



Conflict of Interest Policy

1. Purpose.

The Foundation for a Healthy Saint Petersburg (The Foundation) strives to maintain the highest ethical standards in all of our dealings, to ensure the integrity of the work we do and decisions we make, to safeguard the resources with which we have been entrusted, and to foster open and trusting relationships between community members and persons acting on behalf of The Foundation so that the public can be confident that we are acting in The Foundation's best interest, not self-interest of any individual associated in any way with the Foundation.

The Foundation also recognizes that the people who are associated with The Foundation – our trustees, officers, staff and other persons providing services to The Foundation – may have been selected in part because of their strong involvement in under-served communities and that The Foundation benefits greatly from these associations. This can give rise to competing interests. The Foundation does not want either to preclude the active participation of such persons in the work of The Foundation *or* to disqualify worthy grant recipients based on these affiliations. But The Foundation *does* want to make sure that in considering all grant proposals we make our decisions accountably, transparently and impartially. As such, this Conflict of Interest Policy does not prohibit all transactions or arrangements where a conflict of interest exists. Rather, this policy provides The Foundation clear guidance regarding the identification and disposition of conflicts of interest so that no person or entity gains an **unfair advantage**, suffers **predisposed impairment**, receives an **improper benefit**, or exercises **undue influence** in relation to any Foundation activity or decision.

2. Covered Persons and Affiliated Parties.

This Conflict of Interest Policy applies to all Foundation for a Healthy St. Petersburg trustees, officers, staff, committee members, advisors, and other persons acting on behalf of or providing services to The Foundation. Further, for the persons covered as defined in the previous sentence, their disclosures must include family members, household members, or persons of otherwise significant relationship or who have the ability to exercise substantial influence over The Foundation or the people acting on its behalf ("Covered Persons"), whether current or former. This Policy also applies to any Affiliated Party. An Affiliated Party is any entity (such as a vendor, service provider, contractor, agency, civic or social group, or business enterprise) with which a Covered Person had, has, or may have a significant or close relationship.

In other words, this policy is applicable to **any person or group** that might affect our ability to be impartial.

3. Conflict of Interest.

A conflict of interest exists where the personal, financial, or other interest of a Covered Person or Affiliated Party, directly or indirectly, could be reasonably viewed to affect the objectivity or independence of someone in a position to make, influence, or benefit from a decision, act, or condition of The Foundation. A conflict of interest may be actual, potential, or perceived. An actual conflict of

interest is one that currently exists, such as where a member of The Foundation's grant strategy committee also serves on the Board of Directors of or receives compensation from a grant applicant. A potential conflict of interest exists where an actual conflict of interest might be reasonably anticipated or presumed, such as where a Covered Person has a primary interest in the publication of research. A perceived conflict of interest exists where a skeptical viewer might reasonably believe that an outside interest or relationship limits our ability to be fair and objective, such as where a former key employee applies for grant funding.

Where the appearance of a conflict of interest is so great, with a sufficient likelihood to damage The Foundation's credibility or ability to fulfill its mission and programmatic goals, regardless of whether there is an actual conflict, the conflict of interest shall be imputed to the whole Foundation and the transaction or arrangement shall be prohibited.

Because of the enhanced risk of a perceived conflict of interest, The Foundation must take special care in its business transactions or arrangements, such as banking, investment, and procurement. If a Covered Person or Affiliated Party has a financial interest in a proposed or existing transaction or arrangement, or in an entity doing, or seeking to do, business with The Foundation, there is a rebuttable presumption that the transaction or arrangement is prohibited. A financial interest includes compensation, ownership, management or oversight, investment, profit-sharing, equity, partnership, professional affiliation, honoraria, fees, and good will.

