



BYLAWS OF THE

RONDOUT VALLEY EDUCATION FOUNDATION, INC.

BYLAWS

The Rondout Valley Education Foundation (hereinafter "Foundation") is a charitable corporation. It is organized exclusively for charitable and educational purposes for the benefit of, and to enhance the educational opportunities for, the children of the Rondout Valley Central School District (hereinafter "School District") by:

1. encouraging and developing greater involvement in and support for the School District by the community, parents, alumni, the private sector and others;
2. facilitating the development of and support for enrichment and other educational opportunities beneficial to the children of the School District.
3. providing financial support for worthy projects, programs and other special needs of the School District not included in the school budget.

Article I:

Members of the Foundation:

- 1:1 The Foundation shall have no members.

Article II:

The Foundation Board of Directors:

2:1 Subject to any provisions pertaining thereto contained in the Foundation's Certificate of Incorporation, the business, property and affairs of the Foundation shall be managed by or under the direction of the Foundation Board of Directors (hereinafter "Foundation Board").

2:2 Except as otherwise provided in these Bylaws, the affirmative vote of a majority of the Directors present at a meeting of the Foundation Board at which a quorum is present at the time of the vote shall be the act of the Foundation Board. A majority of the Entire Board then in office shall constitute a quorum for the transaction of any business at any meeting, except as otherwise provided in these Bylaws or required by law. In the absence of a quorum, a majority of those present may adjourn any meeting to another time and place provided that notice of the meeting be given to Directors not present at the time of adjournment.

2:3 The Foundation Board shall consist of not fewer than three nor more than twenty-five individuals. Within such limits, the number of Directors shall be established from time to time by resolution approved by a majority of all Directors then in office; provided, however, that no decrease in the number of Directors shall shorten the term of any incumbent Director. The initial members of the Foundation Board shall consist of three persons designated in the Certificate of Incorporation. Beginning with the first annual meeting of the Foundation Board held after the organizational meeting of the Foundation, the Foundation Board shall be divided into three classes: class I, class II, and class III. The terms of office of the classes of Directors elected at the organizational meeting shall expire at the times of the annual meetings of the Foundation Board as follows – class I in 2007, class II in 2008, and class III in 2009 – or thereafter in each case when their respective successors are elected and qualified. At each subsequent annual election, the Directors chosen to succeed those whose terms are expiring shall be identified as being of the same class as the Directors whom they succeed, and shall be elected for a term expiring at the time of the third succeeding annual meeting of the Foundation Board thereafter in each case when their respective successors are elected and qualified.

The number of Directors shall be apportioned among the classes so as to maintain the classes as nearly equal in number as possible. At the expiration of any term of three

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years, any Director may be reelected for a new term of office or allowed to serve until a successor is selected; provided, however that no Director, other than Directors referred to in sections 2:5 and 5:1, may serve for more than three consecutive three-year terms.

2:4 Members of the Foundation Board shall be residents of legal age of the Rondout Valley Central School District. The Foundation Board shall seek to maintain Foundation Board membership that includes a diverse [a] cross-section of the district's communities. However, membership may be open, at the discretion of the Foundation Board, to non-residents who are interested and concerned with the Rondout Valley School system. Non-residents shall hold no more than 25% of Board seats at any time.

2:5 The Foundation Board shall at all times include no less than one and no more than two members of the Rondout Valley Board of Education, which members shall be designated by the Board of Education and Superintendent of the Schools of the School District. The Superintendent of the Schools shall be an ex-officio, non-voting member of the Foundation Board.

2:6 Directors who retire after at least two consecutive terms may be asked to become Emeritus Directors. Emeritus Directors have all of the powers and privileges of directors of the Foundation, except that they do not vote at meetings and their presence does not contribute to reaching a quorum. Privileges include attendance at all Foundation meetings and functions and recognition in all printed materials and presentations.

2:7 The Foundation Board may fill any vacancy, whether due to an increase in the number of Foundation Board Directors, the resignation or disability or death of any Director, or otherwise. A Director elected by the Foundation Board to fill a vacancy shall serve for the unexpired term of office for such Director and until the election of the successor of such Director.

2:8 The annual meeting of the Foundation Board shall be held in October or at such other time as may be fixed by the Foundation Board. The Foundation Board may by resolution designate a time and place for the holding of annual and regular meetings

of the Foundation Board, in which case notice of such meetings shall be given not less than seven nor more than thirty days before the date of the meeting. All meetings of the Directors shall be held at such places within or without the state of New York as shall be designated in the notice of meeting or as may be fixed by the Foundation Board.

2:9 Special meetings of the Foundation Board may be called at any time by the Chair, Executive Director, or any Vice Chair. Special meetings of the Board may be called by any Director upon written demand of one-third of the Foundation Board. Special meetings of the Board shall be held at such time and place as may be designated in the notice of meeting. At least three days written notice of special meetings of the Foundation Board shall be given to each Director, provided that notice need not be given to any member of the Foundation Board who executes a waiver of notice or who is present at such meeting without protest. At such special meeting, only such business shall be transacted as shall have been specified in the notice of meeting.

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2:10 A Director may resign at any time, by written notice to the Secretary. Unless required by the terms of such resignation, formal acceptance shall not be necessary to make it effective.

2:11 The Foundation Board may, by majority vote of the Entire Board, remove from office any Director because of neglect of official duties, or for other conduct deemed by such a majority to be inconsistent with the holding of office in the Foundation.

2:12 Unanimous written consent can be made by email for any action required or permitted to be taken by the Foundation Board. Any or all members of the Foundation Board may participate in a meeting of the Foundation Board by means of video, teleconference or such communications equipment that will allow all persons participating in the meeting to communicate effectively with one another at the same time. Participation by such means shall constitute presence in person at such meeting.

Article III:

Power of the Foundation Board

3:1 The Foundation Board shall have control and supervision of all the affairs and property of the Foundation, including but not limited to final jurisdiction over finances, investments, projects, programs, fund-raising activities and grants; shall exercise such control and supervision consistent with the Mission of the Foundation; shall make grants for the educational benefit of the children of the Rondout Valley Central schools; shall hire and discharge all agents and employees of the Foundation and fix their salaries, if any; shall authorize all contracts of the Foundation and supervise the allocation of all its funds and property; shall fill all vacancies among the officers of the Foundation; and may remove from office, with or without cause, any officer.

