CONFLICT OF INTEREST

DEPARTMENT OF HEALTH'S CITRUS COUNTY HEALTH ADMINISTRATOR
AND HEALTH OFFICER SERVING ON BOARD OF DIRECTORS OF
NONPROFIT PROVIDING GRANT TO DEPARTMENT

To: Beverly Hunt Diehr, Esquire (Largo)

SUMMARY:

Under the circumstances presented, no prohibited conflict of interest would be created were the administrator/health officer, or another employee, of a local health department of the Department of Health to serve on the board of directors of a nonprofit corporation providing grant funding to the health department. CEOs 80-46, 85-47, 90-4, 00-23, 06-12, and 18-6 are referenced.¹

QUESTION:

Would a prohibited conflict of interest be created were the administrator/health officer, or another employee, of a Department of Health's county health department to be appointed by it as a director of a nonprofit corporation that awards grant money to the county health department?

Under the circumstances presented, your question is answered in the negative.

In your letter of inquiry, additional materials supplied to our staff, and telephone conversations between you and our staff, you relate that you make inquiry in behalf of your client, the Department of Health (DOH), and one of its employees. The Department would like to appoint the employee, who is currently the Administrator of DOH's Citrus County health department (DOH-Citrus), or an alternate highly-ranked employee, to serve as a director of the Citrus County Community Charitable Foundation, Inc. (Foundation), a nonprofit Florida corporation with IRS 501(c)(3) status, created by

¹ Prior opinions of the Commission on Ethics may be obtained from its website (www.ethics.state.fl.us).
the Citrus County Hospital Board\textsuperscript{2} pursuant to Chapter 2014-254, Laws of Florida. The purpose of the Foundation is to award grants to eligible organizations that, among other things, serve the medically-related needs of the citizens of Citrus County.\textsuperscript{3} Section 5.03 F. of the Foundation's bylaws requires that the Public Health Officer (e.g., director or administrator of DOH-Citrus), or alternate highest ranking officer/employee of the department, serve as one of eleven directors on the Foundation's board of directors. You indicate that the subject employee, DOH-Citrus' administrator, served on the Foundation board for several years, that his most recent term has expired, and that the Foundation has proposed his reappointment for another term.

Except for reimbursement of out-of-pocket expenses, you relate that the subject employee will not be compensated for serving on the Foundation's board. You further relate that DOH provides no funding to the Foundation and DOH-Citrus does not purchase, rent, or lease any realty, goods or services from the Foundation. However, you advise that DOH-Citrus has received grant funds from the Foundation. Specifically, you relate that in 2017\textsuperscript{4}, the Foundation provided a $10,000 grant to DOH-Citrus "to assist the Department's preparation of a community health assessment addressing medical needs in Citrus County." You indicate that due to anticipated reduction in funding available to DOH-Citrus to provided indigent medical care services, the subject employee anticipates that DOH-Citrus will seek grant funding from any available source—including grants from the Foundation—in order to continue to provide medical care to indigent Citrus County citizens.

Two provisions of the Code of Ethics for Public Officers and Employees are relevant to your inquiry. The first is Section 112.313(7)(a), Florida Statutes, which states:

\textbf{CONFLICTING EMPLOYMENT OR CONTRACTUAL RELATIONSHIP.—}
(a) No public officer or employee of an agency shall have or hold any employment or contractual relationship with any business entity or any agency which is subject

\textsuperscript{2}The Citrus County Hospital Board is an independent special district and agency of Citrus County, pursuant to Chapter 2014-254, Laws of Florida.
\textsuperscript{3}See Section 1.03 of the Amended and Restated Bylaws of Citrus County Community Charitable Foundation, Inc.
\textsuperscript{4}Before 2017, no grant funding was provided by the Foundation to DOH-Citrus.
to the regulation of, or is doing business with, an agency of which he or she is an
officer or employee...; nor shall an officer or employee of an agency have or hold
any employment or contractual relationship that will create a continuing or
frequently recurring conflict between his or her private interests and the
performance of his or her public duties or that would impede the full and faithful
discharge of his or her public duties.

The first part of Section 112.313(7)(a) would prohibit the subject employee from having a
contractual relationship with the Foundation, a business entity (defined in Section 112.312(5),
Florida Statutes, to include corporations) doing business with (by virtue of a grant agreement
between DOH-Citrus and the Foundation) DOH-Citrus. CEO 06-12. The second part would
prohibit the subject employee from having a contractual relationship which would create a
continuing or frequently recurring conflict between his private interest and the performance of his
public duties or which would impede the full and faithful discharge of his public duties.

Both prohibitions are predicated on the existence of a contractual relationship, and we have
previously held that reimbursement of expenses does not constitute the "compensation' that would
indicate a contractual relationship.\(^5\) We have also found that uncompensated directors of a
corporation, who are not also members of the corporation,\(^6\) have no contractual relationship with
the organization. CEO 06-12.\(^7\) As the employee has no contractual relationship with the
Foundation, we find no prohibited conflict under Section 112.313(7)(a).

The second provision of the Code of Ethics that is relevant to your inquiry is Section
112.313(3), Florida Statutes, which states:

DOING BUSINESS WITH ONE'S AGENCY.—No employee of an agency acting

\(^5\)See CEO 00-23, fn. 2, and CEO 90-4

\(^6\) Based upon your communications with our staff, this opinion assumes that the subject
employee will only serve as a director on the Foundation's board and not also as a member of the
nonprofit. See CEO 06-12.

\(^7\) See also, CEO 80-46 and 85-47
in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or the officer's or employee's spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer's or employee's own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision. The foregoing shall not apply to district offices maintained by legislators when such offices are located in the legislator's place of business or when such offices are on property wholly or partially owned by the legislator. This subsection shall not affect or be construed to prohibit contracts entered into prior to:

(a) October 1, 1975.
(b) Qualification for elective office.
(c) Appointment to public office.
(d) Beginning public employment.

This section prohibits a public employee from acting in an official capacity as a purchasing agent to purchase services for his agency (e.g., DOH-Citrus) from a business entity (e.g., the Foundation) of which he is a director. It also prohibits a public employee from acting in a private capacity to sell services to his own agency. However, Section 112.313(3) does not apply because DOH-Citrus does not purchase, rent, or lease any realty, goods, or services from the Foundation and the Foundation is not selling goods or services to DOH-Citrus. See CEO 18-06. Rather, the Foundation is providing funding to DOH-Citrus.

Accordingly, under the specific circumstances of your inquiry, we find that no prohibited conflict of interest would be created were DOH to appoint the subject employee, or an alternate highly-ranked employee, to serve as an uncompensated director of the Citrus County Community Charitable Foundation, Inc., a nonprofit corporation.

Your question is answered accordingly.
cc: Beverly Hunt Diehr, Esquire
GWN/der/mlb
Dear Mr. Anderson:

Thank you for speaking with me recently regarding the Department of Health’s question about a community board membership proposed for DOH’s Citrus County Health Department’s Administrator. The Department of Health and the referenced employee have both asked me to request a formal opinion as to whether the proposed membership presents a conflict of interest.

I have attached a letter summarizing the facts and have also attached Laws of Florida 2014-254 and the Amended Bylaws of Citrus County Community Charitable Foundation, Inc. for the Commission’s consideration.

Thank you for your time and attention to this question.

Sincerely,

Beverly Hunt Diehr  
Chief Legal Counsel  
Florida Department of Health  
West Central Florida Legal Consortium  
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December 19, 2018

Florida Commission on Ethics  
Attn: Chris Anderson  
Building E, Suite 200  
325 John Knox Rd.  
Tallahassee, FL 32303

Re: Florida Commission on Ethics (FCOE) Formal Opinion Request

Dear Mr. Anderson:

We recently spoke by telephone concerning an inquiry from my client, the Department of Health, as to whether the appointment of its employee as a Director of the Citrus County Charitable Foundation, Inc. ("CCCF"), poses a conflict of interest with the employee’s employment as Administrator of DOH’s Citrus County Health Department.