4. Duty to Disclose.

All Foundation for a Healthy St. Petersburg trustees, officers, staff, committee members, advisors, and other persons providing services to The Foundation must complete an Interest Disclosure Form annually, or upon retention, as appropriate, and update the form at any time circumstances change. A person may request special procedures to limit distribution and use or to ensure confidentiality where he or she does not wish to disclose sensitive personal or financial interests. This request can be made in writing to the President/CEO and/or the Chair of the Board of Trustees

All Foundation for a Healthy St. Petersburg trustees, officers, staff, committee members, advisors, and other persons providing services to The Foundation must also disclose conflicts of interest that arise in specific situations. As persons acting on behalf of The Foundation, we are in a place of trust. Acting unfairly or out of self-interest erodes public confidence, damages credibility and reputation, and limits the ability of The Foundation and its community The Foundation partners to do effective and efficient work. Conflict identification can be difficult. The Foundation relies on the good judgment and integrity of persons acting on its behalf. Err on the side of caution. Bring to the attention of the President/CEO (or the Chair of the Board for any conflict of interest involving the President/CEO) all material facts of any matters that may involve conflicts of interest or be perceived by others to raise questions about potential conflicts even if you do not believe that an actual conflict exists. Disclosures should be made in advance, before any action is taken on the matter.

The President/CEO, or his or her designee, must review the Interest Disclosure Forms at least annually and any specific disclosures to identify conflicts of interest before action is taken on any grant requests or *non-de minimis* business transactions or arrangements.

You should disclose conflicts of interest whether or not you are participating in the decision or act of The Foundation. Intentionally failing to disclose a conflict of interest will result in disciplinary action.

5. Disinterested Review.

The review of all actual, potential, or perceived conflicts of interest must be conducted by a disinterested party. The President/CEO, or, where applicable, the Chair of the Board, if disinterested, will evaluate conflict disclosures and make other necessary inquiries to assess the extent and nature of any conflict of interest.

The reviewer shall make one of the following determinations:

- 1) No conflict of interest exists, no further action required;
- 2) A non-material conflict of interest exists, disclosure sufficient (Level 1);
- 3) A material conflict of interest exists, recusal required (Level 2);
- 4) A substantial conflict of interest exists, disqualification required (Level 3); or
- 5) The transaction or arrangement involves self-dealing, without exception, and is prohibited (Level 4).

Recusal means abstaining from any vote or decision, declining to participate in any discussion or deliberation, leaving the room, where appropriate, and refraining from attempting to influence the outcome. A recused person may answer limited factual questions related to the conflict of interest or matter. Where recusal is required, and the transaction or arrangement is approved, The Foundation shall assign a disinterested person to manage the transaction or arrangement.

Disqualification means the individual is unable to serve in the role.

The President/CEO or Chair of the Board may designate a Disinterested Outside Reviewer to make a preliminary assessment and recommendation for disposition of identified conflicts of interest. For example, this Disinterested Outside Reviewer could be a former Board Chair, the organization's outside counsel, or another un-conflicted experienced professional. This assessment and recommendation, and its consideration, must be included with the final disposition of the conflict of interest. Identified conflicts of interest must be referred to the Disinterested Outside Reviewer where the President/CEO and Chair of the Board are not disinterested. Any financial transaction or arrangement with a Disqualified Person must also be referred to the Disinterested Outside Reviewer to determine whether the transaction or arrangement constitutes prohibited self-dealing.

Any transaction or arrangement where a material financial conflict of interest exists (where a Covered Person or Affiliated Party receives \$1,000 or more in financial benefit) must be approved by the Board of Trustees after independent review by the Designated Outside Reviewer. The analysis and recommendation of the Disinterested Outside Reviewer, and its consideration by the Board of Trustees, shall be included in the record of proceedings.

6. Resolution of a Conflict of Interest.

After disinterested review and appropriate management of the conflict of interest, The Foundation *may* enter into a transaction or arrangement where there is a conflict of interest only upon the approval of the President/CEO (or Chair of the Board, where applicable), or, where there is a material financial conflict of interest, if at a duly held meeting of the Board of Trustees, a majority of those directors who have no interest in the matter approve the transaction or grant after determining, in good faith and after reasonable inquiry, that:

- 1) entering into the transaction or arrangement is in the best interests of The Foundation, while considering The Foundation's mission and resources, and the possibility of creating an appearance of impropriety that might impair the confidence in, or the reputation of The Foundation (even if there is no actual conflict or wrongdoing);
- 2) the transaction or arrangement in its entirety, and each of its terms, are fair and reasonable to The Foundation;
- 3) there is no reasonably equivalent or sufficient alternative to the transaction or arrangement available;
- 4) the transaction or arrangement furthers The Foundation's mission and charitable purposes; and
- 5) the transaction or grant is not prohibited under law, does not result in private inurement, an excess benefit transaction, self-dealing, or impermissible private benefit under applicable laws, and does not jeopardize The Foundation's tax-exempt status.

