



HCFAC CONFLICT OF INTEREST POLICY

Per Florida Statutes, nonprofits must adopt a Conflict of Interest Policy and must submit an Annual Certification of Compliance signed by each Board member. This allows us to collect donations.

Policy:

Conflict of interest arises whenever the personal or professional interests of a board member are potentially at odds with the best interests of the HCFAC. Such conflicts are common: A board member performs professional services for an organization, or proposes that a relative or friend be considered for a staff position. Such transactions are perfectly acceptable if they benefit the organization and if the board made the decisions in an objective and informed manner.

Two of HCFAC's bylaws are pertinent:

*ARTICLE IV – 1. Limitations on earnings. No part of the net earnings of the HCFAC shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the HCFAC shall be authorized and empowered to pay **reasonable compensation** for services rendered and to make payments and distributions in furtherance of the purposes set forth above.*

ARTICLE V – 9 Compensation. The members of the HCFAC and its officers shall serve without compensation except as to actual expenses, including travel and per diem expenses incurred in the performance of HCFAC business, and at the rates established by section 112.061, Florida Statutes, as it may be amended or renumbered.

Individuals and businesses qualified to provide goods and services in the HCFAC area are limited, and therefore situations may arise where Board Members are commercially engaged by HCFAC, or hired by HCFAC for artistic projects-workshops, summer camps, performances, etc. Because these situations all involve *potential* conflict of interest, and because HCFAC will avoid where possible *even the appearance* of impropriety, the following procedures apply.

Procedure:

If an issue is to be decided by the Board that involves potential conflict of interest for a Board Member, it is the responsibility of the Board Member to:

1. Identify to the Board the potential conflict of interest.
2. Not participate in discussion of the program or motion being considered.
3. Not vote on the issue.

It is the responsibility of the Board to:

1. Decide to hire or contract with the Board member only if they are the best qualified individual available, and willing to provide the goods or services needed at a reasonable price.
2. Record in the minutes of the Board Meeting the potential conflict of interest, and the use of the procedures and criteria of this policy.