

POLICIES AND PROCEEDURES

HERNANDO COUNTY FAIR ASSOCIATION INC.

The Board of Directors, as the Hernando County Fair Association’s governing body, is entrusted with the authority to establish policy for the governance of the Hernando County Fair Association, Inc. Board policy establishes the parameters and guidelines for the Board Members, committees, management and staff.

Developing Board Policy

The purposes of our policies are to:

1. Inform the Members and general public of the Board’s intent, goals, and aspirations
2. Avoid confusion among Board Members, staff, and the public
3. Establish consistency of Board action
4. Mitigate against the need for instant crisis policy making
5. Reduce criticism of the Board and management
6. Promote and maintain public relations
7. Clarify Board Member, executive director and staff roles
8. Give management clear direction from the Board

Mission Statement:

“To be the preferred venue for events year-round that encourages and support community collaboration, education, and agriculture in Hernando County. We place special emphasis on preserving and promoting the heritage of Hernando County for today’s youth and future generations.”

Management policies are not Board policies

The Hernando County Fair Association’s Board of Directors makes an important distinction between Board policies and management policies. Board policies establish the broad parameters within which Board, management, and staff will operate. Management policies, developed and implemented by the Fair Manager, and approved by the Executive Board, outline the specifics of how the organization and staff will operate within Board policy.

Once the Board officially adopts a new Board policy, that policy is the standard. If an issue comes before the Board that is not in line with existing policy, the issue is out of order and will be considered only in terms of policy change.

Policy requires a majority vote of the Board

All policy decisions will be made by majority vote of the Board. Before adopting any policy, all Board Members will receive a copy of the proposed policy in advance of the meeting at which the vote is to be taken.

Source of policies

Policies may be recommended to the Board by committees of the Board, individual Board Members or the executive Board. All proposed policies will be researched by the presenter to ensure that they are legal and do not contradict already established policy or bylaws of HCFA. If approved by the Board, policies will be written, dated at the time of approval, and included in all copies of the Board policy manual.

Considerations for all policies

All policies proposed to the Board should be tested to consider if the proposed policy is:

1. Consistent with the by-laws
2. Necessary for good operation of the HCFA
3. Consistent with our mission statement
4. Within the scope of Board authority
5. Consistent with local, state and federal law
6. Compatible with other policies of this Board
7. Practical
8. Broad enough to cover the subject completely
9. Enforceable

Accountability for carrying out policies

The Fair Manager/Board President will be accountable to the Board for carrying out policies, ensuring that all policies are effectively explained to employees and making every reasonable effort to see that the policies are understood, accepted, and complied with.

Distribution of policy manual

A copy of the Board policy manual will at all times be available in the HCFA office for review and inspection by employees, Board Members and general Membership. Each Board Member will be given a current policy manual.

Amendment or suspension of policy

All policies will be annually reviewed by the Board or committee of the Board for accuracy and appropriateness, and recommendations will be made to the Board for amendment, addition, or elimination. Except as otherwise provided by law, any policy of the Board may be suspended, repealed, amended, or waived by a majority vote of the Board.

Board Organization

Hernando County Fair Association, Inc., is established as a nonprofit corporation under the laws of the State of Florida. The Board of Directors is established as the authority to operate the Hernando County Fair Association, Inc.,

The HCFA's business will be conducted in accordance with the laws of the State of Florida, the corporation's articles of incorporation, bylaws of the corporation, Board policies, and generally accepted business practices that will accomplish the Hernando County Fair Association's mission.

Authority of the Board of Directors

Each Member of the Hernando County Fair Association's Board of Directors share in joint and collective authority which exists and can only be exercised when the group is in session.

Board Member commitment

Serving as a Board Member of the HCFA involves a very special commitment. To meet that commitment, Board Members are expected to:

1. Ensure adherence to Hernando County Fair Association's mission
2. Attend and actively participate in all of the Board's meetings and notify the Fair Office of anticipated absence.
3. When absent from a meeting, review minutes and results of the missed meeting.
4. Do homework in or to be prepared to participate fully in Board and committee meetings.
5. Serve actively on at least one committee.
6. Act only with the full Board, not individually, unless authorized to do so by the full Board

7. Speak for the full Board only when the full Board has given their sanction to do so.
8. Willing to dedicate work hours as needed to improve the grounds and ensure a safe and well maintained environment.