The employee and the Department have authorized me to request a formal Commission opinion on his behalf. The employee serves as Administrator and Health Officer for the Florida Department of Health’s Citrus County Health Department, a position authorized by Section 154.04(1), Fla. Stat. As such, he oversees the daily operations of the Citrus County Health Department, which provides various public health services in Citrus County including obstetrical services for indigent women, identification and treatment for persons suffering from tuberculosis, HIV/AIDS, and sexually transmitted diseases, as well as environmental health regulatory services and other services authorized and required by Chapter 154, Fla. Stat. The Department applies for and receives state, federal, and local funding and grants to perform these community services.

The Citrus County Charitable Foundation, Inc. is a non-profit quasi-governmental entity established under the authority of Laws of Florida 14-254 (attached), which created the Citrus County Hospital Board, as an independent special district and authorized the Hospital Board to create an irrevocable foundation or trust to manage the proceeds of a lease of the public hospital. The law also authorized the Hospital Board to “partner with the Department of Health and other entities “in furtherance of the hospital board’s public purpose and the necessity for the preservation of the public health and welfare of the residents of ... (Citrus)... county”, CCF, Inc, the foundation created by the Hospital Board, is awarded ad valorem tax revenues from the hospital board. The expenditure of all public tax funds by CCF, Inc. must be approved in a public meeting and accounted for annually.

DOH-Citrus’ employee’s directorship on the Board is uncompensated, except for reimbursement for out-of-pocket expenses.
DOH-Citrus Inquiry
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The Foundation Bylaws (attached, page 5, section 5.03 F.) require the Citrus County Health Department’s Health Officer (Director/Administrator) or alternate highest ranking employee to serve as a CCCF, Inc. Board Director. The composition of the CCCF, Inc. Board is an 11-member Board with designated community roles. Two citizen members are elected by Citrus County residents. The remaining members are appointed due to their public or community functions, including persons who serve on the Citrus Board of County Commissioners, the City Councils of the cities of Inverness and Crystal River, the College of Central Florida’s Vice President, and the DOH-Citrus’ Health Officer. Other directors must be the Chiefs of the Medical Staff of two local hospitals, the President of the Citrus County Medical Society, and the President of the Well Care Alliance.

DOH-Citrus’ Administrator acted as a Director of the Foundation Board for several years. His most recent term has expired and CCCF, Inc. has proposed his reappointment for another term.

The Department of Health provides no funding to CCCF, Inc. DOH-Citrus does not directly or indirectly purchase, rent or lease any realty, goods, or services from CCCF, Inc.

Before 2017, the Foundation had not provided any grant funding to DOH-Citrus. In 2017, CCCF provided a $10,000.00 grant award to the Department of Health-Citrus to assist the Department’s preparation of a community health assessment addressing medical needs in Citrus County. Our employee was on the Foundation Board at the time, but abstained from voting on the proposed grant award.

Due to expected reductions in funding available to DOH-Citrus to provide indigent medical care services, DOH-Citrus’ Administrator anticipates that DOH-Citrus will seek grant funding from any available source, including CCCF, Inc. grants, to continue to provide medical care to indigent Citrus County citizens. He wishes to be certain his membership on the CCCF, Inc. Board, or the membership of another highly-ranked Health Department employee, does not constitute a conflict of interest or prohibit DOH-Citrus from seeking grant funding from this source.

The CCCF, Inc. Board is required by the enabling statute and its bylaws to function in compliance with all ethical and other laws applicable to public agencies and employees. The Bylaws prohibit the Corporation from entering any contract or other transaction with its Directors or any entity in which the Director has a financial interest or “authority to plan, direct, or control such entity’s activities”, but provides for a waiver of the prohibition if the Director discloses the conflict in writing, abstains from voting or participating in the decision, leaves the room for discussion and vote, and if the transaction is approved by vote of 75% of the present majority of the Board. Our employee has the described “authority” within DOH-Citrus and would be required by the Bylaws to abstain from any vote on funding grants to DOH-Citrus.

I have attached the enabling legislation (LOF 2014-254) and the Bylaws of the Foundation for your review. I will be happy to provide any additional information you may feel would assist your assessment.

Sincerely,

[Signature]
Beverly Hunt Diehr, Esquire
Chief Legal Counsel

BHD/cel
CHAPTER 2014-254

Committee Substitute for
Committee Substitute for House Bill No. 1445

An act relating to the Citrus County Hospital Board, Citrus County; amending chapter 2011-256, Laws of Florida; authorizing the board to create an irrevocable community foundation or trust to manage the proceeds of a lease of the hospital and its facilities to a private for-profit entity; authorizing the board to create and staff an irrevocable community foundation or trust to manage the proceeds of certain leases; providing that proceeds of certain leases may only be used for medically related needs of citizens and residents of Citrus County; providing for certain members of the governing body of the irrevocable community trust or foundation; requiring the Supervisor of Elections to conduct elections to select such members upon the request of the board; requiring the irrevocable community trust or foundation to comply with certain rules and laws applicable to governmental entities and their elected and appointed officials; providing that an irrevocable community trust or foundation created by the board is subject to the audit authority of the clerk of the court; authorizing the board to enter into leases or contracts with any Florida corporation, rather than only a Florida nonprofit corporation, for the purpose of operating or managing the hospital and its facilities; providing applicability; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 3 of chapter 2011-256, Laws of Florida, is amended to read:

Section 1. This act may be cited as the “Citrus County Hospital and Medical Nursing and Convalescent Home Act.”

Section 2. As used in this act, the following words and terms have the following meanings:

(1) “Citrus County Hospital Board,” “hospital board,” and “board” means the Citrus County Hospital Board.

(2) “County” means Citrus County.

(3) “County hospital and medical nursing and convalescent homes” includes hospitals, medical care facilities, clinics, and other allied medical care units.

(4) “Indigent care” means medically necessary health care provided to Citrus County residents who are determined to be qualified pursuant to the provisions of the Florida Health Care Responsibility Act, section 154.304(9),

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Florida Statutes, and the Florida Health Care Indigency Eligibility Certification Standards, Florida Administrative Code, rule 59H-1.0035(30).

(5) “Operate” includes build, construct, maintain, repair, alter, expand, equip, lease pursuant to and consistent with the provisions of this act, finance, and operate.

(6) “Property” means real and personal property of every nature whatsoever.

(7) “State” means the State of Florida.

Section 3. (1) There is hereby created the Citrus County Hospital Board, an independent special district, and by that name the board may sue and be sued, plead and be impleaded, contract and be contracted with, acquire and dispose of property or any interest therein, and have an official seal. The board is created as a public nonprofit corporation without stock and is composed of and governed by the five members herein provided for, to be known as trustees. The hospital board is hereby constituted and declared to be an agency of the county and incorporated for the purpose of operating hospitals, medical nursing homes, and convalescent homes in the county. The hospital board shall consist of five trustees appointed by the Governor, and, upon this act becoming a law, the present members will automatically become trustees and shall constitute the board. Their respective terms of office shall be the term each member is presently serving. All subsequent appointments, upon the expiration of the present terms, shall be for terms of 4 years each. Upon the expiration of the term of each trustee, the successor shall be appointed by the Governor. Likewise, any vacancy occurring shall be filled by appointment by the Governor for the unexpired term. Each appointment by the Governor is subject to approval and confirmation by the Senate.

(2) The trustees of the board shall elect from among its members a chair, a vice chair, and a secretary-treasurer, who shall each hold office for a period of 1 year. Each trustee shall execute a bond in the penal sum of $5,000 with a good and sufficient surety of a surety company authorized under the laws of the state to become surety, payable to the Citrus County Hospital Board, conditioned upon the faithful performance of the duties of the trustee, which bonds shall be approved by the remaining trustees of the board and shall be filed with the Board of County Commissioners of Citrus County. The premiums on such bonds shall be paid by the hospital board.

(3) The hospital board shall comply with the applicable requirements of chapter 280, Florida Statutes, and part IV of chapter 218, Florida Statutes.

(4) Any and all funds so deposited shall be withdrawn by a check or warrant signed by two trustees of the hospital board, of which one shall be the chair, vice chair, or secretary-treasurer. No check or warrant exceeding the sum of $25,000 shall be delivered to the payee without approval thereof shown in the minutes of the hospital board meeting.

