



Early Learning Coalition of Manatee County

Related Party Transactions Policy

Purpose

This policy is to established and ensure full disclosure and review of all potential and actual Related Party Transactions by the Early Learning Coalition of Manatee County's Board of Directors and staff. The policy is intended to promote transparency, accountability, and compliance with applicable federal and state requirements, including requirements related to the stewardship of public funds. This policy defines related parties, establishes disclosure requirements, and ensures that related party transactions are reviewed and approved through an independent process to determine whether they are fair, reasonable, and in the best interest of the Coalition.

Scope

The Coalition is charged with a fiduciary responsibility to safeguard public funds and to use resources wisely. A major factor in fulfilling this responsibility is ensuring adequate internal controls exist. The prevention and elimination of conflicts of interest, including disclosure and vetting of any Related Party Transactions is an example of a control objective that meets the transparency requirements of good stewardship.

Definitions

Conflicts of Interest – For any transaction the benefits of an interested party may be seen as competing with those of the State of Florida and/or the Coalition. Conflicts of interest may be financial or non-financial, may include actual, potential, and perceived conflicts of interest, may include organizational conflicts of interest that occur because of a relationship with an affiliate or subsidiary organization, and/or may occur due to governing board members and/or active agency employees.

Related Party – A person or entity that has a relationship with the Coalition that could influence, or appear to influence, decision-making regarding financial or operational matters. Related parties may include, but are not limited to, members of the Board of Directors, executive leadership, employees, immediate family members, organizations in which such individuals have ownership or control interests, affiliates, subsidiaries, or other entities where a relationship exists that could create an actual, potential, or perceived conflict of interest.

Related Party Transaction - Interaction between two parties, one of whom can exercise control or significant influence over the financial activities of the other; any activity or business conducted with an individual or organization with or in which one party has a pecuniary interest; any activity or business conducted by an individual who is a relative; any activity or business conducted with an individual or entity identified in a "Annual Related Party Declaration and Disclosure Form" filed with the Coalition.

Disclosure – For the purposes of this policy all Board of Directors and employees are subject to annual disclosure of potential related parties and specific disclosure if a related party transaction arises during the year.

Relative - Spouse, child, grandchild, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of the spouse.

Interest – Any opportunity for direct or indirect benefit, including benefit to an immediate family member or a related party.

2/24/2010

Authorized by: Board of Directors

Revised: 9/16/2026

Review Date: 7/1/2015; 9/8/2021

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Actions

It is the responsibility of Coalition Board of Directors and staff to comply with this policy by disclosing all Related Party Transactions. Any such transaction must be judged by the Board of Directors based upon a sound economic basis that is in the best interest of the Coalition.

All Related Party Transactions must be reviewed and approved by the Board of Directors prior to execution of the contract or transaction. Related parties must remove themselves from the discussion of the transaction, except to answer factual questions. Related parties shall not attempt to exert their personal influence with respect to the matter, either at or outside the meeting. At the discretion of the Coalition Board Chair, a person with a real or apparent conflict may be excused for any or all of the discussion and deliberations. Related Party Transactions involving employees shall be reviewed by the Chief Executive Officer and/or designee and submitted to the Board of Directors for approval when required. Employees involved in a Related Party Transaction shall not participate in decisions regarding vendor selection, contract approval, payment authorization, or oversight of the related party.

After a thorough review, the Board of Directors will determine the extent of any conflicts and if it is in the best interest of the Coalition to proceed with the transaction. In addition, applicable Related Party Transaction disclosures and declarations and other relevant materials will be reviewed by Coalition staff prior to any procurement.

Related party activity must be submitted to the Division of Early Learning for review and acceptance. Detailed procedures are listed in the DEL Grant Agreement, Related Party Disclosure section.

Prohibited Transactions

The Coalition shall not enter into a Related Party Transaction unless the Board of Directors determines that the transaction is fair, reasonable, and in the best interest of the Coalition. Transactions that provide an improper personal benefit, create an unacceptable conflict of interest, violate applicable laws, regulations, DEL grant agreement, or procurement requirements shall not be approved.

Associated Documents

Division of Early Learning Grant Agreement, Related Party Disclosures

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