Board Member rights

Members of the HCFA's Board are granted certain specific rights. All Board Members have the right to:

1. Receive notice of Board meetings and the agenda
2. Attend and participate in Board meetings.
3. Examine Hernando County Fair Association's books, records, meeting minutes, financial statements and contracts.
4. Place items on the Board meeting agenda at the appropriate time and in accordance with the by-laws.

Duty of Board Members not to compete

A Board Member may not use his/her position on the Hernando County Fair Association Board of Directors to prevent Hernando County Fair Association from competing with the Board Member's business. It is expected that Board Members, even after they complete Board service, will not use trade secrets, client lists, or other confidential information acquired by virtue of being a Member of the Board.

All Board Members will be required to complete the "Conflict of Interests Statement." This policy will be reviewed by the Board annually and given to each new Board Member for signature.

Nomination and election of Board Members

It is the policy of the Hernando County Fair Association to carefully nominate and elect to the Board persons who:

1. Believe in the cause and mission of the Hernando County Fair Association
2. Will commit completely to the Board Member responsibility for Hernando County Fair Association.
3. Will participate actively as part of the HCFA Board team
4. Are community leaders and will advocate in the community for the HCFA
5. Must be members in good standing

Terms of office and election procedure will be as specified in bylaws of the Hernando County Fair Association, Inc.

Vacancies on the Board

When vacancies occur on the Board other than normal expiration of terms, the Board of Directors may fill the vacancies through nominations from the Board. The elected Board Member may fill the position only until the expiration of the term of the person he/she replaces. The appointed Board Member may be eligible to be nominated for election at the next regular election following the expiration of the term.

The process for appointment to the Board will be as follows:

1. The President will accept recommendations from the Board.
2. Appointment to fill a vacancy will be made only by a majority vote of the Board Members present at an official meeting of the Board
3. The President will notify the appointed person and the successful appointee will be seated at the next regular Board meeting.

Removal of Board Members

It is the policy of the Hernando County Fair Association Board to remove Board Members who fail to perform the expected duties of a Board Member. This meeting will be held in "closed session". A Board Member may be removed from the Board because of:

1. Negligence of Board duties and responsibilities
2. Failure to attend Board meetings regularly
3. Illegal activity as a Member of the Board
4. Acting in any manner detrimental to the Hernando County Fair Association
5. Failure to maintain Member in good standing status

A director may be removed only by a majority vote of all currently serving Board Members. The motion to remove will state clearly the cause for removal.

Meeting attendance requirement

It is the policy of Hernando County Fair Association that Board Members must attend meetings to maintain governance continuity, to be fully informed about the issues on which they will vote and to meet their responsibility to contribute to the decisions the Board is required to make.

If a Board Member will be absent from all or part of any meeting, the Board Member is expected to contact the fair office as soon as the need is known.

When a Board Member is absent from any Board meeting without an approved absence, the President will contact the Board Member and remind the Board Member of this meeting attendance policy.

Compensation of Board Members

Board Members will not be compensated for service on this Board.

Reimbursement of expenses

Board Members may be reimbursed only for out-of-pocket expenses actually incurred and given authorization by President or Executive Board. No expenses will be reimbursed for non-business related travel or extension of stay beyond completion of the business for HCFA.

Some expenses can be deemed unreasonable, unnecessary or extravagant. Such charges will be deemed personal and not reimbursable without compelling cause and at the discretion of the Board.

Directors' and officers' errors and omissions insurance

It is the policy of HCFA to provide directors and officers liability insurance. The continuing need for such insurance will be reviewed each time the policy is due for renewal.

Board legal counsel

Only the President, the Fair Manager or their designee may contact legal counsel on behalf of the Board. Costs billed to HCFA and associated with individual Board Members contracting legal counsel, auditors or other professional consultants without specific authority from the Board of Directors will be billed to the Board Member making the unauthorized contact.

Board Member management of staff and public concerns

It is the policy of the HCFA that when a Board Member is contacted by a staff Member or Member of the general public who has a concern or complaint about the HCFA or persons within the HCFA, the Board Member will follow the following procedures:

1. Remember that individual Board Members have no power or authority to speak or act for the full Board.
2. Listen to the person's concern.
3. Express a desire to reach a satisfactory solution.
4. Explain that the Board and management have established a process for handling the concerns which starts with the person most immediately responsible. Suggest that the concern be discussed with the person immediately responsible.
5. Refer complaints, other than staff complaints, to the official complaint form available in the administrative office. Refer staff to the grievance procedure.
6. Assure the person that the Fair Manager and President will be informed of the concern.