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Section 4. The trustees of the board shall receive no compensation for their services. Three trustees shall constitute a quorum of the hospital board for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the board only upon a vote in the affirmative of three trustees thereof.

Section 5. The Citrus County Hospital Board as hereby created shall be for the purpose of operating, in Citrus County, public hospitals, medical nursing homes, and convalescent homes, primarily and chiefly for the benefit of the citizens and residents of Citrus County. Authority is hereby given to the board to build, erect, expand, equip, maintain, operate, alter, change, lease pursuant to and consistent with the provisions of this act, and repair public hospitals, medical nursing homes, and convalescent homes in Citrus County. The corporation is authorized, when rooms and services are available, without detriment or deprivation to the citizens and residents of Citrus County, to extend the hospitalization and medical nursing home and convalescent home services provided by such hospitals, medical nursing homes, and convalescent homes to patients from adjoining and other counties of Florida and from other states, upon the payment of the cost of such hospitalization, medical nursing home services, and convalescent home services as may be determined by the trustees of the hospital board. The board shall have the power and authority to operate an ambulance system and ambulance services and to charge all patients for all services rendered in any facility owned or operated by the hospital board, including the ambulance facility. The board may charge a patient interest on the patient's account; sell, discount, or assign such account to a bank, finance company, collection agency, or other type of collection facility; accept promissory notes or other types of debt obligations from a patient; assign or discount such accounts receivable, notes, or other obligations; require a patient to guarantee the payment of an existing account or note; require a guarantee of payment before admitting a patient; and receive and assign any assignment of all types of insurance proceeds. In addition to all other powers, the board shall have the power and authority to:

1. Provide for the payment of indigent care services by private health care providers in the county, or to partner with other entities such as the Department of Health, in furtherance of the hospital board's public purpose and the necessity for the preservation of the public health and welfare of the residents of the county by the hospital board.

2. Develop and implement a county health plan.

3. In its discretion, create an irrevocable community trust or foundation to manage the proceeds of a lease of the hospital and its facilities to a private for-profit entity.

(a) The board may create and staff an irrevocable community trust or foundation to manage the proceeds of a lease of the hospital and its facilities to a private for-profit entity if such lease results in net proceeds that exceed existing debt associated with the hospital and its facilities for loans, notes.

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revenue bonds, or other bond obligations and a reasonable estimate of the board's administrative costs and costs to facilitate, manage, or enforce the lease and its covenants for the term of the lease. Such proceeds and any interest derived therefrom may be appropriated by the irrevocable community trust or foundation only for the medically related needs of citizens and residents of Citrus County.

(b) The governing body of the community trust or foundation must include at least two members who are citizens of Citrus County who shall be elected on a nonpartisan, countywide basis to serve a single 4-year term, except, for purposes of establishing staggered terms, the term of one initial citizen member shall be for 2 years. A citizen member may not serve more than one term on the governing body of the irrevocable community trust or foundation. Any vacancy occurring during a term of office for a citizen member shall be filled by appointment of the board for the remainder of the unexpired portion of the term. Upon the request of the board, the Supervisor of Elections for Citrus County shall conduct elections to fill the seats of the citizen members of the governing body of the irrevocable community trust or foundation.

(c) The irrevocable community trust or foundation shall be considered a quasi-governmental entity and, at a minimum, must comply with all disclosure, accountability, ethics, and government-in-the-sunshine requirements which apply both to governmental entities and to their elected and appointed officials.

(d) The irrevocable community trust or foundation is subject to the audit authority of the Clerk of the Court for Citrus County.

Section 6. The board of county commissioners shall levy or cause to be levied each year beginning July 1, 1965, the millage certified to the board of county commissioners by the trustees of the board upon all taxable real and personal property in Citrus County, not including, however, homestead property that is exempt from general taxation by the Constitution of the State of Florida, for the purpose of erecting, building, equipping, maintaining, changing, altering, repairing, leasing, and operating the public hospital provided for in this act. Such tax shall be known as the hospital tax, and the property appraiser shall make such assessments and the tax collector shall collect such assessments when made. The money collected shall be paid monthly to the board. However, the annual tax levied under this section may not exceed 3 mills.

Section 6.7. The hospital board is hereby authorized and empowered to own and acquire property by purchase, lease, gift, grant, or transfer from the county, the state, or the Federal Government, or any subdivision or agency thereof, or from any municipality, person, partnership, or corporation and to acquire, construct, maintain, operate, expand, alter, repair, change, lease, finance, and equip hospitals, medical nursing homes, convalescent homes, medical care facilities, and clinics in the county.

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Section 7.8. The hospital board is authorized and empowered to enter into contracts with individuals, partnerships, corporations, municipalities, the county, the state or any subdivision or agency thereof, or the United States of America or any subdivision or agency thereof to carry out the purposes of this act.

Section 8.9. The hospital board is empowered to and shall adopt all necessary rules, regulations, and bylaws for the operation of hospitals, medical nursing homes, and convalescent homes; provide for the admission thereto and treatment of such charity patients who are citizens of the state and residents of the county for the preceding 2 years; set the fees and charges to be made for the admission and treatment therein of all patients; and establish the qualifications for members of the medical profession to be entitled to practice therein.

Section 9.10. The hospital board shall have the power to purchase any and all equipment that may be needed for the operation of hospitals, medical nursing homes, and convalescent homes and shall have the power to appoint and hire such agent or agents, technical experts, attorneys, and all other employees as are necessary for carrying out the purposes of this act, regardless of any lease to a not-for-profit corporation, including the hiring and maintenance of staff personnel as it may deem appropriate to assist the board in the discharge of its operational, financial, and statutory responsibilities, and in carrying out its fiduciary duties to the taxpayers of Citrus County, and to prescribe their salaries and duties. The board shall have the power to discharge all employees or agents when deemed necessary by the board for the carrying out of the purposes of this act.

Section 10.11. At the end of each fiscal year, the Citrus County Hospital Board shall within 30 days file with the Clerk of the Circuit Court of Citrus County a full, complete, and detailed accounting of the preceding year and at the same time shall file a certified copy of such financial report with the Board of County Commissioners of Citrus County, which report shall be recorded in the minutes of the board of county commissioners. The board of county commissioners, at its discretion and at the expense of the county, may publish and report an accounting in a newspaper of general circulation in Citrus County.

Section 11.12. In addition to all other implied and express powers contained in this act, the board shall have the express authority to negotiate loans to borrow money from any state or federal agency for the purpose or purposes of constructing, maintaining, repairing, altering, expanding, equipping, leasing, and operating county hospitals, medical nursing homes, convalescent homes, medical care facilities, clinics, and all other types of allied medical care units.

Section 12.13. (1) In addition to all other implied and express powers contained in this act, the board shall have the express authority to borrow money, with or without issuing notes therefor, for the purpose or purposes of constructing, maintaining, repairing, altering, expanding, equipping,
leasing, and operating county hospitals, medical nursing homes, convalescent homes, medical care facilities, clinics, and all other types of allied medical care units. The board's authority to borrow money, with or without issuing notes, shall be subject to the conditions of this act applying to the board's right to issue revenue bonds.

(2) The board shall have express authority to issue bonds, subject to approval at a referendum of the voters of the county, and to issue revenue bonds, without a referendum of the voters of the county, the proceeds of which shall be used for erecting, equipping, building, expanding, altering, changing, maintaining, operating, leasing, and repairing such hospitals, medical nursing homes, and convalescent homes. Such bonds, federal or state hospital loans, notes, or revenue bonds shall mature within 30 years after the year in which they are issued or made and shall be payable in such years and amounts as shall be approved by the board.

(3) The board shall determine the form of the loans, notes, bonds, and revenue bonds, including any interest coupons to be attached thereto, and the manner of executing them, and shall fix the denomination or denominations thereof and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. In case a trustee whose signature or a facsimile of whose signature appears on any loan, note, bond, or revenue certificate or coupon ceases to be such trustee before the delivery thereof, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if the trustee had remained in office until such delivery. All loan agreements, notes, bonds, and revenue bonds issued hereunder shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state.

