

**HELEN G. NASSIF COMMUNITY CANCER CENTER OF IOWA
("CANCER CENTER")**

TITLE: 3.0 Conflict of Interest

APPROVED BY: HGNCCC Board of Directors

EFFECTIVE: 7.14.2011

LAST APPROVED: 6/2019

PURPOSE

The Board of Directors of Cedar Rapids Community Cancer Center Foundation (the "Corporation") adopts this policy for the purpose of identifying and ethically resolving conflicts of interest on the part of individuals affiliated with the Corporation.

Identification and resolution of conflicts of interest which may exist on the part of Directors, Officers, members of the committees and subcommittees with board-delegated powers, and Key Employees is required by standards promulgated by the Internal Revenue Code and Treasury Regulations governing tax-exempt organizations and state law. This policy is adopted to meet these requirements, and as a matter of ethics and sound management practice.

DEFINITIONS

Family Member means spouse, parents, siblings (and their spouses), grandparents, children (and their spouses), and grandchildren (and their spouses), great grandchildren (and their spouses) and others living in the reporting person's home.

Financial Interest means that the individual has directly or indirectly, through business, investment or family, any of the following:

- (a) an ownership or investment interest in any entity with which the Corporation has a transaction or business arrangement; or
- (b) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or business 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 business arrangement.

Corporation means Cedar Rapids Community Cancer Center Foundation or a successor organization.

Key Employee means any person having organization-wide responsibilities or powers similar to those of officers. The Corporation's Board of Directors will periodically determine who is a Key Employee.

Officers mean the Chairperson, Vice Chairperson, Secretary-Treasurer, and any administrative director or other administrative officer of the Corporation.

Chairperson means the Chairperson of the Board of Directors.

Substantial Contributor means any person who has contributed an aggregate amount of \$5,000 or more to the Corporation if such an amount is more than two percent (2%) of the total contributions received by the Corporation for the tax year in which the contribution is received and calculated from the date the contribution was received.

Directors mean all members of the Board of Directors.

II. POLICY-CONFLICTS OF INTEREST

- A. A Director, Officer, committee member (including a member of a Board-appointed subcommittee), Key Employee or Substantial Contributor shall be deemed to have a potential conflict of interest in a contract or transaction if he or she, or a member of his or her family, is a party (or one of the parties) contracting or dealing with the Corporation, or if he or she, or a member of his or her family, is a director, officer, or general partner in, or has a Financial Interest in, the entity contracting or dealing with the Corporation.

Whether serving as a Director, Officer, committee member, or Key Employee, each person serves the Corporation in strictly an individual capacity. He or she does not serve in a representative capacity as the agent of, or as a spokesperson for, another organization. All decisions by persons serving in key decision-making capacities within the Corporation should be based on the individual's determination of what is in the best interest of the Corporation, exercising his or her best care and judgment in making that determination.

Directors and Officers who violate this policy may be removed from the Board, or subject to other disciplinary action as determined by the Board. Employees who violate this policy will be subject to disciplinary action up to or including discharge.

B. Procedures-Ongoing

1. **General Procedure.** Any duality of interest or potential conflict of interest, whether direct or indirect, on the part of any Director, Officer, committee member, Key Employee or Substantial Contributor, should be disclosed to the Board of Directors and made a matter of record whenever it arises, or whenever it involves a matter of Board action. Any Director, Officer, committee member, Key Employee or Substantial Contributor having a duality of interest or a possible conflict of interest in any matter should not vote or use his or her personal influence on the matter.

Transactions involving persons with conflicts must be approved in advance by a majority of Disinterested Directors. Disinterested Directors are those Directors having no direct or indirect interest in the issue or transaction. The minutes of the meeting should reflect that a disclosure was made, which members were present for the discussion, the content of the discussion, the abstention from voting and whether there was a roll call of the vote, considering any abstentions. If the lack of participation by a Director with a potential conflict of interest would cause the Board to lack a quorum, for purposes of approving a potential transaction or issue hereunder, if a majority of Disinterest Directors vote to approve the issue or transaction, a quorum shall be deemed to exist.

