

Conflict of Interest Policy

Orlando Robotics Foundation, Inc.

From the Corporation's Bylaws §9.03,

The Board shall adopt and periodically review a Conflict of Interest policy to protect the Corporation's interest when it is contemplating any transaction or arrangement which may benefit any Director, Officer, employee, or affiliate.

Article 1: Purpose

It is normal and expected for directors, officers, employees, and affiliates of Orlando Robotics Foundation, Inc. (the "Corporation") to have multiple interests, affiliations, and positions of responsibility within the community. It is important to be aware that both real and apparent conflicts of interest or dualities of interest sometimes occur in the course of conducting the affairs of the Corporation, and that the appearance of conflict can be troublesome even if there is in fact no conflict whatsoever.

This Conflict of Interest Policy (the "Policy") helps the Corporation protect its tax-exempt status when it contemplates any transaction or arrangement which may benefit a director, officer, employee, or affiliate. This Policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations. In the event there is an inconsistency between the requirements and procedures prescribed herein and those in federal or state law, the law shall control.

Article 2: Definitions

2.1 Interested Person

Any director, officer, employee, or affiliate who has a direct or indirect financial interest, as defined below, is an interested person.

2.2 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 Corporation has a transaction or arrangement,
- (b) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation 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 Corporation 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. A person who has a financial interest may have a conflict of interest only if the appropriate governing Board or Committee decides that a conflict of interest exists.

2.3 Independent Director

A director shall be considered “independent” for the purposes of this policy if they are “independent” as defined in the IRS Instructions for Form 990 or, until such definition is available, the director

- (a) is not, and has not been for a period of at least three years, an employee of the Corporation or any entity in which the Corporation has a financial interest;
- (b) does not directly or indirectly have a significant business relationship with the Corporation, which might affect independence in decision-making;
- (c) is not employed as an executive of another corporation where any of the Corporation’s officers or employees serve on that corporation’s compensation Committee; and
- (d) does not have an immediate family member who is an officer or employee of the Corporation or who holds a position that has a significant financial relationship with the Corporation.

2.4 Nonfinancial Interest

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

(a) A relationship as an unpaid volunteer, officer, or director of an organization that may be affected, directly or indirectly, by action to be taken, or not taken, by the Corporation, or

(b) A personal, political, religious, friendship, or personal relationship which may be affected by an action to be taken, or not taken, by the Corporation.

Article 3: Procedures

3.1 Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of any financial interest and be given the opportunity to disclose all material facts to the Board or Executive Committee.

3.2 Disclosure of Nonfinancial Interests

Directors shall disclose nonfinancial interests generally in their annual statement, and specifically as individual interests arise. Nonfinancial interests are expected, and shall not be reviewed unless a Director (including the affected member) requests that the interest be reviewed under this Policy.

3.3 Recusal of Self

Any director may recuse themselves at any time from involvement in any decision or discussion in which the director believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.

3.4 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, they shall leave the governing Board or Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Committee members shall decide if a conflict of interest exists.

3.5 Procedures for Addressing the Conflict of Interest

(a) An interested person may make a presentation at the governing Board or Committee meeting, but after the presentation, they shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(b) The chairperson of the governing Board or Committee shall, if appropriate, appoint a disinterested person or Committee to investigate alternatives to the proposed transaction or arrangement.

(c) After exercising due diligence, the governing Board or Committee shall determine whether the Corporation 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 corporation'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.

3.6 Violations of the Conflict of Interest Policy

(a) If the governing Board 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 governing Board or Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article 4: 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.

(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 5: Compensation

5.1 Votes of the Board

A voting member of the governing Board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

5.2 Votes of a Committee

A voting member of any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

5.3 Providing Information

No voting member of the governing Board or any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any Committee regarding compensation.

Article 6: Annual Statements

6.1 Receipt of this Policy

Each director, officer, and member of a committee with Board-delegated powers shall annually sign a statement which affirms that such person:

- (a) Has received a copy of this Policy,
- (b) Has read and understands the Policy,
- (c) Has agreed to comply with the Policy, and
- (d) Understands that the Corporation is charitable and, in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

6.2 Independence

Each director shall annually sign a statement which provides sufficient information for the Board to determine whether such person is an Independent Director.

6.3 Material Changes

If at any time during the year, the information in the annual statement changes materially, the director shall disclose such changes and revise the annual disclosure form.

6.4 Oversight

The Board shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

Article 7: Periodic Reviews

To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

(b) Whether partnerships, joint ventures, and arrangements with management corporations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article 8: Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing Board of its responsibility for ensuring periodic reviews are conducted.

Article 9: Amendments

The Board reserves the right to alter, amend, add to or repeal this Policy in accordance with the Bylaws.

Adoption and Revision History		
Adopted	15 Sept. 2023	Adopted by unanimous vote of the Board