(4) Whenever the board passes a resolution approving the issuance of such bonds, the board shall call for an election and, subject to such election, permit the repayment of the bonds out of an annual levy not to exceed 1.5 mills per year. Such millage is included in the maximum millage of 3 mills per year. Subject to such limitations, such bonds shall be payable from the full faith and credit of the board.

(5) The loans, notes, and revenue bonds, together with the interest, shall be payable from gross or net receipts of the hospital board or any portion thereof.

(6) Such loans, notes, bonds, or revenue bonds shall not bear interest in excess of the maximum rate permitted by the laws of the state.

(7) The board may sell bonds, loans, notes, or revenue bonds in such manner, either at public or private sale, and for such price as it may determine to be for the best interest of the hospital board.

Section 13.14. The total amount of outstanding bonds of the hospital payable from ad valorem taxation at any one time shall not exceed an amount
equal to 6 times the annual hospital tax, assuming such tax is based upon the yearly millage of 3 mills.

Section 14.15. (1) The Citrus County Hospital Board shall have the authority to enter into leases or contracts with a not-for-profit Florida corporation for the purpose of operating and managing the hospital and any or all of its facilities of any kind and nature.

(2) The Citrus County Hospital Board shall have the power and authority to:

(a) Provide health care services to residents of the county through the use of health care facilities not owned and operated by the hospital board. The provision of such care is hereby found and declared to be a public purpose and necessary for the preservation of the public health and welfare of the residents of the county.

(b) Maintain an office.

(c) Provide for reimbursement to hospitals, physicians, or other health care providers or facilities, whether public or private, and pay private physicians for indigent care.

(3) The hospital board is hereby restricted from reimbursing any health care providers or facilities, including hospitals and physicians, for their bad debts arising from those patients who are not eligible for reimbursement under hospital board guidelines. The hospital board, however, shall continue to reimburse such health care providers for the medical care of medically needy patients, to the extent of the hospital board’s financial resources, taking into account funds available from other sources, including other governmental funding sources.

Section 15.46. To ensure public oversight, accountability, and public benefit, in addition to the requirements for any such lease set forth in section 155.40, Florida Statutes:

(1) The not-for-profit corporation shall separately account for the expenditure of all ad valorem tax moneys provided to it by the Citrus County Hospital Board, including maintaining them in a separate accounting fund. The expenditure for all such public tax funds shall be approved in a public meeting and separately accounted for annually by the not-for-profit corporation in a report provided to the Citrus County Hospital Board.

(2) The articles of incorporation, all amendments or restatements of the articles of incorporation, all corporate bylaws, all amendments or restatements of the corporate bylaws, and all other governing documents of the not-for-profit corporation shall be subject to the approval of the hospital board, and any such documents that have not heretofore been approved by the hospital board shall be submitted forthwith to the hospital board for approval.

CODING: Words stricken are deletions; words underlined are additions.
(3) The hospital board shall be the sole member of the not-for-profit corporation.

(4) The hospital board shall independently approve any plan of merger or dissolution of the not-for-profit corporation pursuant to sections 617.1103 and 617.1402, Florida Statutes, and may reject any such plan in its sole discretion.

(5) The members of the hospital board shall be voting directors of the not-for-profit board of directors who constitute a majority of the voting directors of the not-for-profit corporation; and, to the extent that any governance documents of the not-for-profit corporation do not so presently provide, the not-for-profit corporation shall forthwith take all steps necessary to bring them into conformity with this majority membership requirement.

(6) All members of the not-for-profit board of directors shall be subject to approval by the hospital board, and any board members presently serving who have not heretofore been approved by the hospital board shall be submitted forthwith to the hospital board for approval.

(7) The chief executive officer of the not-for-profit corporation and his or her term of office and any extensions thereof shall be approved by the hospital board, and the hospital board may terminate the term of the chief executive officer of the not-for-profit corporation with or without cause in its sole discretion, subject to the terms of any and all then-existing contracts.

(8) The hospital board shall approve all borrowing of money by the not-for-profit corporation in any form and for any reason in an amount exceeding $100,000, any additional loan indebtedness or leases in excess of $1.25 million per instrument or contract, and all policies of the not-for-profit corporation that govern travel reimbursements and contract bid procedures.

(9) No annual operating and capital budget of the not-for-profit corporation shall become effective until approved by the hospital board.

(10) Any capital project of the not-for-profit corporation having a value in excess of $250,000 per project, and any nonbudgeted operative expenditure in excess of $125,000 in the per annum aggregate, shall be approved by the hospital board.

(11) At the discretion of the hospital board, each and every year the not-for-profit corporation shall complete an independent audit of the fiscal management of the hospital by an auditor chosen by the hospital board, with the audit to be paid for by the not-for-profit corporation.

(12) All records of the not-for-profit corporation shall be public records unless exempt by law.

(13) Subject to the annual approved budget, the hospital board shall reimburse the not-for-profit corporation for indigent care pursuant to the Florida Health Care Responsibility Act and the Florida Indigent

CODING: Words striken are deletions; words underlined are additions.
Certification Standards and shall take into account funds available from other sources, including other governmental funding sources.

(14) The provisions in this act and the hospital board's lease with the not-for-profit corporation shall be construed and interpreted as furthering the public health and welfare and the open government requirements of s. 24, Art. I of the State Constitution and sections 119.01 and 286.011, Florida Statutes.

(15) Any dispute between the hospital board and the not-for-profit corporation shall be subject to any court action pursuant to sections 164.101-164.1065, Florida Statutes.

Section 2. The amendments made by this act to section 5 of the charter of the Citrus County Hospital Board apply to leases entered into after January 1, 2014, with a for-profit Florida corporation.

Section 3. This act shall take effect October 15, 2014.

Approved by the Governor May 12, 2014.

Filed in Office Secretary of State May 12, 2014.
Chris, I left you a voice mail today. My client, the Department of Health, Citrus County would like to proceed with requesting a formal opinion of the Commission. We would prefer that it be structured without referencing the name of the individual employee if possible. I will re-send the request I sent for an informal opinion with minor edits; please let me know if additional edits are needed for the formal opinion.

Beverly Hunt Diehr
Chief Legal Counsel
Florida Department of Health
West Central Florida Legal Consortium
8751 Ulmerton Road, Suite 1300
Largo, Florida 33771
NOTE NEW NUMBER: (727) 507-4327
Fax (727) 507-4329
Beverly.diehr@flhealth.gov

Beverly,
It was a pleasure speaking with you. Please inquire via replying to this email.
Thank you,
Chris Anderson
C. Christopher Anderson, III
General Counsel and Deputy Executive Director
Florida Commission on Ethics
(850) 488-7864
AMENDED AND RESTATED
BYLAWS
OF
CITRUS COUNTY COMMUNITY
CHARITABLE FOUNDATION, INC.
Amended and Restated
Bylaws of Citrus County Community Charitable Foundation, Inc.
Revised as of September 12, 2018

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AMENDED AND RESTATED BYLAWS OF 
CITRUS COUNTY COMMUNITY CHARITABLE FOUNDATION, INC. 

January 26, 2017 September 12, 2018

ARTICLE I – NAME AND PURPOSE

Section 1.01 Corporation Not-for-Profit. The Corporation is a Florida not-for-profit corporation formed in accordance with Chapter 617 of the Florida Statutes and Laws of Florida 2014-254.

Section 1.02 Purposes. The Corporation is created by the Citrus County Hospital Board, a Florida independent special district and county agency, pursuant to the authorization of Laws of Florida 2014-254 as an instrumentality of the State of Florida (or of a subdivision of the State of Florida), and is organized and operated exclusively for charitable, scientific, literary, and educational purposes in order to carry out the purposes of the Citrus County Hospital Board, for the promotion of health for the benefit of the Citrus County, Florida community by providing funding for the medically-related needs of the citizens and residents of Citrus County, Florida. The Corporation will benefit only residents of Citrus County, Florida. It is the intent of the incorporator that funds transferred by the Citrus County Hospital Board to this Corporation shall not be used in any manner or fashion to underwrite the costs of medical services currently being provided in Citrus County or be used to build roads or buildings or be paid to individuals for healthcare needs or services at any hospital.