7. Ask the person to report back to you about the progress or resolution of the concern, if desired.
8. Inform the Fair Manager and President of the complaint or concern.

Board Officers

Officers of the Board will be a President, Vice-President, Secretary and Treasurer elected by a majority vote of the Board and Immediate Past President.

Officer election process

Officers will be elected annually in a closed session at the Annual Membership meeting and immediately assume their duties. The Board of Directors will follow the following procedures in electing its officers:

1. Nominations are made from the individual Board Members,
2. Board Members must consent to having their name placed on the ballot,
3. Election will be by a majority vote at a meeting at which a quorum of Board Members are present,
4. Only Board Members present for the elections will be allowed to vote for officers. Absentee Ballots or telecommunications voting is not allowed,
5. Voting will be by secret ballot,
6. The ballots will be certified by a Member in good standing.

Officer authority

Officers of the Board are elected to be servant-leaders of the Board. All authority of the officers is delegated to them by the Board of Directors. No officer will have any authority to speak or act on behalf of the Board other than that authority specifically granted in the HCFA by-laws, in Board policy, or by majority vote of the Board of Directors.

Vacancies of officer positions

If a vacancy occurs in any elected office because of resignation, death, ineligibility to hold office or formal removal of an officer by the Board, the Board will proceed to fill the vacancy at the earliest possible time.

If the vacancy occurs in the President's office, the Vice-President will assume the office as soon as the Board of Directors declares the position vacant. The Vice-President will hold the office of President until the Board elects a new President.

A vacancy is filled in the prescribed manner of election of officers in this policy.

Absence from Meetings

Any Board Member who misses three (3) consecutive meetings, without being excused by the Board, shall be considered to have resigned. At the next meeting of the Board, a Fair Member in good standing may be appointed by the Board to fill the position. Appointment action must be in accordance with Article V Section 4 of the By-Laws. Special Note: Extenuating circumstances shall be considered on an individual basis by the Board.

Removal of officers

The Hernando County Fair Association Board has the right to remove any officer from that elected position by the same authority that elected the officers. Officers may be removed from office for:

- *GROSS OR WILLFUL NEGLECT OF THE DUTIES OF THE OFFICE
- *MISUSE OF HERNANDO COUNTY FAIR ASSOC, INC. FUNDS
- *CONVICTION OF A FELONY
- *INTENTIONAL LACK OF PUBLIC SUPPORT FOR THE HCFA MISSION, STAFF, OR PROGRAMS
- *FAILURE TO INFORM THE BOARD ABOUT ISSUES THAT MIGHT IMPACT BOARD DECISIONS

Procedure for removal of any officer from office will be a simple majority vote of the Board; this vote will be by secret ballot.

Open Board meetings

It is the policy of the HCFA Board of Directors to hold open Board meetings using the following guidelines:

1. Agendas will be provided to guests at the beginning of the meeting,
2. Guests may comment to the Board only when the Board requests public comment,
3. When dealing with confidential matters the Board will go into closed session,
4. Board committee meetings are not generally open to non-Board or non-committee members or designated staff except at the invitation of the committee.

Closed meetings

All regular meetings of the Board will be open to Members and public except as specified below:

1. Discussion by the Board could harm the reputation or character of any person,
2. Information discussed by the Board could have an adverse legal impact on the organization's legal position if the information were public knowledge,

3. Information discussed by the Board could have an adverse financial impact on the organization if the information were public knowledge.

To close a meeting, a motion must be made and approved by a majority of the Board in attendance stating the specific reasons for closing the meeting. Business conducted in the closed session must pertain directly to the stated purpose for closing the meeting.

Staff attendance at Board meetings

Since it is the policy of the HCFA Board to hold our Fair Manager accountable for all management of the HCFA, it is left to the Manager to invite any staff to the Board meeting as needed for resource on issues the Board will consider during the meeting.

Voting

All Members of the HCFA Board who are present when a question is put forth will vote upon the question unless excused by the other Members present or unless disqualified by conflict of interest. Results of the vote will be recorded.

Voting on all motions will be by voice unless requested otherwise by a Member of the Board, at the direction of the President or required by these policies.