3:2 (a) Annual Budget

The Foundation Board shall adopt the annual budget of the Foundation and shall specify the terms and conditions upon which the principal funds, income and other property of the Foundation shall be invested or used, subject to and in accordance with the Bylaws, the RVEF Investment Policy and the provisions of the Certificate of Incorporation.

(b) Solicitation of Contributions

The Foundation Board may solicit funds. In connection with any such solicitation, the Foundation Board shall have authority to make available to all contributors the Certificate of Incorporation, the RVEF Investment Policy and these Bylaws, or excerpts

thereof, showing the rights and powers of the Board with respect to funds so solicited.
3:3 The Directors shall not be compensated by the Foundation.

Article IV:

Committees:

4:1 Not later than three months after each annual meeting of the Foundation Board, the Foundation Board may, by resolution adopted by majority vote of the entire Foundation Board, create the following standing committees: an Executive Committee, a Nominating Committee, a Program Committee, a Finance, Investment and Audit Committee, and any

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other Committees of the Board or Committees of the Corporation as it may determine. Any such other committee shall have and may exercise such authority of the Foundation Board as shall be provided in these Bylaws or by resolution of the Foundation Board.

4:2 During intervals between meetings of the Foundation Board, the Executive Committee shall have such authority to conduct Foundation business as determined by the Foundation Board at its annual meeting.

4:3 Committees of the Board have the power to bind the Board within the limitations of NFPCCL (Not for Profit Corporation Law). These committees must be comprised solely of board members and have at least 3 members. The members of Committees of the Board and any alternate members shall be appointed or elected by the members of the Foundation Board by a vote of a majority of the Entire Board; provided, however, that

(i) the person at the time serving as Foundation Board Chair shall be a member of all Committees of the Foundation Board,

(ii) the Executive Committee shall include the persons at the time serving as Secretary and Treasurer, the Superintendent of the School as an ex-officio non-voting member and

(iii) the Nominating Committee shall include one member of the board of the School designated by the board of the School and the Superintendent of the School.

The Executive Director shall be entitled to participate in the deliberations of all Committees of the Board and, if a Director, shall be a member of the Executive Committee. An alternate committee member may replace any absent or disqualified member at any meeting of the committee. Members of such Committees of the Board may be removed with or without cause.

4:4 Committees of the Corporation may be created and may include non-board members. These committees cannot bind the Board and members are appointed or elected the same as officers.

4:5 The Chair of any committee shall be a Foundation Board member. The Chair of the Foundation Board shall be the Chair of the Executive Committee.

4:6 Each committee shall keep minutes of its proceedings and shall report to the Foundation Board thereon from time to time as requested by the Foundation Board.

4:7 Unanimous written consent can be made by email for any action required or permitted to be taken by a committee at a meeting. Any or all members of such committee may participate in a meeting of the committee by means of video, teleconference or such communications equipment that will allow all persons

participating in the meeting to communicate effectively with one another at the same time. Participation by such means shall constitute presence in person at such meeting.

Article V

Officers:

5:1 The Officers of the Foundation shall be a Chair, Executive Director, one or more Vice Chairs, a Secretary, a Treasurer and such other officers as may from time to time be designated by the Foundation Board. The Executive Director may, by resolution of a

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majority of the Foundation Board, be designated as a Director. All other officers must be directors. The Officers shall be elected at the annual meeting of the Foundation Board and shall hold office until the next annual meeting of the Foundation Board or until their successors shall have been chosen and shall have qualified. A vacancy in any office may be filled by the Foundation Board at any meeting.

5:2 The Chair shall be the chief executive officer of the Foundation. The Chair shall have general supervision over carrying on the activities of the Foundation as directed by the Foundation Board; shall preside over all meetings of the Foundation Board; shall be an ex-officio member of all committees; and shall sign all agreements and formal instruments.

5:3 The Executive Director shall be the chief operating officer of the Foundation and, subject to the control of the Foundation Board, shall have general charge and control of all its operations. The Executive Director shall have such other powers and perform such other duties as may from time to time be assigned to him or her by these Bylaws or by the Foundation Board.

5:4 In the absence of the Chair, a Vice Chair designated by the Chair shall preside at the meetings of the Foundation Board at which he or she is present. Each Vice Chair shall, in addition, perform such duties as the Foundation Board may prescribe.

5:5 The Secretary shall attend and keep minutes of the Foundation Board and shall perform like duties for the committees when required. The Secretary shall give notice by mail, email or fax of all meetings of the Foundation Board; shall have copies of the minutes available to Foundation Board members in a manner and within a timeframe designated by the Foundation Board at the annual meeting; shall co-sign all agreements and formal instruments, except those pertaining to the Office of Treasurer; shall keep the seal of the Foundation; when directed to do so by the Foundation Board shall affix the seal to instruments executed on behalf of the Foundation.

5:6 The Treasurer shall have charge of the funds of the Foundation and keep full and accurate accounts of receipts and disbursements in the books of the Foundation. Except for invested funds and petty cash, the Treasurer shall keep the Foundation's monies on deposit in the name and to the credit of the Foundation in one or more bank or trust companies, state or national, at least one of which will be located in New York; shall disburse the funds of the Foundation as directed by the Foundation Board; and shall cause to be kept under his or her supervision an adequate set of records in which, in accordance with generally accepted accounting principles, all the financial transactions of the Foundation shall be promptly recorded. The Treasurer and the Executive Director shall present at the annual meeting of the Foundation Board a report in accordance with Section 519 of the Not-for-Profit Corporation Law of the State of New York,

as such Section may from time to time be amended. The Treasurer shall also make from

time to time during the year, as requested by the Foundation Board, interim reports to the Foundation Board on the financial transactions and condition of the Foundation and shall perform such other duties and the Foundation Board may prescribe.

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5:7 In addition to the duties and responsibilities set forth in these Bylaws, the Officers shall be responsible for all aspects of the day to day operations of the Foundation, and each officer shall perform such other duties and carry out such responsibilities as pertain to his or her office as he or she may reasonably be requested to perform and exercise by the Foundation Board.

5:8 Any Officer may be removed at any time by the Foundation Board, with or without cause. Any Officer may resign at any time, by written notice to the Secretary.

5:9 Employees of the Foundation Board, if any, cannot serve the functions of "Chairperson of the Board". Employees can be on the Board in another officer position.