Section 1.03 Mission. The Citrus County Community Charitable Foundation, Inc. is a non-profit 501 (c)(3) entity. Its purpose is to award grants to groups and eligible organizations that establish programs, research, or initiatives that promote the health or satisfy the medically related needs of the citizens and residents of Citrus County, Florida.

Section 1.04 Name of the Corporation. The name of the corporation is Citrus County Community Charitable Foundation, Inc., or as otherwise stated in the Corporation’s Articles of Incorporation, recognized by the Laws of the State of Florida (hereinafter, “the Corporation”).

Section 1.05 Prohibited Activities.

A. Unless otherwise expressly provided herein, no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation or these Bylaws.

B. No substantial part of the activities or finances of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation
shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

C. Notwithstanding any other provision of these Bylaws or the Articles of Incorporation, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future tax code, or by a Corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

ARTICLE II - OFFICES

Section 2.01 Principal Place of Business. The principal place of business of the Corporation shall be as stated in the Articles of Incorporation, as reported annually to the State of Florida in its Annual Report, or such other location as may be determined from time to time by the Board of Directors of the Corporation, but always located within the boundary of Citrus County, Florida; currently, at 9373 E. River Moon Court, Inverness, Florida 34453.

Section 2.02 Other Offices. The Corporation may have other offices but always within the boundary of Citrus County, Florida.

ARTICLE III - MEMBERSHIP

Section 3.01 Sole Member. The Corporation shall have one Member ("Sole Member"), the Citrus County Hospital Board ("CCHB") an independent special district of the State of Florida and public not-for-profit corporation created by a special act of the Florida Legislature or, if CCHB is no longer in existence, CCHB's lawfully recognized governmental successor-in-interest, state agency or other governmental entity designated by law to act as CCHB's successor-in-interest.

Section 3.02 Property Rights. The foregoing sole member in Section 3.01 (the "Sole Member") shall not have any right, title, or interest in any of the property or assets of the Corporation including any earnings, interest, or investment income of the Corporation.

Section 3.03 Liability of the Sole Member. The sole Member shall not be personally or otherwise liable for any of the Corporation's debts, liabilities, or obligations, nor shall the sole Member be subject to any assessment, penalties or fines.
ARTICLE IV - MEETINGS OF THE SOLE MEMBER

Section 4.01 - Sole Member Meetings.

A. Annual Meeting. An annual meeting of the Sole Member shall be held during the month of October on the day selected by the Board of Directors, at the principal office of the Corporation or at such other place as may be designated from time to time by the Board of Directors. If the day fixed for the annual meeting shall be a legal holiday in the State of Florida, such meeting shall be held on the next succeeding business day. At the meeting, the Sole Member shall elect directors (if necessary) and transact such other business as may properly be brought before the meeting.

B. Special Meetings. Special meetings of the Sole Member shall be held when called by the Chair, the Board of Directors, or the Sole Member, at such places and at such times as may be designated by the Board of Directors or the Sole Member. At such meetings, the Sole Member shall transact such business as may be properly brought before the meeting.

Section 4.02 - Notice of Meetings. The Board of Directors shall provide notice of the date, time, place and purpose of the Sole Member's meetings to the Sole Member, and to the public, at least seven (7) calendar days prior to the meeting, or as otherwise required by law.

Section 4.03 - Quorum and Voting. The presence of the Sole Member of the Corporation at a meeting of the Sole Member constitutes a quorum. The affirmative vote of the sole Member shall be the act of the Sole Member unless otherwise provided by law.

Section 4.04 - No Proxies. The Sole Member may not vote by proxy.

Section 4.05 - No Action Without A Meeting. The sole Member may not take action without a meeting.

Section 4.06 - Waiver of Notice of Meetings. When notice of a meeting of the Sole Member is required, notice need not be given to the sole Member who signs a waiver of notice either before or after the meeting. Attendance of the sole Member at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all obligations to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a Sole Member states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened. Nothing herein permits waiver of notice to the public as may be required by law.
ARTICLE V - DIRECTORS

Section 5.01  Powers of the Board. All corporate powers shall be exercised by or under the authority of, and the affairs of the Corporation shall be managed under the direction of, the Corporation’s Board of Directors, subject to any limitations set forth in the Articles of Incorporation.

Section 5.02  Number of Directors. The number of directors of the Corporation shall be at least eleven (11). The number of directors may be increased or decreased from time to time by resolution of the Board adopted at any duly-called special or regular meeting or by written action in accordance with these Bylaws; provided, however, that the representation and appointment standards for the Board of Directors as set forth in Section 5.04 are met; provided, further that, no decrease shall have the effect of shortening the term of any incumbent director.

Section 5.03  Election/Appointment and Term. Directors shall be elected or appointed for terms of office on a staggered basis, except as otherwise provided for below, at the annual meeting of the Board of Directors as follows:

A. Two (2) directors shall be elected by registered voters residing in Citrus County, Florida, at the General Election, on a nonpartisan, countywide basis; provided that, in the first election of these two directors - one (1) director shall be elected for a four-year term and one (1) director shall be elected for a two-year term. Thereafter, one (1) director shall be elected every two (2) years for a full four (4) year term, in order that the two directors elected by the residents of Citrus County have staggered terms on the Board of Directors; provided, further, that the Board of Directors shall request the Supervisor of Elections for Citrus County to conduct such elections; all costs, if any, associated with the conduct of this election shall be borne by the Corporation;

B. The sole Member shall appoint one (1) director from among the members of the Citrus County Hospital Board by delivering such appointment in writing to the Board of Directors prior to the Corporation’s annual meeting at which such appointee takes office;

C. The Citrus County Board of County Commissioners shall appoint one (1) director from among the members of the Citrus County Board of County Commissioners by delivering such appointment in writing to the Board of Directors prior to the Corporation’s annual meeting at which such appointee takes office;

D. The City Council of the City of Inverness shall appoint one (1) director from among the members of the City Council of the City of Inverness by delivering such appointment in
writing to the Board of Directors prior to the Corporation’s annual meeting at which such appointee takes office;

E. The City Council of the City of Crystal River shall appoint one (1) director from among the members of the City Council of the City of Crystal River by delivering such appointment in writing to the Board of Directors prior to the Corporation’s annual meeting at which such appointee takes office;

F. The Citrus County Health Department shall appoint its Public Health Officer (or if the Public Health Officer does not meet the qualifications for Directors as provided in Section 5.04 of these Bylaws, the next ranking officer/employee of the Citrus County Health Department that meets such qualifications) by delivering such appointment in writing to the Board of Directors prior to the Corporation’s annual meeting at which such appointee takes office;

G. The Citrus County Campus of the College of Central Florida shall appoint its Vice President (or if the Vice President does not meet the additional qualifications for Directors as provided in Section 5.04 of these Bylaws, the next ranking officer/employee of the Citrus County Campus of the College of Central Florida that meets such qualifications) by delivering such appointment in writing to the Board of Directors prior to the Corporation’s annual meeting at which such appointee takes office; and

H. Three (3) directors shall be elected or appointed at the Corporation’s annual meeting as follows:

1. Every two (2) years the Chief of Medical Staff of Bayfront Seven Rivers Hospital and Citrus Memorial Hospital shall rotate (or if the Chief of Medical Staff does not meet the additional qualifications for Directors as provided for in Section 5.04 of these Bylaws, the next ranking officer/employee of the medical staff of the respective hospital that meets such qualifications) by delivering such appointment in writing to the Board of Directors prior to the Corporation’s annual meeting at which such appointee takes office;

2. The Citrus County Medical Society shall appoint its President (or, if the President does not meet the additional qualifications for Directors as provided in Section 5.04 of these Bylaws, the next ranking officer/employee of the Citrus County Medical Society that meets such qualifications) by delivering such appointment in writing to the Board of Directors prior to the Corporation’s annual meeting at which such appointee takes office; and

3. The Florida Well-Care Alliance shall appoint its President (or, if the President does not meet the additional qualifications for Directors as provided in Section 5.04 of
these Bylaws, the next ranking officer/employee of the Florida Well-Care Alliance that meets such qualifications) by delivering such appointment in writing to the Board prior to the Corporation’s annual meeting at which such appointee takes office.

