

HFPG, INC.
CONFLICT OF INTEREST POLICY
COMMUNITY FUNDS

(Effective February 20, 2019)

In an effort to maintain the fairness and integrity of the Community Fund grant making process, each Community Fund Advisory Committee member (a “Member”) shall adhere to these best practices when recommending grants.

A Member has a conflicting interest (or the appearance thereof) if he or she has an affiliation or dual loyalty that may lead to or suggest influence in a decision by or on behalf of the Advisory Committee with respect to any grant from the Community Fund. For example, a Member has a grant-making conflict of interest when the Member serves as a board member, or is a paid employee or independent contractor, of an organization which is a potential or actual recipient of a grant from the Community Fund. The Foundation considers a Member to have a grant-making conflict if the Member has served in such a position within the past two years. Further, a potential conflict of interest exists where a related person to a Member serves in such capacities with an organization that is an actual or potential recipient of a grant from the Community Fund.

For this purpose, a “related person” with respect to Member means any immediate family member or a person with whom the Member is living.

A grant-making conflict may exist not only at the time of the application for the grant, but also with respect to the on-going relationship between the Community Fund, the Advisory Committee and a grant recipient.

Unless specifically otherwise authorized by the Advisory Committee, Members with a grant-making conflict of interest shall:

- refrain from sharing nonpublic information obtained through the Advisory Committee that would provide an advantage to the potential grantee organization;
- refrain from active involvement in the grantee organization’s planning or preparation of any inquiry or grant request to the Community Fund;

- refrain from contacting the Advisory Committee or the Foundation on behalf of the grantee organization, provided that the Member may respond to inquiries from the Advisory Committee and may raise an issue in exceptional circumstances when failure to do so would be detrimental to the Community Fund and the community served by the Community Fund.

Disclosure of Conflicts of Interest. All Members shall complete annually a disclosure statement that describes the material facts concerning any transaction or arrangement that could reasonably give rise to a conflict of interest pursuant to this policy. If, after submitting an annual disclosure statement, an apparent or potential conflict arises, a Member shall immediately disclose the situation (whether or not specifically addressed herein) to the Advisory Committee.

The Advisory Committee shall consult with the Member with the potential conflict and obtain information necessary for an ordinarily prudent person to make a judgment as to whether a conflict exists. The Advisory Committee shall exercise good faith judgment in determining whether an actual conflict of interest exists and shall provide guidance as to the appropriate course of action. The advisory committee shall report the results of such review to the Hartford Foundation.

Resolution of Conflicts of Interest. The Advisory Committee shall decide whether to provide a grant in accordance with the following process:

- A Member found to have a conflict of interest shall leave the Advisory Committee meeting during the review and discussion of, and the vote on, the grant, transaction or arrangement involving the conflict of interest.
- Advisory Committee approval of a grant that poses a conflict of interest shall be valid if the grant has been authorized at a duly held meeting by (i) a majority (but no fewer than two) of all disinterested Members (including those not present at the meeting) and (ii) a majority of all Members present if the disinterested Members that are present at the meeting are less than a quorum.

Appearance of Conflicts. Certain relationships may not give rise to a grant-making conflict of interest as defined above, but may nevertheless give the appearance of a conflict or be perceived as otherwise improper.

Members should not engage in business relationships that result reasonably directly from a grant or other decision of the Advisory Committee. In determining whether a business relationship results reasonably directly from a decision of the Advisory Committee, the following factors should be considered:

- the time that has elapsed since the Advisory Committee's decision;
- whether the Member, any related person, or his or her business will be paid with funds from the Community Fund;
- the degree of overlap between the focus of the Advisory Committee's decision (e.g., awarding a grant) and the content of the Member's business;
- whether the business providing the service will interact in any substantial way with the Foundation.

Members should not accept any gift or other item of value from a person or an organization that could reasonably be expected to apply for a grant from the Community Fund, provided that ordinary and reasonable business courtesies or de minimis gifts which are not solicited and which are accepted with no intention to confer unfair advantage, may be accepted. Members shall be mindful of the need to avoid any appearance of impropriety in their roles as representatives of the Foundation and shall make every reasonable effort to conduct themselves accordingly.

Implementation of this Conflict of Interest Policy. The Foundation recognizes that the foregoing provisions do not cover all possible situations that might arise and that the exercise of reasonable judgment will be necessary to apply this policy to specific situations.

Violations of this Policy. If the Foundation 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. If, after hearing the Member's response and after making further investigation as warranted by the circumstances, the Foundation determines the Member has failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action.