Article VI:

Accounts, Checks, Contracts, Audits:

6:1 All checks, notes, drafts, acceptances, or contracts of the Foundation shall require two authorized signatures. The Treasurer and one or up to three other Board members will be authorized by the Foundation Board. Any account allowing the use of a debit card requires: (i) a funding cap set up by the Foundation Board; (ii) funding by way of a check from the Foundation's general fund following the above endorsement requirements; (iii) designation by the Foundation Board of the Treasurer and one or up to three other Board members as authorized users of the debit card. Any cards in a board member's possession must be returned to the Treasurer or Chairperson at the time of their resignation from the Foundation Board.

6:2 The Finance, Investment and Audit Committee of the Board shall audit the Foundation's

books of account for each fiscal year that the annual gross revenue remains under \$250K.

This committee shall be comprised solely of Independent Directors. This committee will be responsible for retaining an outside auditor to conduct a review report when the annual

gross revenue is between \$250K and \$500K, and will follow current requirements under NFPCl when the annual gross revenue exceeds \$500K.

6:3 All decisions concerning the investment of RVEF assets are governed by the RVEF Investment Policy, Appendix A of the bylaws.

Article VII:

Fiscal Year:

7:1 The fiscal year of the Foundation shall commence on the 1st day of July and end on the 30th day of June each year or such other date as the Foundation Board and its accountants directs.

Article VIII:

Seal:

8:1 The seal of the Foundation shall, if adopted by the affirmative vote of a majority of the Directors present at a meeting of the Foundation Board at which a quorum is present at the time of the vote, be circular in form and shall bear the name of the Foundation, the year and state of its incorporation, and such other insignia or matter as may be deemed appropriate by the Foundation Board and not contrary to law.

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Article IX:

Amendments:

9:1 These bylaws may be amended by a resolution approved by a majority of all Directors then in office; provided, however, that any amendment of Section 2:5 or 4:3, insofar as such Sections relate to the membership on the Foundation Board or its Committees of the Superintendent of the Schools or members of the Board of Education of the School District, must, in addition to the foregoing, be approved by all Directors who at the time are members of the Board of Education of the School District. A proposed amendment shall be approved so long as the substance thereof is presented to, and approved by, the Foundation Board.

Article X:

Relationship of the Rondout Valley Education Foundation to the Rondout Valley Central School District:

10:1 The purpose of the Foundation is to enhance the educational opportunities for the children of the Rondout Valley Central schools. It is therefore necessary for the Foundation to establish a cooperative relationship with the School District to insure that educational opportunities offered through the district fulfill Foundation purposes and District goals and requirements. However, on occasion, Foundation grants may be awarded independently.

10:2 To facilitate the coordination of educational opportunities offered through the School District, the Foundation Board shall require that:

On a yearly basis, and within a timeframe separate from the development of the School District Budget, the Foundation Board and the Board of Education of the School District will reach agreement on a list of items that would enhance the educational opportunities for the children of the district:

- The Board of Education of the School District will compile a list of possible areas where Foundation grants would enhance District programs or projects.
- The Foundation Board will suggest items for inclusion on the list.
- The Foundation Board may consider items for inclusion on the list which are suggested to the Foundation Board by members of the public.

10:3 The items selected from the list will satisfy the criteria established by the Foundation Board. The order in which items from the list are funded and the methods used to raise funds will be left to the sole discretion of the Foundation Board.

10:4 When the Foundation has granted monies to fund an item, whether to the Rondout Valley Central School District or another entity, the Foundation will request that it be provided with a report (or series of reports) confirming that the money has been used in accordance with the purposes of the Foundation. Said report shall also be available for public inspection.

10:5 The Foundation Board will give an annual report, for the monies used in connection with the School District, to the Board of Education of the School District within the first quarter of the school year.

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Article XI

Indemnification:

11:1 The Foundation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Foundation) by reason of the fact that he or she is or was a director, officer, employee or agent of the Foundation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she

acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Foundation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Foundation, and with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

11:2 The Foundation shall have the power to indemnify any person who was or is a party to any threatened, pending or completed action or suit by or in the right of the Foundation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Foundation. However, no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Foundation, unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

11:3 To the extent that a director, officer, employee or agent of the Foundation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to herein or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

11:4 Any indemnification under this Article (unless ordered by a court) shall be made by the Foundation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in this Article. Such determination shall be made (1) by the Board by a

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majority vote of a quorum consisting of directors who were not parties to such action,

suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

11:5 Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Foundation in advance of the final disposition of such action, suit or proceeding as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Foundation as authorized in this Article.

11:6 The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

11:7 The Foundation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Foundation would have the power to indemnify him or her against such liability under the provisions of this Article.

11:8 For purposes of this Article, references to "the Foundation" shall include, in addition to the resulting Foundation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this Article with respect to the resulting or surviving corporation if its separate existence had continued.

11:9 For purposes of this Article, references to "other enterprise" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; and references to "serving at the request of the Foundation" shall include any service as a director, officer, employee or agent of the Foundation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he or she

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reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Foundation" as referred to in this Article.

Article XII

Statutory Compliance Article for Bylaw Amendment:

12:1 Definitions: Should any term, phrase or understanding relative to any topic addressed in these Bylaws and/or other policies of the RVEF be specifically defined in a document entitled, "Bylaw & Corporate Policy Definitions", a copy of which is annexed hereto, and made a part hereof as Appendix B, the stipulated definition of such term in said document shall govern for purposes of interpreting the Bylaws and/or the policies of the RVEF.

12:2 Conflicts of Interest Protocols: The RVEF shall adopt, and at all times honor, the terms of a written conflicts of interest policy to assure that its Directors, Officers and Key Employees act in the Corporation's best interest and comply with applicable legal regulatory and ethical requirements. The conflicts of interest policy of the RVEF shall include, at a minimum, the following provisions:

2:1 Procedures: Procedures for disclosing, addressing, and documenting Conflicts of Interest and Related Party Transactions to the Board of Directors, or authorized committee, as appropriate.

2:2 Restrictions: Stipulations that when the Board of Directors, or authorized committee, as appropriate, is considering a real potential conflict of interest, the interested party shall not;

- i. be present at, or participate in, any deliberations
- ii. attempt to influence deliberations, and/or
- iii. cast a vote on the matter

2:3 Definitions: Definitions of circumstances that could constitute a conflict of interest.

