



CONFIDENTIALITY, ASSET
AND ELECTRONIC COMMUNICATIONS POLICY
Of
The LUZERNE FOUNDATION

INTRODUCTION

As a 501(C)-(3) nonprofit corporation providing services to its donors and grantees and members of the community, The Luzerne Foundation (the “Foundation”) owes the highest obligation of confidentiality to its donors/grantees under the law and, as fiduciaries, the ethical rules of our profession. Information of whatever nature regarding our donors/grantees is considered to be held in the strictest of confidence and must not be revealed to anyone not Foundation personnel, except upon the express permission and direction of the donor/grantee involved or an appropriately authorized principal of the Foundation. Foundation personnel must be aware of the responsibilities that they have with regard to both the confidential information handled on behalf of our donors and grantees as well as with regard to the tangible assets provided by the Foundation for personnel use.

CONFIDENTIALITY

Legal and ethical rules mandate that information provided to us by our donors and grantees be kept in the strictest of confidence. This information cannot be divulged to someone outside the Foundation absent the express permission and direction of the donors and grantees and absent the express approval of an appropriately authorized principal in the Foundation. It is the Foundation’s position that all information received regarding our donors and grantees from whatever source is to be considered confidential and to be held in the strictest of confidence by our Foundation personnel. This includes not only information provided to us directly by our donors and grantees but other information which comes from third parties or sources outside the Foundation. It is the Foundation’s intention that this policy be given its broadest possible interpretation. By way of example, the Foundation considers information acquired by personal observation also to be covered within the obligation of confidentiality, as for example, personal observations made by Foundation personnel of the comings and goings of donors and grantees, or other visitors to the office, as well as the conversations overheard between Foundation personnel and/or donors, grantees or visitors in the office. Foundation personnel should never volunteer information or respond to any inquiries regarding Foundation or its business without express approval and authorization of the President and CEO. The obligation of confidentiality prohibits the disclosure of information even to the Foundation personnel’s spouses or other close family members. Although the obligation of confidentiality does not specifically preclude conversation between co-employees with regard to Foundation affairs, idle conversation or gossip about matters with which the Foundation deals is strongly discouraged as being unprofessional. Any doubts about the status or knowledge of information acquired in the course of employment should be assumed confidential. Foundation personnel, likewise, have an obligation to bring to the attention of the principals in the Foundation any actual or potential voluntary or involuntary breach of confidentiality of which they become aware.

In addition, the following constitutes confidential information of the Foundation, whose disclosure is prohibited at any time, both during employment and afterwards: the Foundation’s

services, systems, finances (including billing rates, costs, revenue, and profits), methods of operation, concepts, methods, formulae, know-how, trade secrets, marketing strategies, client development strategies, strategic plans, financial information, profitability analyses, records and files pertaining to its donors and grantees, including financial statements, business records, fund documents and correspondence, personal records, and the like, personnel records, all information relating to the Foundation's computer network system, including Foundation personnel's passwords, forms, computer software and/or hardware, the work product of any personnel of the Foundation; and any and all documents and information relating to the foregoing.

CONFIDENTIALITY SPECIFIC TO DONOR INFORMATION DISCLOSURE:

Except as required by law, the Foundation will not disclose information about a donor or a donor's gift. However, unless otherwise requested by the donor, the Foundation may publish the names of individual donors in the Foundation's Annual Report and other reported listings. In the case of memorial gifts, the Foundation will provide the names of donors to members of the immediate family unless the donor has requested anonymity. The Foundation will not disclose the amount of any gift without the donor's consent. The Foundation may accept anonymous gifts to it on a case by case basis.

CONFIDENTIALITY SPECIFIC TO GRANT APPLICANTS AND GRANTEEES:

The Foundation will not disclose the identity of grant applicants except as necessary to process the application and will protect financial and personal information that applicants submit to it. This includes information provided by applicants for grants to individuals such as scholarship and hardship assistance. Except in the case of hardship assistance grants to individuals, the Foundation will generally disclose the identity of grantees and the amount awarded.

PROPER USE OF FOUNDATION ASSETS

The Foundation assets are to be used solely for the benefit of the Foundation. They are not to be used for any reason relating to private or personal matters. All personnel of the Foundation is responsible for insuring that Foundation assets are used only for valid purposes relating to the Foundation's provision of services to its donors and grantees. In this regard, Foundation assets are much more than our equipment or office supplies. Our assets include concepts developed in the course of working on client matters, business strategies and plans, databases, financial data, and agreements, and all matters which we create or modify for the benefit of our donors and grantees.

These assets may not be improperly used for any other purpose including but not limited to personal gain for the personnel of the Foundation. Foundation personnel may not take personal possession of nor transfer any of the Foundation's assets to themselves, other persons or entities except in the ordinary course of representing our donors and grantees. Any transfer of assets to Foundation personnel, such as those which are outdated or no longer useful, require the written approval of the Executive Director. Sales or transfers of such assets must be supported by properly approved documentation for protection of the Foundation and its personnel.

Foundation personnel are specifically reminded that documents and forms prepared by them during their affiliation with the Foundation or documents and forms prepared by any other present or former personnel of the Foundation remain the property of the Foundation and may not be retained by personnel for personal use or use in another business or with another Foundation.

