

Hephzibah Charter Foundation

CONFLICT OF INTEREST POLICY

The Hephzibah Charter Foundation (HCF) Board of Directors adopts the following policy, which shall be effective as of the date this policy is adopted by the Board.

Section 1. Definitions

- (a) “Board Members” means individuals serving on the governing board of directors of HCF.
- (b) “Board Chair” means the individual serving on the HCF governing board who has been elected and serves as the chair pursuant to Section 5.5 of the HCF Bylaws
- (c) “Key Personnel” means individuals serving as employees of the school in a management capacity.

Section 2. Policy Statement

Board members must demonstrate unconflicted loyalty to the interests of HCF. All Board Members and Key Personnel shall conduct their personal business and private affairs to avoid any potential or actual conflict of interest between themselves and HCF, and shall take immediate and appropriate action to resolve any conflict of interest which actually arises. All Board Members and Key Personnel shall report to the Board Chair any facts or circumstances which they know, or should know, have resulted or will result in a potential or actual conflict of interest on the Annual Conflict of Interest Disclosure. The Board Chair shall have ultimate and final responsibility for determining whether a potential or actual conflict of interest exists and for enforcement of this Policy.

Section 3. Avoiding Potential or Actual Conflicts

In order to avoid situations which potentially, or in fact, give rise to a conflict of interest, Board Members and Key Personnel shall not engage in any of the following activities, except as authorized by a prior, written resolution of the disinterested Directors following full disclosure by the affected Board Member or Key Personnel:

- (1) No Board Member or Key Personnel or blood or marital relation of such individual shall accept, except on behalf of HCF, any money or valuable thing because of any purchase, sale, investment or loan made by or for HCF, nor shall any person have any pecuniary interest in any such purchase, sale, investment or loan.
- (2) No Board Member or Key Personnel or blood or marital relation of such individual shall obtain any loan from HCF, nor, without consent of the disinterested Board members, hold or acquire a financial interest in any enterprise which is in competition with HCF or which to the knowledge of the individual has any business relationship with HCF as a vendor or which to the knowledge of the individual has any outstanding loan from HCF or is negotiating any such loan.
- (3) No Board Member or Key Personnel or blood or marital relation of such individual shall accept gifts, gratuities, favors or services of any kind from any person, firm or corporation doing business or seeking to do business with HCF under circumstances in which it might be inferred that the donor’s purpose was to influence the individual in the performance of his/her duties.

However, a gift may be accepted under the following circumstances:

- (a) The gift has no more than token value; and
- (b) It is in the normal exchange of hospitality or a customary gesture of courtesy between persons doing business together.

- (4) No Board Member or Key Personnel or blood or marital relation of such individual shall divulge to others confidential information regarding HCF, or use such information for personal profit.
- (5) No Board Member or Key Personnel or blood or marital relation of such individual shall accept or maintain any position with any other business which position would conflict or might reasonably conflict with the individual's performance his/her duties and responsibilities on behalf of HCF, without full disclosure to the Board.
- (6) Board Members must not use their position to obtain employment or special consideration at HCF, or any company with which HCF contracts, for themselves, any blood or marital relation or close associates. If a Board Member desires employment at HCF, he or she must first resign his/her duties as a Board Member.
- (7) Board Members shall avoid any self-dealing transaction as defined in Section 14.3.2 of HCF's Bylaws. The Board may resolve to allow for such transaction, but only after disclosure and approval in accordance with HCF's Bylaws and any other applicable governing documents.
- (8) No Board Member or Key Personnel or blood or marital relation of such individual shall engage in any other activity or take any other action not enumerated herein where the interests of the Board Member or Key Personnel may compete or conflict with the interests of HCF.
- (9) No Board Member or Key Personnel or blood or marital relation of such individual shall serve on the board of directors of any organization that sells goods or services to that state charter school.

Section 4. Conflict of Interest Annual Disclosure

Each Board Member and Key Personnel, as applicable, shall submit a fully executed copy of the Annual Conflict of Interest Disclosure to HCF on or before the regularly scheduled September meeting of each school year. The Board Chair will note receipt of the Disclosures in the minutes of the board meeting and will take whatever action he/she deems appropriate to resolve any potential or actual conflicts disclosed in the Disclosures.

Section 5. Effective Date

This policy shall become effective for all Board Members and Key Personnel upon its adoption by the Board. All new Board Members and Key Personnel shall complete the Disclosure upon assumption of their responsibilities.

ADOPTED this ____ day of August, 2015, I certify that this Board Conflict of Interest Policy of the Hephzibah Charter Foundation, Inc. was approved and adopted by and on behalf of the Corporation by its Board of Directors on August ____, 2015, and are currently in effect.

By: _____
Board Chair, Hephzibah Charter Foundation

*Revised 08/16/2022 for Disclosure Return Date

By: _____
Board Chair, Hephzibah Charter Foundation

*Revised 02/20/2024 for SCSC Corrective Action Plan

By: _____
Board Chair, Hephzibah Charter Foundation