2:4 Documentation: Requirements that the existence and resolution of the conflict be documented in the records of the RVEF, including in the minutes of any meeting at which the conflict was discussed or voted upon.

2:5 Audit-Related Disclosure: Protocols to assure for the disclosures of all real or potential conflicts of interest are properly forwarded to the Audit Committee or Conflicts of Interest Committee, as appropriate, or if there is no such Audit or Conflicts Committee, to the Board of Directors, or another committee or the Board, as appropriate.

12:3 Conflicts of Interest Policy: The Conflicts of Interest Policy of the RVEF required in order to comply with the mandates of Section 2 of this Article is annexed hereto, and made a part hereof as Appendix C.

12:4 Potential Conflicts Disclosure Statement: The Potential Conflicts Disclosure Statement of the RVEF required in order to comply with the mandates in Section 2 of this Article is annexed hereto, and made a part hereof as Appendix D.

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12:5 Audit Oversight Policy: If required by statute, regulation or contract, if deemed necessary and practicable by the Board of Directors, or if mandated by any empowered governmental agency, the accounts of the RVEF shall be subject to an annual audit report or audit review report prepared by an independent Certified Public Accountant to be overseen by the Board of Directors, or a designated Audit and Finance, or other Committee of the Board of Directors, comprised solely of Independent Directors, pursuant to the terms of the Audit Oversight Policy of the RVEF, a copy of which is annexed hereto, and made a part hereof as Appendix E.

Amended May 13, 2021

Amended: February 5, 2015

Amended: October 6, 2011

Amended: October 4, 2007

Amended: June 7, 2007

Amended: September 28, 2006

Adopted: March 29, 2006

APPENDIX A
INVESTMENT POLICY
FOR

RONDOUT VALLEY EDUCATION FOUNDATION, INC.

1. Purpose: The purpose of this investment policy statement is to establish the policy of the Board of Directors of the Rondout Valley Education Foundation, Inc. (RVEF) in effectively managing its investment assets by:

- Stating in writing the Directors expectations, objectives and guidelines for the investment of all RVEF assets, control the level of overall risk and liquidity so that all RVEF assets are managed in accordance with stated objectives.
- Encouraging effective communication between the Directors, the Investment Officer responsible for investments and the investment advisor.
- Establishing formal criteria to monitor, evaluate and compare the performance results achieved by each money manager.
- Complying with all fiduciary, prudence, and due diligence requirements that experienced investment professionals would utilize, and with all applicable laws, rules and regulations that may impact RVEF assets.

2. Statement of Objectives: The objectives of the RVEF have been established in conjunction with a comprehensive review of current and projected financial requirements, which are:

- To provide liquidity to satisfy distribution commitments of the RVEF.
- To achieve returns sufficient to both satisfy the scheduled distributions and grow the principal to fund greater distributions in the future.
- To achieve returns in excess of the rate of inflation as measured by the CPI (Consumer Price Index).
- To diversify the RVEF's assets in order to reduce the risk of wide swings in market value from year-to-year.
- To provide liquidity to enable rebalancing of RVEF asset allocation.

3. Guidelines and Investment Policy:

A. Time Horizon: The investment guidelines are based on an investment horizon of greater than five years; short-term liquidity requirements will be clearly defined, and should be substantially covered by the annual cash flow from principal & interest.

B. Risk Tolerances: The Directors recognize the difficulty of achieving investment objectives and recognize that some risk must be assumed to achieve the RVEF's long term investment objectives. In establishing risk tolerances for the RVEF the availability to withstand short and intermediate term variability was considered. Several of these factors were:

- The investment objectives of the RVEF suggest a moderate risk profile.
- To reduce liquidity risk, RVEF investment proposal has been structured to include shorter duration fixed income assets available to meet three years of distribution requirements.
- The preference to invest within a Socially Responsible investment environment at the discretion of the Board of Directors.

A. Performance Expectations: The desired performance objective is a long term rate of

return of assets that is at least 6.5%. This target rate of return for RVEF has been

B. on the assumption that future rates of return for each of RVEF's major asset classes will be approximately 20% less than historical averages.

Historical Assumed

Equities 10% 8%

Bonds 6% 4.8%

Cash 3% 1.0%

C. Distribution Expectations: RVEF agrees to utilize cash flow from the investment portfolios as follows: Anticipated rate of return based on asset allocation less CPI.

Examples:

Portfolio Earnings CPI Spendable Amount

6.5% 3.0% 3.5%

8.0% 4.0% 4.0%

The Directors realize that market performance varies and that a 6 ½% rate of return may not be realized during some periods. Accordingly, performance benchmarks based upon market indices relative to their asset class, style & size will be used to measure the performance of each manager.

D. Asset Allocation Constraints: The Directors believe that RVEF's risk and liquidity posture are, in large part, a function of its asset class mix. The Directors have reviewed the long term performance characteristics of various asset classes, focusing on balancing the risks and rewards of market behavior. The following asset classes were selected.

- Domestic large capitalization equities.
- Domestic mid/small capitalization equities (market cap greater than \$100 million)
- International equities.
- Domestic fixed income securities.
- Cash equivalents.

Based on RVEF's time horizon risk tolerance, performance expectations and asset class selections, an efficient or optimal portfolio was identified. The Strategic asset allocation of RVEF shall be as follows: The percentage allocation to each asset class shall not exceed the upper or lower limits staged in over two years, and assets shall be sold and/or purchased to ensure the distributions do not exceed the limits.

Lower Limit Optimal Allocation Upper Limit

Equities 40% 60% 70%

Fixed Income Bonds 30% 33% 50%

Cash Equivalents 5% 7% 10%

E. Securities Guidelines: The following securities and transactions are not authorized without receiving prior approval of the Board of Directors:

- Letter stock and other unregistered securities, commodities, future contracts, put and call options, short sales and margin transactions.
- Securities lending, pledging or hypothecating securities.
- Investments by the investment managers in their own securities or subsidiaries (excluding money market funds).
- Investment in non-publicly traded Limited Partnerships, REIT's, Hedge Funds, or Private Equity.

F. Equities Guidelines:

- Equity holdings in any one company should not exceed more than 5 percent of the

total market value of RVEF's assets.