In emergency voting, an e-mail or telephone call will be sent to all Members stating the reason for the votes needed and requesting a “yes” or “no” vote. The result of the vote will be given by the President at the next regular meeting for recording. In order for an alternate vote to pass, a majority of total Board Members is required.

Minutes of the Board meeting

Records of all actions of the Board will be set forth in the minutes of the meeting. Minutes will be kept on file as the official record of the HCFA Board.

The Secretary of the Board will be custodian of the minutes.

Minutes of the meeting are a record of the actions of the Board not a record of discussion. Minutes of HCFA will include:

- *The date, time, and place the meeting was called to order
- *The type of meeting – regular, special, or continued
- *The name of the presiding officer
- *A statement that a quorum was or was not present
- *The names of those Board Members present and the names of those Board Members absent from the meeting
- *The exact wording of all motions, whether passed or failed
- *Disposition of each motion made – passed or failed. If the vote is by roll call, each Board Member’s vote will be recorded by name, with the President’s vote last. When a ballot vote is taken the number voting for and the number voting against will be recorded. No views,

protests, or explanations from Board Members about the vote will be recorded in the minutes unless the full Board votes to allow such entries.

Committee reports or resolutions may be attached to the minutes if these items are important clarification for the minutes of the meeting.

Parliamentary authority

Meetings of the HCFA Board will be governed by the parliamentary rules as outlined in Robert's Rules of Order, Simplified and Applied Second Edition.

The Board Job Description

The Board is responsible for determining Hernando County Fair Association policy in human resources, planning, finance, community relations and, organizational operations.

Human Resources – The Board has three key responsibilities in this area:

1. Board Membership, which includes recruiting new Board Members, recognizing and nurturing existing Board Members, and providing existing Board Members with opportunities to grow and develop as leaders;
2. Fair Manager oversight, which includes hiring, termination, disciplining and ongoing evaluation of the Fair Manager;
3. Personnel policies, which includes policies relating to the Fair Manager's employment, and ensuring that the Fair Manager has complete and up-to-date policies in place for management of staff.

Planning – The Board has three key responsibilities in this area:

1. Establishing and reviewing HCFA's mission/philosophy/goals;
2. Planning which services/programs HCFA provides, and
3. Evaluating HCFA's services/programs and operations on a regular basis.

Finance – The Board has four key responsibilities in this area:

1. Ensuring financial accountability of HCFA
2. Overseeing an ongoing process of budget development, approval and review;
3. Ensuring that adequate funds are available to support HCFA's policies and programs;
and

4. Overseeing properties or investments of HCFA.

Community Relations – The Board has three key responsibilities in this area:

1. Ensuring that HCFA programs and services appropriately address the needs of those we serve;
2. Advocating for HCFA services/programs which includes an awareness that Board Members are always emissaries of HCFA in the community, and
3. Cooperative action, which includes determining occasions when HCFA could/should take part in coalitions, joint operations, etc.

Organizational Operations – The Board has four key responsibilities in this area:

1. Ensuring that HCFA’s management systems are adequate and appropriate;
2. Ensuring that the Board’s operations are adequate and appropriate which includes writing policies for conduct of meetings and operation of Board business;
3. Ensuring that organizational and legal structure are adequate and appropriate, and;
1. Ensuring that HCFA and its Board Members meet all applicable legal requirements.

Performance expectations for Board Members

In performing duties as a Member of the Hernando County Fair Association Board every Board Member is expected to:

- *Demonstrate a strong belief and commitment to HCFA’s mission
- *Devote the time to prepare for and participate in Board and committee meetings
- *Exhibit high ethical standards and integrity in all Board actions
- *Be an enthusiastic advocate for the Hernando County Fair Association
- *Take responsibility and accountability for HCFA and all decisions made by the Board
- *Spend the time necessary to learn how to do the job and maintain an ongoing schedule of in-service to learn how to do the job better
- *Demonstrate willingness to work as a team Member with other Board Members and the Fair Manager
- *Take responsibility and accountability to work as needed before the Annual Fair, During the Fair, after the Fair and, throughout the year to ensure the highest quality of operation for the HCFA.

Committees of the Board

The Board may establish or abolish standing or special committees as necessary.

Committee purpose

It will be the purpose of any committee appointed by the Hernando County Fair Association Board President to assist the Board of Directors to govern more efficiently. Committees will be used to investigate, deliberate, and analyze special issues on behalf of the Board. Committees will also be used to assist the Board with the many duties and operation of the Association.

