

**National Federation of Community Broadcasters (NFCB)  
CONFLICT OF INTEREST POLICY STATEMENT (Rev. April 2020)**

**SECTION 1. PURPOSE**

The National Federation of Community Broadcasters (hereinafter referred to as NFCB) is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of NFCB as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public.

Consequently, there exists between NFCB and its Board and Officers and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The Board and Officers have the responsibility of administering the affairs of NFCB honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of NFCB. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with NFCB or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

**SECTION 2. PERSONS CONCERNED**

This statement is directed to Directors and Officers of NFCB.

**SECTION 3. AREAS WHERE CONFLICT MAY ARISE**

Conflicts of interest may arise in the relations of Directors and Officers with any of the following third parties:

1. Persons and firms supplying goods and services to NFCB.
2. Persons and firms from whom NFCB leases property and equipment.
3. Persons and firms with whom NFCB is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting NFCB.
6. Agencies, organizations and associations that affect the operations of NFCB.
7. Family members, friends, and other employees.

**SECTION 4. NATURE OF CONFLICTING INTEREST**

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with NFCB.
2. Holding office, serving on the Board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with NFCB.
3. Receiving remuneration for services with respect to individual transactions involving NFCB.

4. Using NFCB's time, personnel, equipment, supplies, or good will for other than NFCB-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with NFCB. Receipt of any gift is disapproved except gifts of a value less than \$50, which could not be refused without discourtesy. No personal gift of money should ever be accepted.

## **SECTION 5. INTERPRETATION OF THIS STATEMENT OF POLICY**

The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 4, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the Directors and Officers will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of NFCB.

However, it is the policy of the Board that the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the Board and Officers to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

## **SECTION 6. DISCLOSURE POLICY AND PROCEDURE**

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and
4. The Board has determined that the transaction is in the best interest of the organization.

Disclosure involving Directors should be made to the Board President, or if she or he is the one with the conflict, then to the Board Vice-President, who shall bring these matters to the Board.

The Board shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to NFCB. The decision of the Board on these matters will rest in their sole discretion, and their concern must be the welfare of NFCB and the advancement of its purpose.

**National Federation of Community Broadcasters (NFCB)  
CONFLICT OF INTEREST DISCLOSURE STATEMENT**

**Instructions:** Each Director and Officer of the NFCB Board shall complete this form at the beginning of each individual’s new and renewed term of service on the Board.

Preliminary note: In order to be more comprehensive, this statement of disclosure/questionnaire also requires you to provide information with respect to certain parties that are related to you. These persons are termed “affiliated persons” and include the following:

- a. your spouse, domestic partner, child, mother, father, brother or sister;
- b. any corporation or organization of which you are a Board Member, an Officer, a partner, participate in management or are employed by, or are, directly or indirectly, a debt holder or the beneficial owner of any class of equity securities; and
- c. any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar capacity.

1. NAME OF BOARD MEMBER: (Please print)

---

2. CAPACITY:

- Board of Directors
- Officer

3. Have you or any of your affiliated persons provided services or property to NFCB in the past year?

- YES     NO

If yes, please describe the nature of the services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

4. Have you or any of your affiliated persons purchased services or property from NFCB in the past year?

- YES     NO

If yes, please describe the purchased services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

5. Please indicate whether you or any of your affiliated persons had any direct or indirect interest

in any business transaction(s) in the past year to which NFCB was or is a party?

YES  NO

If yes, describe the transaction(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

6. Were you or any of your affiliated persons indebted to pay money to NFCB at any time in the past year (other than travel advances or the like)?

YES  NO

If yes, please describe the indebtedness and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

7. In the past year, did you or any of your affiliated persons receive, or become entitled to receive, directly or indirectly, any personal benefits from NFCB or as a result of your relationship with NFCB, that in the aggregate could be valued in excess of \$1,000, that were not or will not be compensation directly related to your duties to NFCB?

YES  NO

If yes, please describe the benefit(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

8. Are you or any of your affiliated persons a party to or have an interest in any pending legal proceedings involving NFCB?

YES  NO

If yes, please describe the proceeding(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

9. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by NFCB's Board in accordance with the terms and intent of NFCB's Conflict of Interest Policy?

YES  NO

If yes, please describe the situation(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

I HERBY CONFIRM that I have read and understand NFCB's Conflict of Interest Policy and that my responses to the above questions are complete and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will notify the Board Chair immediately.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**National Federation of Community Broadcasters (NFCB)**

**GIFT POLICY AND DISCLOSURE FORM**

**Instructions:** Each Director and Officer of the NFCB Board shall complete this form at the beginning of each individual’s new and renewed term of service on the Board.

As part of its Conflict of Interest Policy, NFCB requires that Directors decline to accept certain gifts, consideration or remuneration from individuals or companies that seek to do business with NFCB or are a competitor of it. This policy and disclosure form is intended to implement that prohibition on gifts.

**SECTION 1.**

“Responsible Person” is any person serving as an Officer or a Member of the Board of Directors of NFCB.

**SECTION 2.**

“Family Member” is a spouse, domestic partner, parent, child or spouse of a child, or a brother, sister, or spouse of a brother or sister, of a Responsible Person.

**SECTION 3.**

“Contract or Transaction” is any agreement or relationship involving the sale or purchase of goods, services or rights, of any kind, receipt of a loan or grant, or the establishment of any other pecuniary relationship. The making of a gift to NFCB is not a “contract” or “transaction.”

**SECTION 4.**

Prohibited gifts, gratuities and entertainment, except as approved by the Chair of the Board or his/her designee or for gifts of a value less than \$50 which could not be refused without discourtesy, no Responsible Person or Family Member shall accept gifts, entertainment or other favors from any person or entity which:

1. Does or seeks to do business with NFCB or,
2. Does or seeks to compete with NFCB or,
3. Has received, is receiving, or is seeking to receive a Contract or Transaction with NFCB.

**GIFT STATEMENT**

I certify that I have read the above policy concerning gifts, and I agree that I will not accept gifts, entertainment or other favors from any individual or entity, which would be prohibited by the above policy.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date