any Officer or Trustee on behalf of the Foundation or the College shall enter into any contract, agreement, understanding, action, or transaction with or involving one or more Covered Persons (collectively, a "Covered Transaction") unless:

1. That interest of the Covered Person in the Covered Transaction (the "Covered Interest") is disclosed to or otherwise known to the Board in advance,
2. The Board approves, authorizes or ratifies the Covered Transaction in good faith and in accordance with its duties as the Board and the Covered Transaction shall not be approved unless the Board determines that the Covered Transaction is (i) fair to and in the best interest of the Foundation Board or College and (ii) complies with College and Foundation policies and procedures.
3. A majority of disinterested Trustees (not counting the Covered Person) approves, authorizes or ratifies the Covered Transaction,
4. The approval of the Covered Transaction occurs at a meeting of the Board where a quorum is present (not counting the Covered Person).

The Covered Person shall not be present for discussion of or any other vote on the Covered Transaction unless specifically requested to answer questions. The minutes of all actions taken on such matters shall clearly reflect that these requirements have been met.

### **Disclosure Procedures**

If a Covered Transaction is to be considered by the Board or Foundation, the interested Covered Person shall disclose the Covered Interest to the Board, or committee if a committee is charged with the decision, and to the chief executive of the Board, or if the chief executive is the interested Covered Person, then to the chairperson or acting chairperson of the Board. At a minimum such disclosure shall include the following:

- a. the basis for the Covered Person's belief that a Covered Interest exists;
- b. the economic terms of the proposed Covered Transaction;
- c. any competing bids or offers or alternative choices for the Board to consider (if known to the Covered Person);
- e. the nature of the Covered Person's relationship to the Covered Transaction; and
- f. any other information the Covered Person believes may be material and/or useful to the Board in the making of its determinations.

The responsibility of the Covered Person is to disclose the nature of the circumstances that he or she believes to constitute a Covered Interest. It is the responsibility of the Board to determine whether or not a Covered Interest or Covered Transaction exists, which determination shall be reflected in the minutes of the applicable meeting.

### **Interpretation of This Policy**

The transactions identified as Covered Transactions and the interests identified as Covered Interests herein are not exclusive or exhaustive. All Covered Persons are expected to disclose any information that they believe may constitute Covered Transactions or Covered Interests, whether or not identified as such in this Policy. It shall be the continuing responsibility of the Board and Covered Persons to scrutinize their transactions and outside business interests and relationships for potential conflicts of interest and to disclose them to the Board.

### **Acknowledgement**

The Board, from time to time, may require any Covered Person to complete an acknowledgement and disclosure form, on a form approved by the Board with respect to this Policy. Notwithstanding the foregoing, the completion of an acknowledgement and/or disclosure form shall not be deemed to constitute satisfaction of Covered Persons to make the disclosures required in this Policy.

# **Mitchell Technical College Foundation**

## **CONFLICT OF INTEREST POLICY**

### **COVERED PERSON ACKNOWLEDGEMENT**

*Established: September 2014*

*Amended Name Change: October 2020*

The undersigned person acknowledges receipt of a copy of the "Conflict of Interest Policy" dated \_\_\_\_\_. By my signature affixed below I acknowledge my agreement with the spirit and intent of this Policy and I agree to report to the President of the Board of Trustees, or other person specified in the Policy, any information known to me that I believe could potentially be considered a Covered Interest or that may result in a conflict of interest that may develop before completion of the next annual statement. I further understand that the Mitchell Technical College Foundation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

I am not aware of any conflict of interest.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

I am aware of the following information which I believe should be disclosed pursuant to the Policy:

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At this time, I am a board member, a committee member, or an employee of the following organizations:

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In the past year, I have received or have become entitled to receive, directly or indirectly, the following personal benefits or money including agreements for the purchase or provision of

services, goods or property from Mitchell Technical College or the Mitchell Technical College Foundation:

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In the past year, I have purchased or otherwise received the following services or property from Mitchell Technical College or the Mitchell Technical College Foundation:

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Except as provided below, neither I nor members of my family nor organizations or entities with which I or my family is affiliated, is indebted to pay money to Mitchell Technical College or the Mitchell Technical College Foundation.