Committee authority

Any committee established by the Board will have only the powers specifically delegated to it by the Board. Functions of each committee will be in writing as part of Board policy or recorded in the minutes of the meeting at which the committee was established.

Committee accountability

Committees are a subsidiary of the Board, and will be expected to report their work to the full Board on a regular basis. Each committee will be expected to make recommendations to the Board for action, such recommendations to be made by a Member of the committee in the form of a motion at a full Board meeting.

The HCFA President will annually review the work of each committee and determine which committees will be reappointed and which committees will be abandoned as no longer necessary.

Appointment of committees

The President of the Board will appoint the chairperson of each committee and all committee Members, taking into consideration the preference of the Board Members for committee assignment.

Non-Board Members may also be appointed as committee Members.

Ex-officio committee Members

The President and Fair Manager will be ex-officio Members of all committees except the Nominating Committee.

Duties of committee Members

Duties of the Members of individual Board committees will vary, but certain basic committee Member responsibilities remain the same for all committees. Those responsibilities include:

- *Attend all meetings of the committee
- *Prepare for committee meetings by studying the addenda and researching issues to be discussed at committee meetings
- *Actively participate in discussions at committee meetings
- *Follow through promptly on any assignments for the committee
- *Support committee recommendations before the full Board

The committee chairperson will convene all meetings of the committee. Meeting dates will be coordinated with the Fair Manager to avoid conflict and to ensure completion of staff support.

Minutes will be kept of committee meetings, including the Executive Committee meetings. Committees will submit a written summary of committee actions and recommendations to the Board in the Board meeting packet for the meeting at which committee recommendations will be considered.

Guidelines for the committee chairperson

The committee chairperson(s) will be expected to lead the committee. The committee chairperson is accountable for ensuring the productivity of the committee by:

- *Planning the agenda for the committee meetings
- *Ensuring that all Members of the committee are notified of committee meetings
- *Convening committee meetings and keeping meetings on track
- *Ensuring that reports and recommendations for action from the committee are presented to the full Board
- *Leading the committee to evaluate its own operations

Executive Committee

The Executive Committee will consist of the officers of the HCFA Board, the Immediate Past-President, and the Fair Manager. The committee will meet as necessary to prepare issues to be presented to the full Board and/or to make emergency decisions on behalf of the Board when it is not possible to assemble a quorum of the Board. This committee will have no power other than emergency action or other powers as may be delegated to it by the full HCFA Board from time to time. The Executive Committee will make a full report to the full Board at the next regular meeting.

Duties of Officers

The President shall:

- * Preside at all meetings of the Board of Directors and the General Membership;
- *Execute, with the Fair Grounds Manager or in the absence of the Fair Grounds Manager a Member of the Board, all contracts, agreements, and/or documents pertaining to the business of this Association;
- *Appoint and supervise all committees. The President will be an ex-officio Member of all committees;
- *Authorize payment of all obligations of the Association and along with either the Treasurer, Secretary, or Vice-President co-sign checks drawn on the Fair Treasury;
- *In the absence of a Fair Grounds Manager, conduct the day to day affairs of the Association;
- *Appoint a nominating committee to propose candidates for the Board at least thirty (30) days prior to each annual meeting;
- *Perform such other additional duties as may be assigned by the Board of Directors;
- *Act as liaison between Board and Fair Manager;
- *Encourage the Board to do long-range planning;
- *Encourage all Board Members who violate ethical standards of the Board;

- *Act to discipline Board Members who violate ethical standards of the Board;
- *Encourage all Board Members to participate in Board activities;
- *Ensure that all Board Members' views are represented in Board meetings;
- *Be bonded to co-sign checks.

The Vice-President shall:

- *In the absence of the President, perform the duties of the President;
- *Serve on the Executive Committee;
- *Work with the President to be prepared to assume that office, if necessary;
- *Provide assistance as requested by the President in conducting the affairs of the Association;
- *Serve on the Executive Committee;
- *Sign checks for authorized obligations of the Association drawn from the HCFA treasury in the absence of the President;
- *Manage special assignments as requested by the President;
- *Be bonded to co-sign checks.