A duality of interest does not necessarily constitute a conflict of interest, but once recognized, must in every case be evaluated. It may, in some instances, be so serious that it prevents further participation by the individual in the Board's deliberations. On the other hand, it may be of little or no significance if it has been disclosed. If there is a

question in the mind of the individual as to whether a particular duality of interest should be disclosed, then it should be disclosed.

The foregoing requirements should not be construed as preventing the Director, Officer, and committee member, Key Employee or Substantial Contributor from briefly stating his or her position on the matter, nor from answering pertinent questions of other members at the meeting since his or her knowledge may be of assistance.

2. **Procedure in Cases of Direct Conflict of Interest** In cases in which a Director, Officer, committee member, Key Employee or Substantial Contributor has a direct financial interest in an arrangement or transaction, the following additional steps may be taken, at the discretion of the Board of Directors:

- (a) The interested person may be required to leave the meeting for the general discussion of the matter and the Board vote; and/or
- (b) A disinterested person or committee may be appointed to investigate alternatives to the proposed arrangement or transaction.

In order to approve the arrangement or transaction which involves a direct conflict of interest, the Board must first find, by majority vote of Disinterested Directors that the arrangement or transaction is in the Corporation's best interest, is fair and reasonable to the Corporation and, that after reasonable investigation, the Disinterested Directors have determined that a more advantageous transaction or arrangement cannot be obtained with reasonable efforts under the circumstances. If the lack of participation by a Director with a potential conflict of interest would cause the Board to lack a quorum, for purposes of approving a potential transaction or arrangement hereunder, if a majority of Disinterest Directors vote to approve the arrangement or transaction, a quorum shall be deemed to exist.

3. **Determining Whether to Disclose** Many circumstances in addition to direct Financial Interests could give rise to a potential conflict of interest, including instances where the actions or activities of an individual on behalf of the Corporation also involve obtaining a personal gain or advantage, or have an adverse effect on the Corporation's interests. For example, to accept gifts, excessive entertainment or other favors from any outside concern that does business with the Corporation or is a competitor of the Corporation under certain circumstances might give rise to a claim that such action was intended to influence or would possibly influence an individual in the performance of his or her duties. (This does not include the acceptance of items of nominal or minor value that are clearly tokens of respect or friendship and are not related to any particular transaction or activity of the Corporation). Also, to disclose or use information relating to the Corporation's business for the personal profit or advantage of an individual or his or her family would give rise to a claim of conflict. Full disclosure of any such situation or any other circumstances in doubt should be made, to avoid any possible appearance of conflict and permit an impartial and objective review.
4. **Administrative Approval Procedure** The Board may from time to time adopt administrative approval procedures for small transactions with conflicts that based on their size or materiality are not subject to Board approval.

C. **Procedures-Initial and Annual Disclosure**

All Directors, Officers, committee members and Key Employees shall review this conflict of interest policy and complete a conflict of interest questionnaire upon initially affiliating with the Corporation and annually thereafter.

1. **Procedure-Orientation and Initial Disclosures.** Upon election, appointment or the beginning of the term of employment or other contract, individuals newly affiliated with the Corporation shall receive a copy of this policy, plus a disclosure questionnaire to be completed and returned within two (2) weeks of receipt.
2. **Annual Disclosures.** Each year, at an established time, a designated person within the Corporation shall send disclosure questionnaires and a copy of this conflict of interest policy to all Directors, Officers, committee members and Key Employees of the Corporation. Persons receiving questionnaires shall respond with respect to potential conflicts of interest. Persons required to report who have not returned questionnaires will be contacted and follow-up will continue on a regular basis until all questionnaires have been returned. The information disclosed will be used to identify and resolve potential conflicts of interest, and to assist in completing IRS forms.

D. **Procedure for Substantial Contributors.**

1. The Conflict Review Committee or its designee shall, at least annually, compile a list of substantial contributors to the Corporation meeting the definition set out in this policy.
2. The list shall be forwarded to the current Chairperson of the Corporation.
3. Proposed transactions with Substantial Contributors shall be disclosed to the Board prior to considering the transaction.
4. In order to approve a transaction with a Substantial Contributor, the Board must find by a majority vote of Directors, at a meeting at which a quorum of Disinterested Directors is present, that the transaction is in the Corporation's best interest, is fair and reasonable to the Corporation, and after reasonable investigation, the Directors have determined that a more advantageous transaction cannot be obtained with reasonable efforts under the circumstances.