Each Director shall hold office for the term of which such Director is appointed or elected or until such Director’s earlier resignation, removal from office, or death. Directors may serve a maximum of four (4) years and may requalify for service after a two-year break.

Section 5.04 Qualifications of Directors. Directors must be natural persons who are eighteen (18) years of age or older, a U.S. Citizen, a resident of Citrus County, Florida, and eligible for appointment or election as set forth in Section 5.03.

Section 5.05 Compensation. No member of the Board of Directors shall receive any compensation from the Corporation; provided however, that Directors may be reimbursed for any reasonable out-of-pocket expenses incurred in furtherance of their duties as Directors if approved by the Board of Directors.

Section 5.06 Meetings.

A. Regular Meetings. Regular meetings of the Board of Directors shall meet at least monthly at a legally noticed public meeting. At regular meetings of the Board of Directors, it shall transact any business that may properly be brought before the meeting.

B. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President or Chair, or by any three (3) members of the Board of Directors, at such times as designated by the Board of Directors. At such special legally noticed meetings, the Board of Directors shall transact any business that may be properly brought before the meeting.

C. Annual Meeting. The first regular meeting of the Board of Directors in each fiscal year shall be the annual meeting. At the annual meeting, the Board of Directors shall receive any Director appointments, confirm that such Directors are qualified to hold office and confirm the terms of office of such directors, elect officers and transact such business as may properly be brought before the meeting.

D. Waiver of Notice of Meetings. When notice of a meeting of the Board of Directors is required, notice need not be given to any Director who signs a waiver of notice either before or after the meeting. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all obligations to the place of the meeting, the time of the meeting, or the manner in which it has been called or
convened, except when a Director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened.

Section 5.07 Place of Meetings. Meetings of the Board of Directors, whether regular, special, or annual, shall be held in Citrus County, Florida, at such place or places as the Board of Directors may from time to time by resolution so designate.

Section 5.08 Notice of Meetings. Written and public notice of the date, time, place, and purpose or agenda shall be given to the Board of Directors and the public at least seven (7) calendar days prior to the meeting, or as otherwise required by law.

Section 5.09 Quorum and Voting. A majority of the number of Board of Directors shall be defined as six (6) members physically present in the meeting room which shall constitute a quorum for the transaction of business; provided, however, that regardless of the number present, no quorum shall exist without the presence at the meeting of the Director appointed by the Sole Member. To affirmatively pass any matter there shall be no less than six (6) Directors voting in the affirmative.

Section 5.10 Presumption of Assent. A Director who is present at a meeting of the Board of Directors or a committee of the Board of Directors where corporate action is taken is deemed to have assented to the action taken at such meeting unless such Director objects at the beginning of the meeting (or promptly upon such Director's arrival) to holding such meeting or transacting specified business at such meeting or such Director votes against or abstains from the action taken.

Section 5.11 Participation in Meeting by Telephone or Similar Communication Equipment. In the event that a quorum of the Board of Directors is physically present at a meeting of the Board of Directors, a physically absent member may participate by conference telephone or similar communications equipment such that all persons participating in the meeting can hear each other, if the absence is due to extraordinary circumstances (such as illness). The Board of Directors shall determine in advance of such participation whether the absence is due to an extraordinary circumstance and thus accept Directors' participation via communication tool.

Section 5.12 No Action Without a Meeting. The Board of Directors may not take any action or authorize any expenditure without a properly noticed public meeting.

Section 5.13 Resignation of Directors.

A. A Director may resign at any time by delivering written notice to the Board of Directors. A resignation is effective when the notice is delivered unless the resignation notice specifies a later effective date. The resignation letter is to be delivered to the Chair of the Board of Directors, or the next ranking officer and presented at the next regularly scheduled legally noticed Board of Directors meeting. If a resignation is made effective at a later date, the Board
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may fill the pending vacancy from the class of members listed herein in the respective category before the effective date if the Board of Directors provides that the successor does not take office until the effective date contained in the resignation notice.

A. In the event that a Director fails to attend three (3) consecutive regular meetings of the Board of Directors, then such may be determined to be unacceptable and the Board of Directors may determine the Director's date of involuntary resignation was the date of the last missed meeting.

Section 5.14 Removal of Directors. At a meeting of the Board of Directors called expressly for that purpose, where a quorum of the Board of Directors is present, any director may be removed for cause by an affirmative vote of seventy-five percent (75%) of the Board of Directors and the consent of the Sole Member. The meeting for this action shall comply with the seven (7) days' legal notice of intended action.

Section 5.15 Vacancies. Any vacancy occurring on the Board shall be filled in the same manner as the election of such vacated position, provided the Sole Member is notified. Any vacancy occurring for the position of Director as identified in Section 5.03 (a) shall be filled by the Sole Member. An individual elected or appointed to fill a vacancy shall hold office for the remainder of the vacated term.

Section 5.16 Duties and General Standards.

A. A director shall perform and discharge the duties of a director, including duties as a member of any committee of the Board of Directors upon which he or she may serve, in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the best interests of the Corporation; and,

B. In performing such Director's duties, including when serving as a member of any committee of the Board of Directors, a Director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data prepared or presented by:

(1) One or more officers or employees of a Corporation whom the director reasonably believes to be reliable and competent in the matters presented;

(2) Legal counsel, public accountants, or other persons as to matters the director reasonably believes are in such person's professional or expert competence; or

(3) A committee of the Board of Directors of which such Director is not a member if the Director reasonably believes such committee merits confidence.
C. A Director that relies on information as described in Section 5.16.B. shall not be deemed to be acting in good faith however, if the Director has knowledge concerning the matter in question that makes such reliance unwarranted.

D. A Director shall not be liable for any action taken as a Director, or any failure to take any action, if such Director has performed the duties of such Director’s office in compliance with the provisions of this Section.

Section 5.17 Liability of Directors. The Directors of the Corporation shall not be personally liable for money damages to any person for any statement, vote, decision or failure to take an action, regarding organizational management or policy by an officer or Director, or for the debts, liabilities, or other obligations of Corporation, unless:

1. The Director breached or failed to perform such Director’s duties as a Director; and
2. The Director’s breach of, or failure to perform, such Director’s duties constitutes:
   a. A violation of the criminal law, unless the Director had reasonable cause to believe such Director’s conduct was lawful or had no reasonable cause to believe such Director’s conduct was unlawful;
   b. A transaction from which the Director derived an improper personal benefit, directly or indirectly; or,
   c. Recklessness or an act of omission that was committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.

Section 5.18 Directors’ Conflict of Interest or Related Party Transactions. The Corporation shall not enter into any contract or other transaction with any of its Directors (or family members of any of its Directors) or any Corporation, partnership, limited liability corporation, business entities, firm trust, association, or other entity, whether for profit or not-for-profit, in which any of the Directors (or family members of the Directors) are directors, officers, or possess a financial interest or authority to plan, direct or control such entity’s activities. The foregoing probation may be waived if, but only if:

A. A subject Director(s) of the Corporation with a conflict discloses the existence of such conflict in a public meeting of the Corporation (regular or committee) by filing a written statement of such conflict with the Secretary of the Corporation; and

B. The subject Director(s) of the Corporation with a conflict abstains from voting upon or otherwise participating in any decision to approve the proposed transaction; and

C. The subject Director(s) of the Corporation with a conflict leaves the room during any discussion or vote concerning the proposed transaction; and

D. The proposed transaction is approved by an affirmative vote of seventy-five percent (75%) of the majority of the Board present at any regular or special meeting; and
E. If the dollar amount of the proposed transaction exceeds $100,000, then the Sole Member must also separately approve the expenditure, by majority vote, at a regularly scheduled meeting of the Sole Member.

For purpose of this section, the term "family member" shall mean and include any spouse, child, grandchild, stepchild, parent, in law relatives, step-parent, stepgrandparent, and/or cousin. The Corporation shall adopt an additional and separate Conflict of Interest Policy augmenting the foregoing requirements to ensure appropriate disclosure by all Directors of the Corporation and ongoing monitoring by the Corporation.