The Secretary shall:

- *Serve on the Executive Committee;
- *Keep accurate minutes of meetings of the Board of Directors and General Membership;
- *Sign the minutes after they are approved by the Board;
- *Be responsible for routine correspondence of the Association as directed by the President;
- *Maintain the Administrative Manual containing the policies approved by the Board of Directors, which establishes the rules, regulations, and procedures for the day-to-day operation of the Association and shall serve as the custodian of all records of the Association;
- *Perform other such additional duties as assigned by the President;
- *Be bonded to co-sign checks.

The Treasurer shall:

- *Serve on the Executive Committee;
- *Ensure that the Board regularly receives good reports of the financial condition of the HCFA;
- *Ensure that the Board arranges for an annual audit of the HCFA's books;
- *Chair the Finance Committee;
- *Cause the timely payment of all bills approved by the President, or Vice President in the President's absence;
- *Prepare and sign checks on the Fair treasury to pay authorized obligations of the Association approved by the President, or the Vice President in the absence of the President, or the Secretary in the absence of the President and Vice President;
- *Be the custodian of all assets of the Association;
- *Keep an accurate and up-to-date accounting of all receipts and disbursements of monies of the Association;
- *Collect dues and payments due the Association;
- *Provide a financial report for each meeting of the Board and an annual financial statement for the general Membership meeting;

- *Perform such other additional duties as assigned by the President'
- *Be bonded to co-sign checks.

Immediate Past President shall:

- *Serve in an advisory position on the Executive Committee;
- *Perform such other additional duties as assigned by the President.

Conflict of Interest Policy

Purpose

The purpose of the *Conflict of Interest Policy* is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization, or might result in a possible excess benefit transaction. 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.

Definitions

1. Interested Person: Any director, principal officer or Member of a committee with governing Board delegated powers, who has a direct or indirect financial interest, as defined below, 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 Organization has a transaction or arrangement, or
 - b. A compensation arrangement with the Organization or with any entity or individual with which the Organization 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 Organization 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.

Procedures

1. **Duty to Disclose.** In connection with any 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 directors and Members

of committees with governing Board delegated powers considering the proposed transaction or arrangement.

2. **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 discussed and voted upon. The remaining Board or committee Members shall decide if a conflict of interest exists.
3. **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, he/she shall leave the meeting during the discussion of the vote on the transaction or arrangement involving the possible conflict of interest.
 - b. After exercising due diligence, the governing Board or committee shall determine whether the Organization 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.
 - c. If a more advantageous transaction or arrangement is not reasonably possible the governing Board or committee shall determine by a majority vote of the disinterested directors, whether the transaction or arrangement is in the Organization'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.
1. **Violations of the Conflicts 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 later 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.

Records of Proceedings

The minutes of the governing Board and all committees with Board delegated powers shall contain:

1. 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 exists.
2. 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.
3. All records will be kept as a permanent record by the Secretary. All records will be kept for a minimum of ten years. Records deemed unnecessary by the Executive Board for posterity may be destroyed after five years.

Annual Statements

Each director, principal officer, and Member of a committee with governing Board delegated powers shall annually sign a statement which affirms such person.

1. Has received a copy of the *Conflict of Interests Policy*.
2. Has read and understands the Policy
3. Has agreed to comply with the policy, and
4. Understands the Organization 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.

Periodic Reviews

To ensure the Organization 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:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the results of arm's length bargaining.
2. Whether partnerships, joint ventures and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for deeds and services, future charitable purposes and do not result in encumbrance, impermissible private benefit or in an excess benefit transaction.

Use of Outside Experts

When conducting the periodic reviews, the Organization may, but need not, use outside advisers. If outside experts are used, their use shall not relieve the governing Board of its responsibility for ensuring periodic reviews are conducted.

Board Member conflict of interest

Board Members have a duty to subordinate personal interests to the welfare of HCFA and those we serve. Conflicting interests can be financial, personal relationships, status or power.

Board Members and employees are prohibited from receiving gifts, fees, loans or favors from suppliers, contractors, consultants or financial agencies, which obligate or induce the Board Member or employee to compromise responsibilities to negotiate, inspect, audit, purchase or award contracts, with the best interest of HCFA either inside or outside the HCFA; or may influence Board Members or employees in any way use such information to the detriment of HCFA, Inc.

Since it is not possible to write a policy that covers all potential conflicts, Board Members and employees are expected to be alert for and avoid situations which might be construed as conflicts of interests.

Any possible conflict of interest on the part of any Board Member shall be disclosed to the other Board Members and made a matter of record, either through an annual procedure or when the interest becomes a matter of Board action, whichever comes first.