- All Equities in the portfolio should be of a quality and size that makes them readily liquid.
- Allocations to any specific country outside of the U.S. shall not be excessive relative to a broadly diversified international equity index. It is expected that the non-U.S. equity allocation will have no more than 50 percent in any one country.

G. Domestic Fixed Income:

- All fixed income securities shall have a credit quality rating of no less than BBB as determined by Moody's, Standard & Poors and/or Fitch ratings services. U.S. Treasury and U.S. government and agency issues, which are unrated securities, are qualified for inclusion in the portfolio.
- The exposure of the portfolio to any one issuer, other than U.S. governments or agencies, shall not exceed 5 percent of the total market value of the RVEF's assets.
- All fixed income securities held in the portfolio should be of quality and size that makes them readily liquid.

H. Downgrades:

- The investment advisor shall provide RVEF with written notification on Rating downgrades on bonds they hold for RVEF.
- The Finance committee must meet quarterly to determine their course of action.

I. Cash/Cash Equivalents:

- Cash equivalents shall consist of instruments having a quality rating of A-1, P-1.
- Any idle cash not invested shall be invested daily through an automatic interest bearing sweep vehicle managed by the investment advisor.

4. A. Money Managers/Control Procedures:

- The Board of Directors will appoint an Investment Officer of the RVEF to supervise the investment advisor to manage the assets of the RVEF. The Treasurer of RVEF shall control the operating accounts of the RVEF and shall not be appointed to said role.

Any investment advisor must be individually approved by the RVEF Board, and may be changed only by vote of the full RVEF Board, absent an emergency. All liquid RVEF assets, except operating accounts for current expenses, shall be placed with the designated investment advisor.

- The investment advisor must be a bank, insurance company, investment management company or investment advisors, as defined by the Registered Investment Advisors Act of 1940.
- The investment advisor will manage the RVEF's assets under their care and control in accordance with the objectives and guidelines set forth in the Investment Policy Statement and under supervision of RVEF's designated Investment Officer.
- The investment advisor will promptly inform the designated investment officer of the RVEF of any material changes pertaining to the investment of RVEF's assets including, but not limited to investment strategy, portfolio structure, rating changes, tactical approaches, ownership of the firm, financial condition of a firm, changes in the professional staff and any legal regulatory and SEC proceedings affecting the firm, and will promptly forward or vote all proxies consistent with the long term interests of the RVEF.

B. Performance Objectives:

- Investment performance will be reviewed at least quarterly to determine the continued feasibility of achieving the investment objectives and the appropriateness of the Investment Policy Statement for achieving those objectives.

- The Schedule of current distributions and future commitments will be submitted in writing by the Treasurers and the investment officer, and presented quarterly to the Directors with a focus on any differences between the assumptions and the actual experience.

5. A. Monitoring of the Money Managers: The designated investment officer of the RVEF will

monitor the investment advisor, and the Directors will meet at least quarterly to evaluate and review:

- Each investment advisor's adherence to the Investment Policy Statement guidelines.
- Material changes to any investment advisor's organization, personnel or investment philosophy.
- An independent analysis of each investment advisor's performance in comparison to the other money managers, and to peer groups and to appropriate indexes weighted to mirror the actual allocation of RVEF's assets.

Adopted February 5, 2015

Bylaws of the Rondout Valley Education Foundation

APPENDIX B

Bylaw & Corporate Policy Definitions

1. Charitable Corporation.

Any Not-for-Profit Corporation formed, or deemed to be formed, for charitable purposes, including those formerly considered by the Not-for Profit Corporation Law to be Type "B" or "C" Corporations, as well as former Type "D" with Charitable purposes.

2. Non-Charitable.

Any Not-for-Profit Corporation formed, or deemed to be formed, for other than the purposes of a Charitable Corporation, including, but not limited to one formed for any one, or more of the following non-pecuniary purposes: civic, patriotic, political, social, fraternal, athletic agricultural, horticultural, or animal husbandry,, or for the purpose of operating a professional, commercial, industrial, trade or service association, including those formerly considered by the Not-for-Profit Corporation Law to be Type "A" Corporations, as well as former Type "D" with Non-Charitable purposes.

3. Related Party.

A "Related Party" means (i) any Director, Officer or Key Employee of the Corporation, or any Affiliate; (ii) any relative of any Director, Officer, or Key Employee of the Corporation, or any Affiliate; or (iii) any entity in which any individual described in clauses (i) and (ii) herein has a thirty-five percent (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 five percent (5%).

4. Affiliate.

An "Affiliate" of the Corporation means any entity controlled by, in control of, or under common control with, the Corporation.

5. Director.

A "Director" means any member of the governing board of the Corporation,, whether designated as director, trustee, manager, governor, or by any other title.

6. Officer.

An "Officer" means any director, trustee, manager, governor, or by any other title, any individual holding an office of the Corporation identified in the Certificate of Incorporation and/or Bylaws.

7. Key Employee.

A "Key Employee" means any person who is in a position to exercise substantial influence over the affairs of the Corporation.

8. Relative.

A "Relative" of any individual means his or her spouse, domestic partner, ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses or domestic partners of brothers, sisters, children, grandchildren and/or great grandchildren.

9. Related Party Transaction.

A "Related Party Transaction" means any transaction, agreement or any other arrangement in which a Related Party has a financial interest and in which the Corporation, or any Affiliate is

Bylaws of the Rondout Valley Education Foundation

a participant. The assessment of, and any determination concerning, any Related Party Transaction, must be considered in strict compliance with the adopted policies and procedures of the Corporation.

10. Entire Board.

The "Entire Board" means the total number of Directors entitled to vote which the Corporation would have if there were no vacancies. If the Bylaws provide that the Board of Directors shall consist of a fixed number of Directors, then the "Entire Board" shall consist of that number of Directors. If the Bylaws provide that the Board may consist of a range between a minimum and maximum number of Directors, then the "Entire Board" shall consist of the number of Directors within such range that were elected as of the most recently held election of Directors.

11. Independent Director.

An "Independent Director" means a Director who:

(i) Is not, and has not been within the last three (3) years, an Employee of the Corporation or an Affiliate of the Corporation and does not have a Relative who is, or has been within the last three (3) years, a Key Employee (as defined by these Bylaws) of the Corporation or an Affiliate.