Where Board approval is not required, or the decision or act only requires general Board approval, the President/CEO will provide notice to the Board of Trustees, or its duly authorized committee, of the identification and disposition of any conflict of interest (prior to Board action, if applicable).

7. Confidentiality.

Each Covered Person shall not disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of The Foundation. Furthermore, a Covered Person shall not disclose or use information relating to the business of The Foundation for the personal gain or advantage of the Covered Person or an Affiliated Party.

8. Organizational Memberships.

While The Foundation encourages employees and other persons acting on its behalf to engage in community activity, including group, board or committee membership, such participation could create a potential conflict of interest, the perception of bias and favoritism, or the assumption of Foundation approval or position. All persons acting on behalf of The Foundation are required timely to disclose such participation to the President/CEO, or the Chair of the Board, if applicable. Staff must receive prior approval to join any organization, board, committee, or advisory group.

9. Self-Dealing and Private Inurement Prohibited.

The law prohibits financial transactions between The Foundation and disqualified persons, including The Foundation's directors, officers, trustees, managers, or substantial contributors, their family members, and certain corporations, partnerships, trusts or estates. In addition, no part of The Foundation's net earnings may inure to the benefit of any private individual.

The Board of Trustees will not approve, and The Foundation will not participate in, any self-dealing or private inurement.

10. Political and Social Activity.

The Foundation's trustees, officers, staff, committee members, advisors, and other persons providing services to The Foundation are free to engage in political and social activity. Such activity may, however, conflict with their ability to carry out the work of The Foundation or blur the

distinction between personal and professional activity. We should strive at all times to keep such distinctions clear and apparent. Persons may not use Foundation materials, resources, time, title or affiliation in support of these activities.

11. Records of Conflict Disclosures and Proceedings.

The minutes of the Board or any committee meeting during which a conflict of interest is disclosed or discussed shall reflect the name of the interested Covered Person, the nature of the conflict, and details of the deliberations of the disinterested persons (such as documents reviewed, alternatives considered, comparative costs or bids, market value information and other factors considered in deliberations) and the resolution of the conflict, including any ongoing procedures to manage any conflict that was approved. The interested person shall only be informed of the final decision and not of particular directors' positions. Any review and disposition of a conflict of interest by the President/CEO or the Disinterested Outside Reviewer shall be similarly memorialized in writing. This record shall be reviewed annually as long as the conflict exists by the Board of Trustees to assure that The Foundation complies with both the letter and the spirit of this Conflict of Interest Policy.

It is critically important that The Foundation conduct its affairs accountably and transparently, with the complete trust and understanding of the persons, partners and places affected by and able to inform the work we do and the decisions we make. That means The Foundation must act fairly. And that the community knows it. To that end, the disposition of any conflict of interest related to any grant applicant, grant decision, the grant making process, or grant management and evaluation shall be compiled by The Foundation and made available for public review. Any question related to such disposition shall be referred to the President/CEO for response. The Foundation shall also prepare an annual Accountability Report which shall include a discussion of The Foundation's management and resolution of conflicts of interest occurrences. This Accountability Report will be prepared by an independent external advisor selected by the Chair.

12. Compliance.

If the President/CEO or Chair of the Board has reasonable cause to believe that a Covered Person has failed to comply with this Conflict of Interest Policy, he or she shall take appropriate disciplinary and corrective action, which may include removal from office or termination.

13. Periodic Review

The Foundation shall conduct a periodic review of its compensation and business arrangements, grant making, investments, procurement, and conflict of interest identification and disposition to insure The Foundation is operating in a manner consistent with its charitable purpose and in compliance with federal tax laws and regulations.

DATE: September 29, 2015

APPROVED: Unanimous Vote
Board of Trustees
Foundation for a Healthy Saint Petersburg