E. **Conflict Review Committee.**

The Board of Directors of the Corporation shall serve as the Conflict Review Committee, unless, in its discretion, it chooses to appoint a committee composed of Directors to assume this responsibility. When questionnaires or interim disclosures of any of the members of the Conflict Review Committee are being reviewed, the member being reviewed shall be excused from the committee's deliberations and action.

The Conflict Review Committee shall:

1. Review all annual disclosure questionnaires and interim supplemental disclosures from persons subject to this policy.

2. Identify potential conflicts of interest disclosed in such annual disclosure questionnaires or interim disclosures.
3. Investigate and evaluate, as necessary, potential conflicts of interest contained in annual disclosure questionnaires or interim disclosures.
4. Report findings, conclusions and recommendations to the Board for decision and action.
5. Identify, by position or capacity, the employees to be designated as Key Employees subject to disclosure requirements under this policy.
6. Identify substantial contributors and provide such information to the Board according to the procedure set out in this policy.
7. Keep complete records of its activities.
8. Periodically review this policy and its implementation procedures to determine whether any changes are required.

CEDAR RAPIDS COMMUNITY CANCER CENTER FOUNDATION

Questionnaire to: Directors, officers, committee members and key employees

This questionnaire is submitted to you pursuant to the conflict of interest policy that is attached. Please refer to the policy if you have questions.

Please answer all questions with respect to relationships that you or any member of your family may have with Cedar Rapids Community Cancer Center Foundation (the "Corporation").

Your answers to the questions below should reflect all current or anticipated relationships and transactions.

1. Do you hold any positions as a director, officer, manager, consultant or otherwise of, or do you own any Financial Interest in, any business from which you have reason to believe the Corporation obtains or will obtain any goods or services or otherwise conducts or will conduct any transaction or business arrangement?

Yes _____ No _____

2. Do you have a compensation relationship with any business from which you have reason to believe the Corporation obtains or will obtain any goods or services or otherwise conducts or will conduct any transaction or business arrangement?

Yes _____ No _____

3. Do you intend to or does the potential exist that you will have such position, ownership or relationship as set forth in questions 1 and 2 above?

Yes _____ No _____

4. Do you own, in whole or in part, any interest in any mortgage, deed of trust, note or other obligation which is secured in whole or in part by the Corporation or any assets of the Corporation?

Yes _____ No _____

5. Are any of your family members a Director, Officer or Key Employee of the Corporation?

Yes _____ No _____

6. Do you have a business relationship with any other Director, Officer, or Key Employee of the Corporation? (A "business relationship" being defined as any of the following:

1) Being employed by the individual in a sole proprietorship or by an organization with which the individual is associated as a director, trustee, officer, key employee or greater-than-35% owner;

2) Transacting business with the individual (other than in the ordinary course of either party's business on the same terms as are generally offered to the public), directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services or other transaction involving transfers of cash or property valued in excess of \$10,000 in the aggregate during the organization's tax year. Indirect transactions are transactions with an organization with which the one person is associated as a director, trustee, officer, key employee or greater-than-35% owner; or

3) Being a director, trustee, officer or greater than 10% owner in the same business or investment entity other than the Corporation.)

For the purposes of this question, a "business relationship" does not include privileged relationships such as between attorney and client, medical professional and patient or clergy and communicant.

Yes _____ No _____

If you have answered "Yes" to ANY question, please provide an explanation on the back of this questionnaire or an attached sheet.

By signing below, you acknowledge and agree that:

1. You have received a copy of the current Conflict of Interest Policy for the Corporation and you have read and understand the policy.
2. You understand that the conflict of interest policy applies to the Corporation and to all Directors, Officers, members of committees and subcommittees having board-delegated powers and Key Employees.
3. You understand that your answers to all questions are to relate to the Corporation with respect to current and anticipated relationships and transactions.
4. You understand that the Corporation is a charitable organization and that in order to maintain its tax-exempt status it must continually engage primarily in activities that accomplish one or more of their tax-exempt purposes.
5. You will comply with the conflict of interest policy, including reporting any changes in the foregoing responses that may result from changes in circumstances prior to the next questionnaire.

Name: Please PRINT or TYPE

Signature

Date