ELECTRONIC COMMUNICATIONS POLICY

The electronic mail system, the Foundation's telephone systems and its other information networks are also Foundation assets and must be used only for legitimate Foundation purposes. All systems of electronic communications are Foundation owned information assets and subject to standard business audit and control guidelines. For purposes of this policy, an electronic communication means any transfer of signs, signals, writings, images, sounds, data or intelligence of any nature transmitted in whole or in part by a wire, radio, electromagnetic, photo-electric or photo-optical system. This includes but is not limited to voice mail, e-mail and fax machines.

Although most electronic communications are protected by Foundation personnel's confidential password, please keep in mind that privacy is not guaranteed. Accordingly, you should be careful about transmitting confidential or privileged information through electronic communications.

Any transmission of improper communications by phone, fax, voice mail, or over the Internet is strictly prohibited and such actions are grounds for disciplinary action up to and including termination of employment and/or legal action. "Improper communications" are defined as any messages of a fraudulent, unlawful, abusive, offensive, disruptive, derogatory, defamatory, or obscene nature, or in any other way inappropriate or non-business related. Improper communications include, but are not limited to, messages which contain explicit sexual references, sexual implications, racial slurs or other derogatory comments, gender-specific comments, and comments that offensively address a person's age, sexual orientation, race, religious or political beliefs, national origin, or disability. Engaging in such misconduct is also covered by and subject to the Foundation's anti-discrimination and anti-harassment policies.

Foundation personnel may not use electronic communications to send communications that are inappropriate, inflammatory, derogatory or insulting. This includes but is not limited to the transmission of sexually explicit material. Foundation personnel may not make unreasonable use of electronic communications for personal use. Examples would include the use of electronic systems for outside business interests or for the sale of goods or services not related to Foundation business or the representation of our donors and grantees. Inappropriate use of the telephone for personal matters or for further outside business interests is also an inappropriate use of Foundation assets. Any Foundation personnel who makes improper use of electronic communications may face disciplinary or legal action including but not limited to loss of electronic communications privileges or termination of employment.

USE OF FAX CAPABILITIES

Foundation personnel who are hooked up to our local area network have the capacity to fax directly from their machines, documents which are created by our personnel. Keep in mind that

the use of faxing in this manner is an additional expense to the office and should be undertaken only when absolutely necessary.

PASSWORDS

Whenever Foundation personnel is provided with a password for use in conjunction with hardware, software or electronic communications, the password is considered to be strictly confidential and Foundation personnel is bound to protect that confidentiality under all circumstances. The password should not be provided to other Foundation personnel or to any outside person for convenience sake or under any circumstances without the express knowledge and permission of the President & CEO or Director of Operations.

PHYSICAL DAMAGE RESPONSIBILITY

The Foundation has invested substantial money for the most up-to-date equipment. When Foundation assets, including computer hardware, are appropriately taken outside of the office Foundation personnel is individually responsible for the safeguarding of the hardware, the prevention of physical damage and the maintenance of confidentiality with respect to the information contained on the machine. This is a most serious responsibility that requires the exercise of prudent judgment at all times including the responsibility not to leave the equipment in a location where it could be accessed by third parties without the knowledge of the Foundation personnel or subjected to the risk of physical damage by inattention.

ACKNOWLEDGMENT

All Foundation personnel will be asked to sign a copy of the Foundation's asset and electronic communications policy. Your signature on this document represents an acknowledgment that you have read the document and have been afforded an opportunity to ask any questions regarding the interpretation of anything which may not be clear to you. Your signature on the acknowledgment also is evidence of your representation and willingness to abide by each and every aspect of the policy and a recognition on your part that the failure to abide by the policy may result in disciplinary or legal action which may include termination of employment or legal proceedings. Your signature on the acknowledgment further affirms the Foundation's absolute right to monitor, review, audit, intercept, access, and disclose all matters maintained by or stored in the Foundation's electronic communications system, at any time, with or without notice.

EXCEPTIONS:

This policy does not apply to disclosures to attorneys, accountants and other professionals providing assistance to the Foundation. It also does not apply to disclosures to tax authorities, government agencies, courts, or as otherwise required by law.

The following are considered public documents and information continued in them is not subject to the confidentiality requirements of this policy:

- The Foundation’s annual report, guide or financial review once it has been accepted by the board.
- The Foundation’s Form 990 as required to be publicly disclosed. This does not include the names and addresses of donors as that information is not required to be disclosed.
- The Foundation’s investment and spending policies

SUMMARY

The Luzerne Foundation is the owner of our computer system and all of the electronic communications systems in the office. This includes the software, the e-mail network itself, materials created on the e-mail system and all forms, legal documents, memoranda, etc., which are prepared by our Foundation personnel in the course of their employment for the Foundation and in the representation of our donors and grantees. The confidentiality of our records and information is a very important responsibility for all Foundation personnel. Confidentiality as to all aspects of the Foundation’s assets and the information relating to our donors and grantees must be maintained at all times.

Foundation Personnel

Date

Title