(ii) Has not received, and does not have a Relative who has received, in any of the last three (3) fiscal years, more than ten thousand dollars (\$10,000) in direct compensation from the Corporation or an Affiliate (other than reimbursement for expenses reasonably incurred as a Director or reasonable compensation for service as a Director if permitted by statute and regulation, and,

(iii) Is not a current Employee of or does not have a substantial financial interest in, and does not have a Relative who is a current Officer of or has a substantial financial interest in, any entity that has made "payments" to, or received "payments" from, the Corporation or an Affiliate of the Corporation for property or services in an amount which, in any of the last three (3) fiscal years, exceeds the lesser of twenty-five thousand dollars (\$25,000) or two percent (2%) of such entity's consolidated gross revenue. For

purposes of this definition the term "payments" does not include charitable contributions.

12. Independent Auditor.

An "Independent Auditor" means any Certified Public Accountant performing the audit of the financial statements of the Corporation who is not, nor is any member of his/her firm, an Officer, Director, Employee or Volunteer of the Corporation or has a Relative who is such an individual.

Adopted February 5, 2015

Rondout Valley Education Foundation Policy

APPENDIX C CONFLICT OF INTEREST POLICY

Article I Purpose The purpose of the conflict of interest policy is to protect the Rondout Valley Education Foundation's (RVEF) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the RVEF or might result in a possible excess benefit transaction. 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.

Article II Definitions

1. **Interested Person:** Any director, officer, affiliate, Key Employee, related party, related party transaction, relative (as defined in Bylaws Appendix B) or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person. 2. **Financial Interest:** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family: a. An ownership or investment interest in any entity with which the RVEF has a transaction or arrangement, b. A compensation arrangement with the RVEF or with any entity or individual with which the RVEF has a transaction or arrangement, or c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the RVEF is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article IV, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists. **Article III Requirements** Any real, or potential, financial transaction with a Related Party, particularly a Related Party Transaction, and/or any other matter generally constituting a possible conflict of interest, with this Corporation and/or an Affiliate must be addressed in accordance with the terms of this Board of Directors Conflicts of Interest Policy. Any Related Party Transaction, or any other conflicted matter, authorized in a manner that is materially inconsistent with the terms of this policy may be subsequently rendered void or voidable by a vote of the majority (50%+1) of the Board of Directors, excluding any individual with voting privileges and an interest in the subject transaction or matter.

Article IV Procedures 1. **Duty to Disclose:** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement. a. **General Disclosure:** Prior to initial election, or upon hiring, as appropriate, and annually thereafter, each Director, Officer and Key Employee shall be required to complete, sign and submit to the Secretary, or and

authorized designee, as appropriate, a written statement identifying, to the best of the Director's knowledge, any entity of which he/she is an Officer, Director, Trustee, Member, Owner (either as sole proprietor or a partner), or employee and with which the Corporation has a relationship, and any transaction in which the Corporation is a participant, and in which the Director might have a conflicting interest, as well as those where a Relative might have a conflicting interest. The Secretary shall provide a copy of all completed disclosure statements to the Audit and Finance Committee or, if there is no such Committee, to the Board of Directors. A copy of each disclosure statement shall be available to any Director on request. b. Specific Disclosure: If at any time during his or her term of service, a Director, Officer or Key Employee acquires an interest, or circumstances otherwise arise, which could give rise to a real or potential Related Party Transaction, or any other conflicted matter, he or she shall promptly disclose, in good-faith, to the Board of Directors, or an authorized committee thereof, as appropriate, the material facts concerning such interest. 2. Conflicts Review Committee: Unless another standing committee should have a charge authorizing it to address the topics discussed herein, either an Audit and Finance Committee or an ad hoc Conflicts Review Committee of the Board of Directors, comprised entirely of individuals considered to meet the statutory standard of Independent Director without an interest in the given transaction or matter, shall be duly appointed and convened by the Board to review any real or potential Related Party Transaction, or matter which might be considered to constitute a conflict of interest for a particular Related Party. If no Audit and Finance or formal Conflicts Review Committee is charged, the Board (excluding any interested Director) may act in its stead. 3. Standard Review in Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. In any instance where a Related Party Transaction, or other conflicted matter, is being reviewed, and is so material that it would customarily warrant formal approval by the Board of Directors, either the Audit and Finance Committee, or an ad hoc Conflicts Review Committee, (as appropriate) shall thoroughly review the transaction or matter and submit to the Board a recommendation as whether or not it should be approved, or the Board, itself, shall thoroughly review the transaction and render a binding determination as to whether it should be approved. [The remaining board or committee members shall decide if a conflict of interest exists.] 4. Procedures for Addressing the Conflict of Interest: a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion

Rondout Valley Education Foundation Policy page 3 of 4 of, and the vote on, the transaction or arrangement involving the possible conflict of interest. b. Authorization of Transactions Concerning Substantial Financial Interest: With respect to any Related Party Transaction, or other conflicted matter, in which a Related Party has a substantial financial interest, the Board of Directors, or an authorized committee thereof, as appropriate shall: i. prior to entering into such Transaction, or matter, to the extent practicable, consider alternative transactions and/or a review or information compiled from at least two (2) independent appraisals of other comparable transactions; ii. approve the transaction by not less than a two-thirds (2/3s) majority vote of the Directors or committee members, as appropriate, present at the meeting; and, iii. contemporaneously document the basis for approval by the Board, or authorized

committee, as appropriate, which shall include the preparation a written report, to be attached to the minutes of any meeting where the transaction or matter was deliberated or authorized, identifying the details of the transaction or matter; alternate transactions considered' materials or other information reviewed, Directors present at times of deliberations; names of those who voted in favor, opposed, abstained or were absent; and the specific action authorized. 5. Restrictions: With respect to any Related Party Transaction, or any other conflicted matter, considered by the Board, or an authorized committee, as appropriate, no Related Party shall: i. be present at, or participate in, any deliberations' ii. attempt to influence deliberations; and/or iii. cast a vote on the matter 6. Authorization of Related Party Transactions: The Corporation shall not enter into any Relate Party Transaction, or any other conflicted matter, unless such a transaction or matter is determined by the Board to be fair, reasonable and in the Corporation's best interest at the time of such determination. 7. Violations of the Conflicts of Interest Policy: a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article V Compensation

With respect to matters involving compensation: a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

Rondout Valley Education Foundation Policy page 4 of 4 b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation. c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation. Article VI Annual Disclosure Statements 1. Each director, principal officer and member of a committee with governing board-delegate powers shall annually sign a statement, which affirms that such person: a. Has received a copy of the conflicts of interest policy, b. Has read and understands the policy, c. Has agreed to comply with the policy, and d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax- exempt purposes. 2. Audit-Related Disclosure of Conflicts: It shall be the duty of the Secretary to see to it that all newly-received and annually-submitted Director interest disclosure statements and any case-specific Related Party Transaction reports, together with the minutes of any related meetings, are promptly provided to the Chair of the Audit and Finance Committee or, if there is no Audit and Finance Committee, to the President of the Board of Directors, in an effort to assure that they are properly considered for auditing purposes.

