

**THE FLORIDA BAR FOUNDATION
CONFLICT OF INTEREST POLICY FOR
NON-EXECUTIVE OFFICERS, DIRECTORS AND COMMITTEE MEMBERS**

ARTICLE I

Purpose

The purpose of this conflict-of-interest policy is to protect the interests of The Florida Bar Foundation, Inc., a Florida corporation not-for-profit (the "Foundation"). This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to not-for-profit and charitable organizations.

ARTICLE II

Statement of Philosophy

The underlying philosophy of this policy is to ensure that all members of the board of directors, the non-executive officers ("officers"), and committee members avoid situations which might involve a conflict between their personal or professional activities or interests and those of the Foundation, particularly in regard to decisions concerning grant applicants and vendors selling or seeking to sell goods or services to the Foundation. It is impossible to enumerate every circumstance which would give rise to a conflict of interest, but ordinarily an individual, in the exercise of good judgment, will know whether a particular situation involves an actual or potential conflict of interest. This policy is designed to list general circumstances in which a conflict might exist, but these enumerations should not be considered all encompassing.

ARTICLE III

Statement of Scope

This policy applies to Foundation officers, to all members of the Foundation Board, and members of its committees. A separate conflict of interest policy applies to Foundation employees.

ARTICLE IV

Definitions

1. Interested Person

Any director, or member of a committee with governing board-delegated powers, who has a direct or indirect financial interest, or relationship, or bias, or prejudice, as defined below (a "Conflict"), is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement,
- b. A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement, or
- c. 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.

Family, as used in this policy, means an uninterested person and his or her spouse, his or her siblings, and his or her lineal ascendants or descendants.

3. Relationship

A person has a relationship that gives rise to a Conflict if the person has a fiduciary relationship with an organization that receives funding or is seeking funding from the Foundation. The fiduciary relationship may arise by serving as an officer, director, counsel, or otherwise of or with respect to such an organization. The Conflict shall only apply to the matters involving that organization.

The president of Florida Legal Services, Inc., who sits by designation as a director of the Foundation, shall not vote on any matter before the board or any committee as to which Florida Legal Services, Inc. has any contractual relationship with the Foundation.

4. Bias or Prejudice

If an officer, director, or committee member is conscious of any bias or prejudice with regard to a matter coming before the board or the committee, or if circumstances exist that his or her impartiality with regard to that matter might reasonably be questioned, it should be disclosed, and the member may be recused from voting. The integrity of board or committee proceedings should never be brought into question because of the failure of a board or committee member to disclose any such circumstances.

ARTICLE V

Procedures

1. Duty to Disclose

In connection with any actual or possible Conflict, an interested person must disclose, as soon as identified by that person, the existence of the financial interest, relationship, or bias or prejudice and be given the opportunity to disclose all material facts to the board of directors and members of committees with board-delegated powers considering the matter.

2. Determining Whether a Conflict of Interest Exists

A board or committee member should not recuse himself or herself in order to avoid participation in a matter for any reason other than a valid ground for recusal. After disclosure of the Conflict and all material facts, the officer presiding at the meeting shall promptly make a decision on whether the person disclosing the Conflict should be recused. Either the person disclosing the Conflict, or any member of the board or committee, may request that the full board or committee, as appropriate, decide the matter. If such a motion is made, the board or committee, as applicable, shall vote and decide the matter. The person seeking recusal cannot vote on the motion to decide the matter.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the board of directors or committee meeting, but after the presentation, he/she shall not vote on the matter. The interested person may answer questions but shall not engage in discussions of the matter.
- b. The Foundation president or committee chair shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the board of directors 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.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a Conflict, the board of directors 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 the Foundation should enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the board of directors or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the board of directors or committee determines the member has failed to disclose an actual or possible Conflict, it shall take appropriate disciplinary and corrective action.

ARTICLE VI

Records of Proceedings

The minutes of the board of directors and all committees with board-delegated powers shall contain the names of the persons who disclosed or otherwise were found to have a Conflict, the nature of the Conflict, the action taken to determine whether a Conflict was present, and the governing board's or committee's decision as to whether a Conflict in fact existed. The votes of individual members need not be recorded.

ARTICLE VII

Compensation

- a. A voting member of the board of directors or an officer who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that person's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.