



Conflict of Interest, Scholarship Eligibility & Confidentiality Policy

The Hendricks County Community Foundation (HCCF) is a charitable organization whose Board members, committee members, volunteers, and staff serve the public purposes to which it is dedicated. These individuals are expected to act in a manner consistent with those purposes and to avoid situations where personal interests could influence, or appear to influence, their judgment.

This policy is intended to:

- identify and address real, potential, or apparent conflicts of interest
- ensure fairness and integrity in scholarship decisions
- protect the confidentiality of donor, grant, and organizational information

For purposes of this policy, Board members, committee members, volunteers, and staff are collectively referred to as "Members."

Section I: Conflict of Interest

Definition of Conflict of Interest: A conflict of interest exists when a Member's personal, financial, or other interests could reasonably be expected to influence, or appear to influence, their judgment on matters before HCCF. Members are expected to err on the side of disclosure when there is any question as to whether a conflict or the appearance of a conflict may exist.

This includes:

- any position held presently or within the previous 12 months
- any investment or financial interest in a business or organization
- any activity or relationship that may result in bias for or against a vendor, grant, or scholarship

A Member is considered to have a significant relationship with another party if:

- the party is a family member (including spouse, siblings, ancestors, children, step-children, grandchildren, and great-grandchildren), or
- the Member has a material financial interest in the entity, including ownership (directly or through related parties) of more than 10 percent, or
- the Member serves as an officer, director, trustee, partner, or employee of the entity

A material financial interest may also include compensation, contractual relationships, or other financial benefits that could reasonably be expected to influence decision-making.

A “transaction” includes any arrangement or decision in which a conflict of interest may exist, including situations where a Member’s interests may compete or appear to compete with those of HCCF.

Disclosure, Refraining from Influence, and Recusal: When a Member becomes aware of a potential conflict of interest, the Member shall:

- promptly disclose the conflict in writing to the Board Chair of the Board of Directors, the Committee Chair and/or the Staff Lead. If the Board Chair has a conflict, disclosure shall be made to the Vice Chair, Past Chair or Chair of the Governance Committee
- refrain from using personal influence to affect the outcome of the matter
- recuse themselves from the discussion and vote on the specific matter or matters giving rise to the conflict
- not participate in deliberation or decision-making regarding that matter
- may participate in discussions and votes on unrelated matters
- may remain present when necessary to maintain quorum, but shall not participate in discussion or vote on the conflicted matter

The minutes shall reflect the disclosure of any conflicts of interest, the specific matters to which each conflict relates, and the recusal of interested Members.

Annual Disclosure: Each Member shall annually complete a Conflict-of-Interest Disclosure Statement and update it as necessary throughout the year to reflect any changes. Completed disclosures shall be available for review by the Board and, as appropriate, by legal counsel.

Standard for Approval of Transactions: HCCF may enter into a transaction involving a potential conflict of interest only if:

- the transaction does not constitute self-dealing, and
- the Board determines, without the participation or influence of the interested Member, that the transaction is fair, reasonable, and in the best interest of HCCF and its charitable mission

Such determinations shall be based on appropriate comparability data (such as market rates, similar transactions, or independent valuations) where relevant and shall be documented in the minutes of the meeting at which the transaction is considered.

In situations involving compensation or other financial benefit, HCCF will follow procedures designed to ensure that decisions are fair and reasonable and to establish a presumption of reasonableness under applicable IRS regulations. These procedures include review and approval by disinterested members of the Board or committee, reliance on appropriate comparability data, and contemporaneous documentation of the decision. The decision shall be made solely by disinterested Members of the Board or committee.

Administration: The Board of Directors is responsible for administering this policy, including:

- reviewing disclosures
- evaluating proposed transactions
- maintaining appropriate documentation
- periodically reviewing and updating the policy



Section II: Conflict of Interest Disclosure Statement

Name: _____

Date: _____

Role (circle one):

Board Member Staff Committee Member Volunteer

The Hendricks County Community Foundation ("HCCF") requires each Member annually to:

1. Review the Conflict of Interest, Scholarship Eligibility, and Confidentiality Policy
2. Disclose any relationships, interests, or activities that could give rise to a conflict of interest or the appearance of a conflict
3. Confirm compliance with the policy

Information provided on this form will be reviewed by the Board of Directors and, as appropriate, legal counsel, and will otherwise be held in confidence except as necessary to serve the best interests of HCCF.