ARTICLE VI - COMMITTEES

Section 6.01 Committees. The Board of Directors, by resolution, may adopt and designate from among its Directors standing committees and when needed, with Board of Directors approval, the Chair may appoint ad-hoc committees. The Board of Directors shall not delegate any of its authority to a committee and no committee shall have the authority to take any action on behalf of the Board of Directors.

Section 6.02 Audit Committee. The Board of Directors shall designate from among its members an Audit Committee and name the chairperson of such committee. The Audit Committee shall be comprised of at least three (3) members of the Board of Directors, one (1) of which shall be the Treasurer. The Audit Committee shall have the authority to assess and monitor the financial health of the Corporation including but not limited to:

A. Financial reporting for the Corporation;
B. Internal controls of the Corporation;
C. Regulatory and tax requirements of the Corporation;
D. Oversee the risk management of the Corporation;
E. Maintain interaction between the Corporation and Auditors; and
F. Ensure that an independent Audit Report is completed annually, at the time of any change in Treasurer, responsibility, and as otherwise requested by majority vote of the Board of Directors. All audit reports will be presented to the Board of Directors at its first meeting following the completion of the Audit.

Section 6.03 Compensation/Personnel Committee. In the event the Corporation has employees, the Board of Directors shall designate from its members a Compensation/Personnel Committee and name the chairperson of such committee. The Compensation/Personnel Committee will be responsible for making recommendations to the Board of Directors regarding human resources management policies, including but not limited to the following:

A. Job responsibilities of the employee;
B. Compensation and benefits for the employee;
C. Determination of employee status: full time, part time, independent contractor, etc.;
D. Annual evaluation of employee(s) performance such evaluation presented to the Board at the Corporation’s annual meeting; and

E. Research of comparative data offered during Personnel Committee discussions in their determinations of action.

The compensation for employees or independent contractors of the Corporation shall not exceed an amount that is reasonable. The Compensation/Personnel Committee shall use appropriate data to determine the amount of recommended compensation for consideration by the Board of Directors, such as compensation paid by similar organizations for functionally comparable positions and current compensation surveys compiled by independent firms.

Section 6.04 Investment Committee. The Board of Directors shall designate from among its members an Investment Committee and name the chairperson of such committee. The Investment Committee shall develop for approval by the Board of Directors an Investment Policy for the Corporation that takes into account all requirements of Federal and State Law regarding investments by a Section 501(c)(3) charitable organizations. The Investment Committee shall evaluate and make recommendations as to the investment and management of the Corporation’s funds (other than funds used for its charitable purposes) in accordance with the Investment Policy Statement. Membership of the Investment Committee shall also include at least two of the following as voting and permanent members: (i) a licensed securities broker, (ii) a licensed financial planner, and (iii) a certified public accountant; these members may or may not be current Directors.

Section 6.05 Committee Guidelines. Each committee established pursuant to this Article must have two (2) or more committee members designated from the Board of Directors who shall serve at the pleasure of the Board of Directors. The Board of Directors, by majority vote, may designate an alternate member who may act in the place and stead of any absent committee member. The Board of Directors may appoint such other individuals, who are not members of the Board of Directors, to Ad Hoc Committees as it deems necessary and proper. All committee members must adhere to the conflict of interest standards set forth in these Bylaws, or as otherwise provided for in Board of Directors policies.

Section 6.06 Committee Duties. Committees are responsible for and shall:

A. Keep and maintain attendance records at the committee meetings;
B. Keep and maintain voting records of committee members at committee meetings;
C. Provide at least, monthly committee reports to the Board of Directors;
D. Keep a record of the specific terms of the arrangements and dates of Board of Directors approval of committee recommendations; and
E. Perform such other requirements as directed by the Board of Directors.

Section 6.07 No Compensation for Committee Members. No committee member shall receive compensation from the Corporation for services rendered as a committee member. Subject to prior approval of the Board of Directors, a committee member may receive reimbursement (or
advances, as the case may be) for all reasonable and documented expenses incurred in the course of performing the services as officers of the Corporation.

Section 6.08 Grant Committee. The Board of Directors shall designate from among its members a Grant Committee and name the chairperson of such committee. The Grant Committee shall develop, for approval by the Board of Directors, a policy and procedure setting forth the process, guidelines, and criteria for the solicitation, award and administration of the Corporation’s grant funding; and it shall administer the grant program. In developing the policy and procedure, and in administering the grant program, the Grant Committee shall take into account all requirements of Federal and State Law for Section 501(c)(3) charitable organizations, the non-competition provisions of these bylaws, and any non-compete agreements that the Board of Directors may enter into. The Board of Directors may appoint such other additional persons, who may not be members of the Board of Directors, to the Grants Committee as it deems necessary and proper.

Section 6.09 Ad Hoc Committees. An ad hoc committee may be determined by the Chair of the Board of Directors, provided however, the committee must be charged with a clearly defined purpose with the expectation of responsibilities being directed toward a specific topic or issue of concern. All ad hoc committee membership, purpose and tasks will be established by resolution of the Board of Directors, approved by majority vote. The ad hoc committee will report activities and recommendations as appropriate to the Board of Directors at monthly scheduled meetings.

ARTICLE VII - GOVERNMENTAL OVERSIGHT

Section 7.01 Sunshine Law. All meetings and business of the Corporation and its Board of Directors shall be conducted in compliance with Florida's Sunshine Law.


Section 7.03 Disclosure, Accountability and Ethics. The Corporation shall comply with all disclosure, accountability, and ethics requirements which apply to governmental entities and their elected and appointed officials.

Section 7.04 County Audit Authority. The Corporation shall be subject to the audit authority of the Clerk of the Circuit Court for Citrus County, Florida.

ARTICLE VIII - OFFICERS

Section 8.01 Officers. The officers of the Corporation shall consist of a President, Vice President, Secretary, Treasurer, Past Presidents, and such other officers as the Board of
Directors may from time to time consider necessary for the proper conduct of business. The same person may not simultaneously hold more than one office, except that the offices of Secretary and Treasurer may be held by the same person. The Secretary may elect to establish and accept nominations for the office of Assistant Secretary.

Section 8.02 Election, Term of Office and Qualifications. Any Director who has served two (2) years or more on the Board shall be eligible to serve as President or Vice President of the Corporation. Any Director serving one year or more on the Board shall be eligible to serve as Treasurer or Secretary of the Corporation. Any Director serving on the Board shall be eligible to serve as the Assistant Secretary. Officers shall serve for two-year terms.

Unless otherwise approved by the Board, at the conclusion of each term of office, the Vice President shall succeed the President upon completion of the President’s two-year term. The person vacating the office of President then rotates into the office of Past President for a two-year term, and out of any of the other offices of the Corporation. Nominations for officers are accepted at the September meeting each year. All nominations for officers shall be submitted to the Board for election to office at the October meeting. Where there is only one nominee for each office, the slate of officers shall be submitted to the Board for a vote. In the event there is more than one nominee for a particular office, the Board shall undertake a separate vote for each office. Upon motion by a Director to elect a nominee from the list of nominees for particular office, the Board shall vote on each nominee until a nominee is elected into office.

Section 8.03 Officer Resignation. An officer may resign at any time by delivering notice to the Board of Directors in writing. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Board of Directors accepts the future effective date, the Board of Directors may fill the pending vacancy before the stated effective date if the Board of Directors provides that the successor does not take office until such effective date.

Section 8.04 Removal of an Officer. The Board of Directors may remove any officer at any time with or without cause by a majority vote of the Board of Directors.

Section 8.05 Vacancies. Any vacancy in any office except Past President occurring by reason of death, resignation, removal, disqualification, or any other cause shall be filled by majority vote of the Board of Directors.

Section 8.06 Contract Rights. The appointment of an officer does not itself create contract rights. An officer’s removal does not affect the officer’s contract rights, if any, with the
Corporation, nor does an officer's resignation affect the Corporation's contract rights, if any, with such officer.

Section 8.07 Duties of Officers.