Signature\_\_\_\_\_Date\_\_\_\_\_

#### **CONFIDENTIALITY AGREEMENT**

I, \_\_\_\_\_, acknowledge that in the course of my work or volunteer activities for the Mitchell Technical College Foundation I may have access to documents, data or other information, some or all of which may be confidential and/or privileged from disclosure, whether or not it is specifically "labeled" or identified as confidential.

Except as required by my activities, I agree to never, either during or after my temporary assignment with the office, to directly or indirectly use, publish, disseminate or otherwise disclose to any third party, or use for personal gain, any information acquired in the course of my activities.

All information is to be maintained in confidence.

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

#### **Purpose**

This Spending Policy is intended to complement the Foundation's Investment Policy

#### **Investment of Endowment Funds**

The Mitchell Technical College Foundation (the Foundation) invests all endowment funds with the South Dakota Community Foundation (SDCF). Distribution from the Foundation endowment accounts is based upon the Distribution Policy of the SDCF.

#### **Distribution**

Per its Distribution Policy, the SDCF annually distributes up to five (5) percent of the average fair market value of the total endowment. Average is to be computed based on sixteen quarter trailing average. The Foundation will accept up to a five (5) percent distribution annually from the SDCF. Funds will be distributed per the donor directives of each endowment fund, up to the maximum annually allowed by the aforementioned SDCF policy.

Funds will be eligible for distribution to the Foundation based on its valuation after being invested for one full year.

## **PURPOSE**

This policy serves as a guideline to members of the Mitchell Technical College Foundation board and staff, and Mitchell Technical College staff involved with accepting gifts.

## **SCOPE**

The Mitchell Technical College Foundation (MTCF) welcomes outright gifts and future gift commitments that are consistent with the mission of the organization and are approved by the President of the College. Gifts will be accepted from individuals, corporations, organizations, foundations, government agencies or other entities.

### **1. Donor Communications**

- The MTCF holds all communications with donors and information concerning donors and prospective donors in strict confidence, subject to legally authorized and enforceable requests for information by government agencies and courts. All other requests for or releases of information concerning a donor, or a prospective donor will be granted only if permission is first obtained from the donor.
- The MTCF does not provide personal legal, financial or other professional advice to donors or prospective donors. Donors and prospective donors are strongly urged to seek the assistance of their own professional advisors in matters relating to their gifts and the resulting tax and estate planning consequences.
- Donor anonymity requests will be honored.

### **2. Acceptable Gifts**

- The following gifts may be considered for acceptance:
  - a. Cash (check, credit/debit card, ACH, online payment processing, cash, etc.)
  - b. Life insurance, life insurance beneficiary designations, or bequests
  - c. Gifts of equipment and/or supplies
  - d. Real estate
  - e. Publicly traded and closely held securities
  - f. Charitable lead or remainder trusts
  - g. Charitable gift annuities or deferred gift annuities

### **3. Restrictions on Gifts**

- The MTCF in consultation with the President of the College reserves the right to refuse any gift that it deems too restrictive in purpose, or not in the organization's best interest. The acceptance of a questionable gift or any decision to fulfill a questionable request from a donor will be made by the President of the College.
- In addition, the following gifts will not be accepted:
  - a. Any gifts that violate federal, state, or local law, statute, or ordinance
  - b. Any gifts that contain unreasonable conditions or partial interest in property
  - c. Any gifts that are made with conditions that state the proceeds will be spent for the personal benefit of a named individual
  - d. Any gifts that could expose the Foundation or the College to liability

### **4. Changes to Gift Acceptance Policy**

- Changes to this policy will be made by the College, in consultation with the MTCF board.



### **PHILOSOPHY**

The Mitchell Technical College Foundation (the Foundation) is a 501(c)(3) non-profit corporation. The Foundation has received and expects to continue to receive gifts of cash and other assets to be used for the established purpose and objectives as determined by the President of the College.

### **PURPOSE**

The purpose of this Investment Policy is to set forth the investment objectives, policies and guidelines that the Board of Trustees, with advice from the Finance Committee, judges to be prudent, in consideration of the needs and public responsibilities of the Foundation. It also serves as a review document to guide the Foundation's ongoing oversight of the investment of funds.