Please respond to the following:

1. Organizational Roles

List any positions you or a related party hold (formal or informal) with charitable, civic, or community organizations, including board service, employment, advisory roles, or significant volunteer involvement.

2. Financial Interests

List any businesses, partnerships, or entities in which you or a related party have a material financial interest (including ownership, compensation, or contractual relationships).

3. Transactions with HCCF (Past 12 Months)

List any business dealings, contracts, or financial relationships involving you (or a related party) and HCCF within the past year.

4. Proposed Transactions

List any known or anticipated transactions between HCCF and you (or a related party), including a brief description of the relationship and any potential financial benefit.

5. Other Potential Conflicts

Are you aware of any other relationships, arrangements, or situations that could create a conflict of interest or the appearance of a conflict?

☐ Yes ☐ No

If yes, please describe:

Acknowledgment

I have reviewed the HCCF Conflict of Interest, Scholarship Eligibility, and Confidentiality Policy. I have disclosed all known relationships and interests that could give rise to a conflict of interest or the appearance of a conflict. I agree to comply with the policy and to update this disclosure promptly if circumstances change.

Printed Name: _____

Signature: _____

Date: _____

Section III: Scholarship Eligibility

This section establishes eligibility standards to ensure that scholarship decisions are free from conflicts of interest and are conducted with fairness and integrity. These standards are intended to ensure that scholarship decisions are fair, objective, and free from undue influence.

Individuals who are in a position to exercise substantial influence over the scholarship selection process, and their family members, are considered “disqualified persons.” Family members include spouses, siblings, ancestors, children, step-children, grandchildren, and great-grandchildren.

Disqualified persons include:

- the HCCF Board Chair
- the President & CEO
- staff members who work directly with the scholarship selection process
- members of scholarship selection committees for the scholarship in question

Disqualified persons are not eligible to receive scholarships administered by HCCF, including the Lilly Endowment Community Scholarship, except for scholarships designated for a specific title or position (such as Valedictorian).

Members who are not in a position to exercise substantial influence over a particular scholarship selection process, and their family members, are not considered disqualified persons solely by virtue of their role.

All Members must disclose any potential conflict of interest related to a scholarship and must recuse themselves from all related discussions and decisions.

Failure to disclose a conflict of interest may result in scholarship forfeiture, subject to review by HCCF.

Section IV: Confidentiality

Donors and Gifts: HCCF depends on the trust of donors and prospective donors. In many cases, donors share personal, financial, or philanthropic information in confidence. HCCF will:

- respect donor wishes regarding recognition or anonymity
- include donor names and fund information in publications unless the donor requests otherwise
- not disclose information relating to a donor’s interactions with HCCF without consent

Information of a financial, tax, or personal nature relating to a donor shall remain confidential within HCCF and will not be shared with third parties without consent, except as required by law.

HCCF maintains appropriate administrative, technical, and physical safeguards to protect confidential information. Protecting donor confidentiality is essential to maintaining trust and fulfilling HCCF’s stewardship responsibilities.

Grants and Scholarships: To ensure fairness and integrity:

- all communications regarding grant or scholarship applications shall be made through the Foundation office

- during active grant or scholarship review processes, applicants shall not contact individual Members outside of established procedures

Members agree:

- not to discuss grant or scholarship matters outside of official processes
- not to share documents, deliberations, or evaluations
- not to disclose the positions or statements of other Members

Section V: Signature of Compliance

I have received and read the Hendricks County Community Foundation Conflict of Interest. Scholarship Eligibility and Confidentiality Policy. I am currently in compliance and agree to remain in compliance with the Policy.

Printed Name

Signature

Date