



## BROWARD COLLEGE FOUNDATION

### CONFLICT OF INTEREST POLICY

#### **BROWARD COLLEGE FOUNDATION, INC.** ***(a Florida Not For Profit Corporation)***

##### **ARTICLE I.**

###### **Scope**

The purpose of this conflict of interest policy is to protect the interest of **BROWARD COLLEGE FOUNDATION, INC.** (the “**Foundation**”) when the Foundation is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or member of the Board of Directors of the Foundation. This policy applies to each officer and member of the Board of Directors of the Foundation. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit organizations.

##### **ARTICLE II.**

###### **Definitions**

(A) **Interested Person.** An “**interested person**” is any member of the Board of Directors of the Foundation, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below.

(B) **Financial Interest.** A person has a “**financial interest**” if the person has, directly or indirectly, through business, investment, or family:

(1) An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement,

(2) A compensation arrangement with the Foundation, or with any entity or individual with which the Foundation has a transaction or arrangement, or

(3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III(B), a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee determines that a conflict of interest exists.

**ARTICLE III.**  
**Procedures**

(A) **Duty to Disclose.** In connection with an actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Directors of the Foundation and members of committees with governing board delegated powers considering the proposed transaction or arrangement. The Board of Directors of the Foundation may adopt disclosure guidelines in furtherance of this disclosure requirement.

(B) **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is made.

(1) **Financial Interest Relating to the Broward College Foundation.** In all situations where the interested person has a financial interest with regard to a proposed or existing transaction with the Foundation, the remaining board or committee members shall determine if a conflict of interest exists by majority vote. The following procedures shall apply to the vote of the remaining board or committee members:

(a) The interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the proposed or existing transaction or arrangement involving the possible conflict of interest.

(b) If appropriate, a disinterested person or committee shall be appointed, pursuant to the Bylaws of the Foundation, to investigate alternatives to the proposed transaction or arrangement.

(c) After exercising due diligence, the governing board or committee shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

(C) **Violations of the Conflicts of Interest Policy**

(1) If the governing board or committee has reasonable cause to believe a member of the Board of Directors of the Foundation, principal officer, or member of a committee with governing board delegated powers, has failed to disclose actual or possible conflicts of interest, it shall inform such individual of the basis for such belief and afford such individual an opportunity to explain the alleged failure to disclose.

(2) If, after hearing such individual's response and after making further investigation as warranted by the circumstances, the governing board or committee determines that such individual has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**ARTICLE IV.**  
**Records of Proceedings**

The minutes of the governing board and all committees with board delegated powers shall contain: (a) the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed; and (b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

**ARTICLE V.**  
**Statements**

Each director, principal officer and member of a committee with governing board delegated powers shall sign a statement which affirms such person: (a) has received a copy of this conflict of interest policy, (b) has read and understands the policy, (c) and has agreed to comply with the policy.

Adopted: April 21, 2005  
Revised: September 19, 2007