### **INVESTMENT MANAGER SERVICE**

When it is deemed warranted by the Board of Trustees, the Foundation will use third party advisory services for the management of a portion or all of the invested assets. All third party investment advisors or managers will be approved by the College President. When it is not necessary to use third party advisory services, the Finance Committee shall be responsible for overseeing the investment of the funds.

### **INVESTMENT OBJECTIVES**

The principal investment objectives of the Foundation are to:

1. Invest assets in a manner that is consistent with the fiduciary standards of a prudent person.
2. Preserve capital and achieve a reasonable total return over the long term, while providing sufficient liquidity to meet projected needs for disbursements, other expenses, and to maintain purchasing power.

The Foundation accepts two types of investment gifts:

1. Endowed Funds – The investment objective for Endowed Funds is to provide long-term growth of principal and income, without undue exposure to risk. These funds are invested with the South Dakota Community Foundation and are managed by the SD Community Foundation Investment Committee.
2. Non-Endowed Funds – The investment objective for Non-Endowed funds is to provide for the preservation and stability of principal through investment in high quality, liquid investments (cash/cash equivalents).

Because Endowed Funds are invested with the SD Community Foundation this policy currently applies only to the investment of Non-Endowed Funds. Funds were originally

invested with the SD Community Foundation in December of 2013. The Finance Committee will continuously monitor the investment with the SD Community Foundation and will make a recommendation to the Board of Trustees **every five years** on the re-investment of Mitchell Technical College Endowed Funds with the SD Community Foundation or an independent investment manager.

Committee Chairs shall be responsible for working with the Director of Foundation Relations to prepare agendas, compile minutes, and prepare committee update reports to be presented at the next board meeting. In the absence of the Chair, the Vice Chair shall carry out these duties.

Committee members shall be expected to:

1. Review all relevant material before committee meetings
2. Attend committee meetings and voice objective opinions on issues
3. Pay attention to activities that affect or are affected by the committee's work
4. Support the efforts of the committee Chair and carry out individual assignments made by the chair
5. Work as part of the committee and staff team to ensure that the committee's work and recommendations are in keeping with the MTCF mission and goals
6. Attend at least 75% of the meetings where the date has been set at the Board annual meeting. Participation can be in person or virtual.
7. Schedule a meeting or phone call with the Director of Foundation Relations after a committee meeting where the member has been unable to attend, in order to stay up to date on committee activities and assignments
8. Contact the committee Chair in advance when unable to attend a meeting, and report on any tasks assigned at the previous meeting

The Executive Committee is composed of the Board Chair, Vice-Chair, Treasurer, and an at-large member as appointed by the College President.

The Executive Committee meets as needed.

**Responsibilities:**

1. Works on special projects as assigned by the Board.
2. Exercises powers of the Board between regularly scheduled meetings in regard to essentially administrative matters that must be resolved prior to the next regularly scheduled board meeting. Any action that is taken by this committee is subject to board ratification at the next board meeting.
3. Addresses specific questions and matters referred to it by the Board.
4. Addresses issues that require preliminary discussion and refinement prior to Board consideration.
5. Leads and coordinates the activities necessary to develop and update planning.
6. Provides feedback to the MTC President on personnel performance.

The Finance Committee is comprised of three members: the Board Treasurer, who shall serve as Chair, a member appointed by the Board Chair, and the MTC Chief Financial Officer.

The Finance Committee meets quarterly or as needed.

**Responsibilities:**

1. Provide direction for the Board for fiscal responsibility.
2. Regularly review the organization's revenues and expenditures, balance sheet, investments and other matters related to its continued solvency.
3. Approve the annual budget and submit it to the full Board for approval.
4. Oversee the maintenance of assets, including prudent management of organizational investments.
5. Oversee the investment policy and endowment fund spending policy.

The Nominating Committee is comprised of five members: the College President, the Director of Foundation Relations and/or Assistant Director for Foundation Relations, the MTC Faculty Board Representative, and two members of the Foundation Board, appointed by the Board Chair. Current officers cannot nominate themselves for re-election.

The Nominating Committee will meet as needed, and one month before the annual meeting.

**Responsibilities:**

1. In consultation with MTC leadership, annually review board make-up to ensure the proper mix of representation from the Mitchell community and relevant industries.
2. Nominate at least one candidate for each executive office vacancy on the Board.
3. Nominate at least one candidate for each vacancy existing on the Board.