Article VII Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects: a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining. b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction. Article VIII Use of Outside Experts When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted. Amended February 5, 2015 Adopted July 27, 2007

CODE OF ETHICAL CONDUCT & ANNUAL POTENTIAL CONFLICT DISCLOSURE STATEMENT

The Rondout Valley Education Foundation (RVEF) is committed to maintaining the highest standard of conduct in carrying out our fiduciary obligations in pursuit of our tax-exempt mission and purposes. As such, each and every Director, Officer and Key Employee (to the extent applicable) shall adhere to the following code of conduct:

Bylaws and Policies:

- o be aware of and fully abide by the constitution, bylaws, rules and regulations of the RVEF and policies of the RVEF, pursuant to the New York Not-For-Profit Corporation Law (NFPCL).
- o assure compliance of the RVEF with respect to all statutes, regulations and contractual requirement.
- o respect and fully support the duly-made decisions of the Board of directors in accordance with their fiduciary duties of obedience and loyalty.
- o respect the work and recommendations of committees who are duly charged and have convened and deliberated accordingly, pursuant to NFPCL.
- o work diligently to ensure that the board fully assumes its role as a policy-making, governing body.
- o view and act towards the Chief Executive Officer as the chief administrative officer with the sole responsibility for the day-to-day management of the organization, including personnel, and for implementation of board policies and directives.

Informed Participation:

- o attend most, if not all, meetings of the Board and assigned committees.
- o remain informed of all matters, including financial, that come before the Board and/or assigned committees.
- o respect and follow the "chain of command" of the Board and administration.
- o constructively and appropriately bring to the attention of the Board, Officers,

committee chairs and/or staff any questions, personal views, opinions and comments of significance on relevant matters of governance, policymaking and our constituencies.

- o oppose, on the record, Board actions with which one disagrees or is in serious doubt.
- o appropriately challenge, within the structure and bylaws of the corporation, those binding decisions that violate the legal, fiduciary or contractual obligations of the corporation.
- o do not fully commit to others or self to vote a particular way on an issue before participating in a deliberation session in which the matter is discussed and action duly taken.
- o act in ways that do not interfere with the duties of authority of staff.

Conflict of Interest:

- o represent the best interests of the corporation at all times and to declare any and all duality of interests or conflicts of interests, material or otherwise, that may impede or be perceived as impeding the capacity to deliberate or act in good faith, on behalf of the best interests of the RVEF.
- o conform to the procedures for such disclosure and actions as stated in the bylaws or otherwise established by the board, pursuant to NFPCCL.
- o not seek or accept, on behalf of self or any other person, any financial advantage or gain the may be offered because, or as a result, of the board member's affiliation with the RVEF.
- o publicly support and represent the duly made decisions of the Board;
- o speak positively of the organization to the RVEF members, and all current and potential stakeholders and constituencies.
- o not take any public position representing the RVEF on any issue that is not in conformity with the official position of the RVEF.
- o not use or otherwise relate one's affiliation with the board to independently promote or endorse political candidates of parties for the purpose of election.
- o maintain full confidentiality and proper use of information obtained s a result of board service in accordance with board policy or direction.

Interpersonal:

- o speak clearly, listen carefully to and respect the opinions of fellow board members and key staff.
- o promote collaboration and partnership among all members of the board.
- o maintain open communication and an effective partnership with the Board's officer and committee leadership.
- o remain "solution focused", offering criticism only in a constructive manner.
- o not filibuster or engage in activities during meetings that are intended to impede or delay the progress and work of the board because of differences in opinion or other personal reasons.
- o always work to develop and improve one's knowledge and skills that enhances one's abilities as a Director.

Annual Potential Conflicts Disclosure Statement

As a Director or Officer or Key Employee of the RVEF, prior to being seated on the Board

of Directors or commencing employment with the RVEF, as appropriate, and annually thereafter, you are required to truthfully, completely and accurately disclose all information requested herein and to promptly update all such information as circumstances may change from time-to-time. With regard to this Conflicts Disclosure Statement, be advised, all material terms identified by quotation marks are defined by Appendix B of the Bylaws of the RVEF, which is entitled "Bylaw and Corporate Policy Definitions".

Please mark 'yes' or 'no' where indicated & provide additional information when requested.

Financial Information Return Disclosure:

Responses to the following questions are required in order to complete financial information returns annually submitted to the Internal Revenue Service and the Office of the Attorney General.

1. Have you served as an Officer, Director, Trustee, Key Employee, Partner, or member of, or hold a thirty-five percent (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 five percent (5%), in an entity, in which during the most recently completed, or current fiscal year, had, or are reasonably anticipated to have, a direct, or indirect, business relationship with the RVEF?

_____ If yes, briefly describe below & attach a detailed explanation

no yes

2. Have you, individually, or through an entity where you hold a thirty-five percent (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 five percent (5%), during the most recently completed, or current, fiscal year, had, or are reasonably anticipated to have, a direct, or indirect, business relationship, with any individual who is a current or former "Officer", "Director", or "Key Employee" of the RVEF?

_____ If yes, briefly describe below & attach a detailed explanation

no yes

3. Do you have a "Relative" who, during the most recently completed, or current, fiscal year, had, or is reasonably anticipated to have, a direct, or indirect, business relationship with the RVEF?

_____ If yes, briefly describe below & attach a detailed explanation

no yes

4. Have you been provided with, properly reviewed and reasonably understand the terms of the RVEF's current written Board of Directors conflicts of Interest Policy?

