

Citrus County Community Charitable Foundation, Inc.  
Conflict of Interest Policy

I. PURPOSE/POLICY

CITRUS COUNTY COMMUNITY CHARITABLE FOUNDATION, INC. (Charitable Foundation) is a non-profit, tax-exempt organization. The IRS, government regulatory authorities and the public, view its operations as a public trust subject to scrutiny by, and accountable to, governmental authorities and members of the public. Consequently, Charitable Foundation directors, officers and management personnel are committed to exercise the utmost good faith in all transactions and not to use their position or knowledge gained therefrom for their personal benefit. This Policy applies to the Charitable Foundation, its directors, officers, employees and anyone who has proprietary information concerning the Charitable Foundation (“Controlling Persons”).

II. DEFINITIONS

Management Personnel: Persons working for or with the Charitable Foundation, whether paid or unpaid, who are in a position to influence the actions of the Charitable Foundation.

Conflict of interest: A situation in which regard for a private interest tends to lead to disregard of the Charitable Foundation’s interest or responsibilities.

Family Member includes current spouse, former spouse, children, parents, grandparents, brothers, sisters, half-brothers, half-sisters, uncle, aunt, first cousins, nephew, niece, father-in-law, mother-in-law, sister-in-law, brother-in-law, stepfather, stepmother, stepson, stepdaughter, stepsister, stepbrother or any legally recognized ward. For the purpose of this policy “spouse” means those persons having a legal marital relationship, as well as an involvement in a relationship which in the Charitable Foundation’s judgment is characterized by the permanence, duration and stability normally associated with marriage.

Controlling Person: Any member of the Board of Directors of the Charitable Foundation, or its officers, employees, or third person who has proprietary information concerning the Charitable Foundation.

Indirect benefit: Benefits that directly benefit a Family Member and are therefore deemed an indirect benefit to the Controlling Person.

III. PROCEDURE

a. Requirements Against Conflict of Interest.

- i. No Controlling Person will have any interest, financial or otherwise, direct or indirect; or engage in any business transaction or professional activity; or incur any obligation of any nature that is in material conflict with the proper discharge of his/her duties for the Charitable Foundation.
- ii. Transactions with parties with whom a conflict of interest exists may be

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undertaken only if the Board of Directors of the Charitable Foundation has determined that the transaction is in the best interest of the Charitable Foundation;

- iii. Charitable Foundation prohibits Controlling Persons from seeking or accepting any gifts, favors, entertainment, payment or loans for themselves or their Family Members from any person or entity which does or seeks to do business with or competes with Charitable Foundation without prior approval from Charitable Foundation. Cash should never be accepted.
- iv. This policy is not intended to restrict communications or actions protected or required by state or federal law.
- v. This policy is intended to supplement, but not supersede, the conflict of interest standards, including disclosure requirement, for public officials and personnel as set forth in Florida Statutes.
- vi. The Charitable Foundation prohibits any form of retaliation against a person who discloses a possible conflict of interest.

b. Examples of Conflict of Interest

- i. A conflict of interest may arise through owning stock; holding debt; serving on a board in another entity; receiving remuneration; using the Charitable Foundation's time, personnel, equipment, supplies or goodwill for other than the Charitable Foundation's programs and purposes; receiving personal gifts or loans from third parties.
- ii. The following situations are considered areas of potential conflict of interest. This list is **not** all inclusive, but merely examples to provide assistance in guiding the Controlling Persons:
  - 1. For the Controlling Person to perform any services, either as an officer, director, agent, sole proprietor, partner, stockholder (if owning in excess of 10% of securities outstanding), employee, paid consultant or advisor, for another person or entity that is doing business with or competing with the Charitable Foundation, without the knowledge and consent of the Charitable in written form signed/approved by the Chairman of the Board of Directors or designee.
  - 2. For the Controlling Person to engage in a private business or financial obligation relationship that may secure advantages for goods, services, or influence due to his/her position with the Charitable Foundation.

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3. For the Controlling Person or any Family Member of a Controlling Person to own a financial interest in an entity that is doing or seeking to do business with the Charitable Foundation, except when such an interest consists of ownership of widely held and traded securities in a corporation.
4. For the Controlling Person to accept or solicit a gift of any amount. The Charitable Foundation may accept a nominal gift (less than \$50.00) if it does not create a possible conflict of interest and could not be refused without discourtesy.
5. For the Controlling Person to have full-time or part-time employment for wages outside of the Charitable Foundation.

c. Disclosure Requirement

The existence of any potential conflict of interest shall be disclosed to the Charitable Foundation before any transaction is consummated. It is the responsibility of all Management Personnel to continually scrutinize transactions, outside business interests, and relationships for potential conflicts of interest and to immediately disclose same to the Charitable Foundation. The Charitable Foundation assumes that all Controlling Persons will recognize areas of potential conflict of interest and apply this Policy by analogy. If there is any question about whether a transaction constitutes a conflict of interest, a Controlling Person should immediately discuss the transaction with the chief executive officer, or designee, or the Charitable Foundation's legal counsel.

d. Disclosure Process

- i. For Directors serving on the Board of Directors,
  1. Upon initial association with the Charitable Foundation, each director shall review the conflict of interest policy and shall complete and sign a "Conflict of Interest Disclosure Statement Form."
  2. Annually at the annual meeting, each director shall review the conflict of interest policy and shall complete and sign a "Conflict of Interest Disclosure Statement Form."
  3. Upon each instance in which a conflict of interest arises regarding a transaction pending before the Board of Directors for a vote:
    - the Director with the conflict discloses the existence of the conflict in a public meeting by filing a written statement of conflict of interest - "Conflict of Interest Disclosure Statement Form - with the Secretary of the Corporation;
    - the Director with the conflict abstains from voting or otherwise participating in any decision to approve the proposed transaction; and

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- the Director with the conflict leaves the room during any discussion or vote concerning the proposed transaction;
- ii. Upon association with the Charitable Foundation, Controlling Persons will be required to complete and sign a “Conflict of Interest Disclosure Statement Form”.
- iii. A Controlling Person shall disclose to the to the Chairperson of the Board a possible conflict of interest in writing as soon as possible after the activity, interest or relationship that may create or appear to create a conflict of interest arises and before the transaction is scheduled to occur. The “Conflict of Interest Disclosure Statement Form” should be used.
- iv. The possible conflict shall be brought to the Board of Directors, or duly appointed committee or designee, as soon as possible but not later than before any transaction resulting in a conflict is scheduled to occur.
- v. The person with the conflict of interest shall not participate in the discussion or approval of the transaction.
- vi. Where applicable, the Board of Directors should obtain a competitive bid or comparable valuation prior to voting on a transaction with a possible conflict of interest.
- vii. The Board of Directors shall render a decision on whether the contemplated transaction may be authorized as just, fair and reasonable to the Charitable Foundation taking into consideration the welfare of the Charitable Foundation and the advancement of its non-profit purposes.
- viii. The Board of Directors shall direct/take appropriate action to correct the situation including removal of the individual from the Board or other position within the Charitable Foundation.
- ix. The decision of the Board of Directors shall be binding.
- x. The Conflict of Interest Disclosure Form and the written approval of the Board of Directors will be maintained by the Secretary of the Board or designee.

Date First Adopted:	October 27, 2016
Date Last Reviewed:	December 10, 2020
Date Last Revised:	September 24, 2020
Next Review Date:	October 2021