RESOLUTIONS OF THE BOARD OF TRUSTEES
Conflict of Interest Policy¹

Revised June 21, 2019

WHEREAS, the varied interests and backgrounds of the Trustees, Officers, and Executives² (as defined below) of the Russell Sage Foundation (the “Foundation”) could result in situations where the giving of service involved a dual interest which might be interpreted as a conflict of interest; and

WHEREAS, the service of such Trustees, Officers, and Executives should not be rendered impossible solely by reason of duality of interest or possible conflict of interest; and

WHEREAS, as a general rule, duality of interest or possible conflict of interest on the part of such Trustees, Officers and Executives can be controlled by full disclosure of any such interest, by the abstention from voting or participating in deliberations, and in some cases, by review of alternative transactions, on any matter where any possible conflict of interest is or might be thought to be involved; and

WHEREAS, more specific rules are deemed to be advisable (and in some cases, are required) to govern the activities of Trustees, Officers and Executives in connection with the scholarly program of the Foundation; now therefore be it

RESOLVED: that the policy concerning possible duality of interest or conflict of interest on the part of Trustees, Officers and Executives attached hereto as Exhibit A is hereby adopted.

Exhibit A
Conflict of Interest Policy

All Trustees, Officers and Executives² (together, “Covered Persons”) of the Russell Sage Foundation (the “Foundation”) shall scrupulously avoid any conflict between their own respective individual interests and the interests of the Foundation in any and all actions taken by them on behalf of the Foundation in their respective capacities.

¹ As adopted March 11, 1985; and as revised February 17, 1999; February 21, 2001; November 8, 2002; June 19, 2014, March 1, 2019, June 21, 2019.

² “Executive” means any person, other than a Trustee or Officer, whether or not an employee of the Foundation, who (a) has responsibilities or exercises powers or influence over the Foundation as a whole similar to the responsibilities, powers, or influence of Trustees and Officers, (b) manages the Foundation, or a segment of the Foundation that represents a substantial portion of the activities, assets, income, or expenses of the Foundation, or (c) alone or with others controls or determines a substantial portion of the Foundation’s capital expenditures or operating budget.
When a project, application, transaction, or other arrangement comes before the Board of Trustees of the Foundation (the “Board”) or the Committee, as defined below, in which:

1. A Covered Person,

2. A close family member\(^3\) of a Covered Person,

3. Any entity or trust of which a Covered Person or close family member thereof serves as a director, trustee, officer, or employee,

4. Any entity or trust in which a Covered Person or close family member thereof has a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%,

5. Any other entity or trust in which a Covered Person or close family member thereof has a material financial interest; or

6. A department member or close colleague of a Covered Person,

is an applicant for, a proposed participant in, or has any other direct or indirect interest in such arrangement, the relevant Covered Person shall advise the Board of the conflict or potential conflict and fully recuse him or herself from discussion and action regarding the arrangement.

Full recusal requires disclosing the potentially conflicting interest, taking no part in the discussion except in response to questions from the Board, taking no part in voting, and, except when one’s presence is necessary to respond to questions from the Board or Committee members, as set forth below, leaving the room in which discussion and voting is being held.\(^4\)

In addition, before approving the arrangement, the Board must determine that the arrangement is fair, reasonable, and in the best interest of the Foundation, and, with respect to transactions involving persons identified in numbers 1 through 5 above, must obtain and rely on comparable market data, to the extent available, in making this determination.

\(^3\)“Close family member” includes a person’s ancestors, siblings and half-siblings, spouse or domestic partner, children, grandchildren, great-grandchildren, and spouses and domestic partners of siblings, half-siblings, children, grandchildren, and great-grandchildren. See N.Y. Public Health Law Section 2994-A for the definition of “domestic partner.”

\(^4\)For the avoidance of doubt, in the case of the Visiting Scholar Selection Committee, committee members who are department members or close colleagues of one or more of the candidates should recuse themselves from the discussion of these individuals when the slate of scholars is being prepared but may take part in the final vote on the entire slate of scholars.
If the Board determines that one of the persons identified in numbers 1 through 5 above has a “substantial financial interest” in the arrangement (within the meaning of New York law), or if the Board determines that the arrangement is material to the financial, reputational, or other interests of the Foundation, the Board must consider alternative arrangements, to the extent available.

The foregoing requirements should not be construed to prevent a particular Trustee from answering pertinent questions at the request of other Trustees by reason of the fact that personal knowledge on the matter may be of assistance to the other Trustees in reaching their decision.

The following additional requirements shall govern the activities of Covered Persons in connection with scholarly projects funded by the Foundation:

1. Covered Persons may serve as uncompensated participants in Foundation scholarly projects, including as members of Foundation working groups, co-editors of an issue of RSF: The Russell Sage Foundation Journal of the Social Sciences, or as authors/co-authors of papers in issues of the journal.

2. A Covered Person may not be a Visiting Scholar, Principal Investigator of a funded project, or an Author of a Foundation book, unless such activity was initiated prior to his or her appointment as a Covered Person.

3. Except as otherwise provided herein, Covered Persons may receive reasonable compensation in connection with Foundation scholarly projects, provided that:

   (a) any decision by the Board or the Committee to compensate a Covered Person in connection with such a project must include a determination that the services of such Covered Person are reasonable and necessary to carry out the exempt purposes of the Foundation, that such Covered Person is uniquely suited to perform the services, and that payment of such compensation is fair, reasonable, and in the best interest of the Foundation; and

   (b) no person who may benefit from compensation, other than compensation received in such person’s capacity as a Trustee or a member of an advisory committee, may be present at or participate in any vote concerning such compensation.

5 Examples include compensation for service as members of advisory committees for core programs and special initiatives, as members of the editorial board of the Foundation’s journal, and as invited speakers or co-leaders of Foundation-sponsored summer training institutes.
There will be a Conflict of Interest Committee (the “Committee”), which shall consist of the Chair of the Board and several members of the Board designated by the Chair. The members of the Committee will be “independent directors” within the meaning of New York law. The Committee will have the power to interpret these policies in individual cases and to grant exceptions to them, pursuant to the requirements set forth above, and may refer arrangements to the full Board in its discretion. The Committee will review the adequacy of these policies on a regular basis.

A copy of this policy shall be furnished to each Covered Person who is presently serving the Foundation or who may hereafter become associated with the Foundation, and prior to the initial election, appointment, or hiring of any Covered Person and annually thereafter, each such person must complete, sign, and submit to the Secretary of the Foundation a written disclosure statement identifying to the best of his or her knowledge:

1. Any entity or trust of which such person is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee, and with which the Foundation has a relationship;

2. Any transaction in which the Foundation is a participant and in which the person (or any person listed in numbers 2 through 5 above as to that person) might have a conflicting interest; and

3. Any other interests that could give rise to a conflicting interest.

Notwithstanding the procedures outlined in this policy, the Foundation may not approve or engage in any transaction, agreement, or other arrangement that would constitute an act of “self-dealing,” as defined in Section 4941 of the Internal Revenue Code of 1986, as amended.

The Board will review this policy annually for the information and guidance of Covered Persons, and any new Covered Persons will be advised of the policy upon undertaking the duties of such office.

My signature on this document attests that I have reviewed and understand the Conflict of Interest Policy.

__________________________________________
Please PRINT name

__________________________________________
Signature Date

updated June 2019