_____ If no, briefly describe below & attach a detailed explanation

no yes

5. Have you, or did you have a "Relative" who, during the most recently completed, or current, fiscal year, had, or is reasonably anticipated to have, any transaction with the RVEF that might reasonably be considered a real or potential conflict of interest pursuant to the RVEF's Board of Directors Conflicts of Interest Policy, which has not been otherwise disclosed herein?

____ If yes, briefly describe below & attach a detailed explanation
no yes

Independent Director Assessment Disclosure:

In order to qualify as an "Independent Director", as defined by the New York Not-for-Profit Corporation Law, an Officer or Director must respond in the negative to each of the following questions, although failure to respond in the negative to all questions shall not necessarily preclude such Officer or Director from serving on the Board of Directors.

1. Are you currently, or have you been within the last three (3) fiscal years, an employee of the RVEF, or an "Affiliate" of the RVEF?

____ If yes, briefly describe below & attach a detailed explanation
no yes

2. Do you have a "Relative" who is, or has been within the last three (3) years, a "Key Employee" of the RVEF or an "Affiliate" of the RVEF?

____ If yes, briefly describe below & attach a detailed explanation
no yes

3. Have you received, within the last three (3) fiscal years, more than) ten thousand dollars (\$10,000) in direct compensation from the RVEF, or an "Affiliate" of the RVEF, other than reimbursement for out-of-pocket expenses?

____ If yes, briefly describe below & attach a detailed explanation
no yes

4. Do you have a "Relative" who has received, within the last three (3) fiscal years, more than ten thousand dollars (\$10,000) in direct compensation from the RVEF, or an "Affiliate" of the RVEF, other than reimbursement for out-of-pocket expenses?

____ If yes, briefly describe below & attach a detailed explanation
no yes

5. Are you're a current officer or employee of, or do you have a substantial financial interest in, any entity that has made "payments" to, or received "payments" from, the RVEF or an "Affiliate" of the RVEF, for property or services in an amount which, within the

last three (3) fiscal years, exceeds the lesser of twenty-five thousand dollars (\$25,000) or two percent (2%) of such entity's consolidated gross revenue. For purposes of this question, the definition of "payments" does not include charitable contributions.

_____ If yes, briefly describe below & attach a detailed explanation
no yes

6. Do you have a relative who is a current officer or employee of, or do you have a substantial financial interest in, any entity that has made "payments" to, or received "payments" from, the RVEF or an "Affiliate" of the RVEF, for property or services in an amount which, within the last three (3) fiscal years, exceeds the lesser of twenty-five thousand dollars (\$25,000) or two percent (2%) of such entity's consolidated gross revenue. For purposes of this question, the definition of "payments" does not include charitable contributions.

_____ If yes, briefly describe below & attach a detailed explanation
no yes

Certification

I, the undersigned, certify that I have read and understand this Code of Ethical Conduct & Annual Conflicts Disclosure Statement. I agree that my actions will comply with the disclosures found in this document. I further affirm that neither I, as a Related Party nor any Relative have, or had, an interest, or has taken action, that contravenes, or is likely to contravene, the Conflicts of Interests Policy of the RVEF or otherwise impeded my ability to act as a fiduciary and in the best interests of the Corporation, except those that may have been disclosed herein.

Director Signature
Adopted February 5, 2015

Date

AUDIT OVERSIGHT POLICY

1. Auditing.

If required by statute, regulation or contract, if deemed necessary and practicable by the Board of Directors, or if mandated by any empowered governmental agency, the accounts of the Corporation shall be subject to an annual audit report, as stated in Bylaws section 6:2, or an audit review report prepared by an independent Certified Public Accountant, an "Independent Auditor" (as defined in Appendix B). Once retained, neither the Independent Auditor, nor a partner, associate or employee of the Independent Auditor's firm or practice; or, a "Relative" (as defined in Appendix B), or a partner, associate or employee of a Relative's firm or practice, shall perform any assistance to the Corporation other than that directly related to auditing functions.

2. Required Duties.

Should statute, regulation or contract require the Corporation to file and audit report or audit review report prepared by an independent Certified Public Accountant, and "Independent Auditor" (as defined in these Bylaws), The Board of Directors, or a designated Audit and Finance, or other Committee of the Board of Directors, comprised solely of "Independent Directors" (as defined by these Bylaws), shall perform the following duties:

- i. oversee the accounting and financial reporting processes of the Corporation and the audit of the Corporation's financial statements;
- ii. annually retain or renew the retention of an Independent Auditor, as described in section 6:2 of the Bylaws, to conduct the audit and, upon completion thereof, review the results of the audit and any related management letter with the Independent Auditor; and
- iii. oversee the adoption, implementation of and compliance with the Corporation's Conflicts of Interest Policy if such function is not otherwise performed by another Committee of the Board comprised solely of Independent Directors.

3. Additional Revenue-Imposed Duties.

Should the Corporation be required to file an audit report or audit review report prepared by an Independent Auditor and in the prior fiscal year had, or in the current fiscal year reasonably expects to have, and annual revenue in excess of (\$1,000,000), by state statute, the Board, or a designated Audit and Finance Committee, or another Committee of the Board, comprised solely of Independent Directors, shall also be required to perform the following duties:

- i. review with the Independent Auditor the scope and planning of the audit prior to the audit's commencement;
- ii. upon completion of the audit, review and discuss with the independent Auditor:
 - a. any material risks and weaknesses in internal controls identified by the Independent Auditor;
 - b. any restrictions on the scope of the Independent Auditor's activities or access to requested information;
 - c. any significant disagreements between the Independent Auditor and management of the Corporation; and,
 - d. the adequacy of the Corporation's accounting and financial reporting processes;
- iii. annually consider the performance and independence of the Independent Auditor; and,
- iv. if the duties required by this Section are performed by an Audit and Finance Committee, or another Committee of the Board, report on the Committees' activities to the Board.

4. Affiliate Corporations.

Should the Corporation control other "Affiliate" (as defined in Appendix B) subsidiary corporations, the Board of Directors of this Corporation, or a designated Audit Committee comprised solely of this Corporation's Independent Directors, may pursuant to state statute and these Bylaws perform all audit oversight duties stipulated in this Article for any such affiliate or subsidiary corporations.

5. Restrictions.

Only Independent Directors may participate in any Board or Committee deliberations or voting relating to matters set forth in this Article.

Adopted February 5, 2015