Any Board Member having a conflict of interest or possible conflict of interest should not vote or use his/her personal influence on the matter, and he/she should not be counted as part of a quorum for the meeting. The minutes of the meeting should reflect that a disclosure was made, the abstention from voting and the quorum situation.

These restrictions should not be construed as preventing the Board Member from briefly stating his/her position in the matter, nor from answering pertinent questions of other Board Members, since his/her knowledge could be of assistance to the deliberations.

All Board Members will be required to complete the “Conflict of Interests Statement”. This policy be given to each new Board Member for signature and kept with the official records.

Organizational Finance

Fiscal year

The Hernando County Fair Association, Inc. fiscal year is June 1 through May 31.

Financial management

Financial resources of HCFA are the responsibility of the Board of Directors. The Board will:

1. Have a clear plan for acquisition of financial resources to pay for programs, services, and improvements to facilities by HCFA, Inc.
2. Provide guidelines for management and allocation of financial resources which produce optimum benefit for those we serve.
3. Monitor and evaluate the financial plans and guidelines of HCFA to ensure the financial integrity of the HCFA, Inc.

Budgeting

An annual operating budget will be prepared by the Finance Committee and Fair Manager and present it to the Board for approval prior to the beginning of the next fiscal year. The budget will reflect the cost of carrying out the programs, services, and maintenance of the HCFA for the next fiscal year. This budget will also reflect the anticipated revenues of HCFA.

The budget will be viewed by the Board as their financial plan for HCFA and approval of the budget by the Board will be authority for the Fair Manager to manage HCFA’s finances according to the plan without seeking further approval of the Board. However, the Manager will keep the Board well-informed of the ongoing status of the financial plan, will not make expenditures outside of the budget plan without seeking Board approval, nor amend the budget. Amendments to the budget will be presented to the Board for approval for any of the following reasons:

- *The HCFA enters into contracts that were not included in the approved budget
- *Management proposes a major expenditure that was not included in the approved budget
- *Significant unanticipated revenues are received or cost overruns occur

Working capital reserves

A working capital reserve sufficient to keep HCFA operating for at least a 60-day period will be maintained at all times.

Accounting

The accounting system used by HCFA will utilize generally accepted accounting practices that are required and/or recommended by regulatory lending agencies and the HCFA's accountant.

The accounting practices and procedures used by HCFA will allow for adequate management of HCFA's revenues and expenses, and will provide adequate systems of monitoring by the Board of Directors as well as outside auditors.

Financial reports and audits

Reports reflecting the financial condition of HCFA will be presented to the Board monthly by the Treasurer. These financial reports will include:

- *Quarterly status of expenditures on major capital project
- *Monthly statement of cash flow
- *Monthly revenue and expense statement for the month and year-to-date in comparison to the budget.

An internal audit process will be established and maintained. The Manager will report, at least quarterly, any significant findings to the Board. Gross violations or breach of trust will be reported to the Board immediately upon discovery.

An annual audit of HCFA's finances will be conducted by an independent auditor appointed by the Board. The scope of those audits will be determined from time to time by the Board in consideration of all State and Federal regulations.

The Manager will solicit bids from two or more qualified firms at least once every five years for the audit and will recommend to the Board a firm to perform the audit. The Board's selection will be based on consideration of cost, professional qualifications, reputation, and relevant experience.

Signing checks

Authorized signatories for all general fund accounts must include two of the following: the President, Vice-President, Treasurer, or the Secretary of the Board.

It is the responsibility of the Fair Manager to ensure that signatures can be gained from appropriate signatories so that payment can be made on obligations of HCFA. It is also the responsibility of the Manager to ensure that adequate controls and safeguards have been established to ensure disbursement of funds only for proper purposes.

It is the responsibility of all check signers to ensure that there is adequate documentation, consistent with good internal controls for valid payment of checks they sign.

Use of credit cards

The Board will approve and maintain a list of authorized individuals and specified limits for each card monthly. HCFA credit cards will only be used for appropriate HCFA business and all uses will be appropriately documented. The HCFA credit card will not be used for personal expenditures.

Monthly reports of credit card billings will be provided to the Board and the Executive Committee quarterly.

Investment practices

Funds not required for current operations will be invested according to an investment plan approved and revised annually by the Board.

Investments must be government-secured and guaranteed. Investments may be made at the discretion of the Executive Board within the plan adopted by the Board with the exception of any investments in securities with a maturity of more than one year. Investments with a maturity of more than one year must have the prior approval of the Board.

The Treasurer will present reports to the Board at least quarterly which show the status of all investments, including the rate of return and current market value.

Manager limitation

The Fair Manager may not risk financial losses to HCFA beyond those that may occur in the normal course of business. The Fair Manager will:

- *Ensure against embezzlement, casualty losses to full replacement value, and against liability losses (to Board Members, organization or staff) beyond the minimally acceptable prudent level.
- *Ensure that all personnel with access to significant amounts of HCFA's money are appropriately bonded.
- *Ensure that facilities and equipment are properly maintained
- *Limit exposure of HCFA, the Board, or staff to claims of liability
- *Disburse funds only under controls sufficient to meet the Board-appointed auditor's standards
- *Ensure off-site backup of all computer and other financial records necessary for uninterrupted operation of HCFA.

Spending authorizations

The Manager may make expenditures consistent with the Board-approved budget without further Board approval. However, expenditures that are not within the Board-approved budget must be formally approved by the Board of Directors.

A list of anticipated major capital expenditures should be included with the annual budget that is submitted to the Board for approval.

Unbudgeted emergency repairs to the facilities or equipment that must be completed immediately and cannot be practically submitted to the Board for approval may be authorized by a majority of the Executive Board. The Board of Directors will be informed of the expenditures as soon as possible.

The Board President is authorized to spend up to \$2,500, for HCFA expenses, projects from \$2,501 to \$5,000, must have bids submitted, projects over \$5,001 must be advertized and sealed bids will be received. Contracts will be issued to the lowest/best bidder. Keeping in mind the lowest cost estimate may not be the best qualified to serve the HCFA.

Charitable donations by the Hernando County Fair Association, Inc.

Because of the nature of the mission of this organization, the HCFA should not make monetary charitable contributions.

Bad debts owed to the Hernando County Fair Association

If the total receivable from any one individual or organization is under \$100, the Fair Manager may authorize the dept to be written off if he/she believes the debt is noncollectable.

Write-offs of debts of \$100 or more which the Manager believes are noncollectable may be authorized only by a vote of the Hernando County Fair Association Board of Directors.

Delinquent accounts may be assigned for collection to either legal counsel or a collection agency, or taken to small claims court as the Fair Manager deems appropriate. Collection efforts will continue even after write-off until actually collected or the attorney, collection agency or small claims court deems further efforts will be futile or not cost effective.

Employment Policies

Chain of command

The Hernando County Fair Association's Board believes strongly in the chain of command:



The Board expects all staff to respect and follow the chain of command when registering complaints, making suggestions and in any other way communicating with the Board about the business of the organization. Staff Members who take complaints, requests, criticism or other organization business directly to the Board or individual Board Members without working through the Fair Manager will be considered insubordinate and subject to disciplinary measures by the Fair Manager. The single exception to this rule is if the complaint or criticism is directed at the Fair Manager.

The Board expects all Board Members to respect and follow the chain of command when communicating with staff about the business of the organization. Board Members will not take complaints, suggestions, requests or demands to the staff except through the Fair Manager. When a Board Member receives a complaint or suggestion from a staff Member other than the Manager, the Board Member will remind the staff Member of this Board's policy about following the chain of command. The Board Member will also report the staff communication to the Fair Manager.

Employee grievance procedure

The objective of this policy is to promptly and harmoniously resolve grievances and to facilitate communication with HCFA's employees. This policy applies to all paid employees. This policy is part of the HCFA's Personnel Policies Manual, but it is also included here in the Board Policy Manual to make it clear to all Board Members that they can refer employees to the grievance procedure.

Nepotism

Board Members and Members of their immediate families may not be employed by HCFA except by approval of the Board. Members of the immediate family of the Fair Manager may not be employed by HCFA without prior approval of the Board.

The term "immediate family" as used above is defined as the relationship of:

- *Husband and wife
- *Father and son or daughter
- *Mother and son or daughter
- *Brother and sister
- *Significant other

Equal employment opportunity/affirmative action

All employment decisions and personnel actions will be administered with the purpose of promoting and ensuring equal opportunity for all persons.

All hiring and promotional decisions will be made on the basis of valid, written job requirements set forth in the appropriate position description or vacancy posting.

All HCFA social and recreational programs will be administered on a non-discriminatory basis.