A. President. The President shall be the chief executive officer of the Corporation, shall have authority over the general and active management of the business and affairs of the Corporation subject to the direction of the Board of Directors, and shall preside at all meetings of the Board of Directors. The President may be a non-voting member of all committees, unless specifically identified as a member of a Committee, and then the President would have committee voting privileges. The President may sign, with the Secretary/Treasurer, or other officer duly authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments that execute the business of the Corporation; except in the cases where the signing and execution thereof shall have been expressly delegated by the Board of Directors by these Bylaws or by law to some other officer or agent of the Corporation.

B. Vice President. The Vice President shall serve as an assistant to the President and shall perform other duties and have such authority and power as prescribed from time to time by the Board of Directors or the President. In the absence or disability of the President, the Vice President shall perform the duties and have the authority and power of the President.

C. Secretary. The Secretary shall be responsible for the custody and maintenance of all records, shall record the minutes of all meetings of the Board and maintain copies of minutes of all committee meetings, shall ensure notices for all meetings are publicly noticed as required by law, and shall perform such other duties and have such other authority and power as may be prescribed from time to time by the Board or the President. The Secretary may elect to accept nominations for an Assistant-Secretary to aid the Secretary in carrying out public records requirements and other duties as directed by the Secretary.

D. Treasurer. The Treasurer shall have custody of all corporate funds and financial records, shall keep full and accurate records of receipts and disbursements and render accounts thereof when required by the Board of Directors or by the President, and shall perform such other duties and have such other authority and power as may be prescribed from time to time by the Board of Directors or the President. If so required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of such Treasurer's duties in the sum and with such surety or sureties as the Board of Directors may deem appropriate.
E. Past President. The Past President, regardless of whether he or she remains a representative appointed member of the Board of Directors in accordance with Section 5.03 of these bylaws, shall remain an ex officio member of the Board of Directors for so long as he or she serves in the office of Past President, shall perform duties in support of the President and other duties as requested by the Board or President, and shall have no authority to vote.

Provided he or she remains a member of the Board of Directors
But shall not be a voting officer
a. shall perform duties in support of the President and other duties as requested by the Board.

Section 8.08 Compensation. No officer shall receive compensation from the Corporation for services rendered as an officer. Subject to prior approval of the Board of Directors, an officer may receive reimbursement (or advances, as the case may be) for all reasonable and documented expenses incurred in the course of performing the services as officers of the Corporation.

ARTICLE IX - FINANCIAL MANAGEMENT; FUNDS, DEPOSITS, AND CHECKS

Section 9.01 Gifts and Contributions. The Board of Directors shall receive and administer funds received.

Section 9.02 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other departments as determined by majority vote of the Board of Directors.

Section 9.03 Restrictions of Use of Transaction Proceeds Funds.

A. Transaction Proceeds Funds are those funds received from the Sole Member.

B. Restrictions on the use of these funds in this Section are a condition to receiving the contribution of funds from the sole Member.

C. Eighty Percent (80%) of Earnings Limitations. Only eighty percent (80%) of the earnings from the Transaction Proceeds, as defined herein shall be used for any charitable purpose. After the expiration of the twenty-four (24) month hold (Nov 1, 2014 to Oct 31, 2016) the Corporation shall use for its charitable purposes no more than eighty percent (80%) of the earnings (dividends and interest) (the “Charitable Funds”) in each subsequent investment year, defined as July 1 to June 30. Earnings shall be defined as the net increase in investment capital (not including deposits to principal assets) over the investment year, plus any dividends, interest or other income from invested assets during the investment year. Charitable Funds may not be carried over from one fiscal year to another; provided that Charitable Funds, calculated as of June 30 each year shall be
available commencing October 1 each year, shall be appropriated by the end of the then current fiscal year, and expended no later than the end of the subsequent fiscal year. If the earning funds are not appropriated and expended as required, then the amount of the unused earnings Charitable Funds shall revert to the principal of the funds and shall not be subject to charitable use. The principal plus appreciation thereon shall at all times remain in the fund and not subject to expenditure. Only eighty percent (80%) of the earnings from the Transaction Proceeds, as defined herein, shall be used for charitable purpose.

Section 9.04 Restrictions on Charitable Distributions to Organizations.

A. The Board of Directors may distribute funds for a purpose to an organization with funds intended for the betterment of Citrus County Citizens. If a represented compensated individual is a member of the Board of Directors then a recusal from discussion and voting shall occur, pursuant to the conflict of interest standards set forth in these Bylaws, Board policies, and as otherwise required by law.

B. A vote of the Board of Directors to distribute more than $250,000 to any one recipient in any year must be by unanimous approval of the Board of Directors. Any amount in excess of $250,000 must have the approval of the Sole Member.

C. The Corporation shall not use funds to pay for programs or services that create market competition for current medical providers or HCA, except that the Corporation may provide funds to public or not-for-profit organizations to provide medically related services for underinsured, uninsured or indigent residents or citizens of Citrus County.

D. Paying individuals for personal healthcare needs or services is prohibited.

Section 9.05 Checks, Drafts, Orders for Payment. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall require the signatures of two (2) Officers of the Corporation, one of which must be the Treasurer.

ARTICLE X - BOOKS AND RECORDS

Section 10.01 Corporate Records. The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors and committees of directors. Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time. The Corporation shall keep the following as permanent records in written form or in another form capable of conversion into written form within a reasonable time.
A. Copy of the Articles of Incorporation, By-Laws, and any amendments thereto currently in effect;
B. Minutes of all Board meetings, and a record of all actions taken by such Board;
C. Minutes of all committee meetings, and a record of all actions taken by such said committee;
D. Record of the name and address of the Sole Member, Citrus County Hospital Board;
E. Listing of the names and addresses of the Corporation’s current directors and officers;
F. Listing of the names and addresses of the Corporation’s committee members;
G. The Corporation’s most recent annual reports, including financial and investment audits;
H. Accounting records, including annual financial reports, banking statements; and
I. Such other records as may be required by law.

ARTICLE XI – INDEMNIFICATION

Section 11.01 Indemnification of Directors and Officers. Unless otherwise stated herein, the Corporation shall indemnify any director or officer who is a party to any proceeding (other than an action by, or in the right of, the Corporation), by reason of the fact that he or she is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer, against any liability incurred in connection with such proceeding to the extent allowed and pursuant to the procedures set forth in Section 617.0831 of the Florida Statutes.

ARTICLE XII – MISCELLANEOUS

Section 12.01 Corporate Seal. A corporate seal shall not be required to be attached to any instrument executed by or on behalf of the Corporation unless required by law, but if so required shall be of such shape and have such words thereon as may be described by law or by the Board of Directors of the Corporation. The seal may be used by impressing it or reproducing an authorized facsimile or electronic copy thereof, or otherwise as directed by the Board of Directors.

Section 12.02 Fiscal Year. The Fiscal Year for the Corporation shall be the fiscal year ending September 30.

Section 12.03 Non-Discrimination. The Corporation shall not discriminate based on any federal, state, or locally designated protected basis.

Section 12.04 Right to Defend. If the Corporation is sued by HCA Holdings, Inc., West Florida, Inc., Citrus Memorial Hospital, Inc., HCA Health Services of Florida, Inc., or any of their successors-in-interest or affiliates (collectively, "HCA"), any party to the Contemplated Transaction (as defined in the Master Agreement dated as of September 2014 by and among the Sole Member, Citrus Memorial Health Foundation, Inc., Citrus Memorial Hospital, Inc., and HCA Health Services of Florida, Inc.) or any other party related to the Contemplated
Transactions or HCA, then the Sole Member retains the right to defend or assert any and all legal claims and defenses arising out of or related to any proceeds from the Contemplated Transactions which may be held by the Corporation or to which the Corporation may be entitled. The costs of such defense, including but not limited to legal fees, shall be paid by the Corporation. It shall be the sole and absolute discretion of the Sole Member to defend or assert any claim or defense arising out of or related to any proceeds from the Contemplated Transactions which may be held by the Corporation or to which the Corporation may be entitled.

Section 12.054 Non Competition. The Corporation shall not in any way compete with or provide funds to any organization or third party that offers the same service that the lessee/buyer of Citrus Memorial Hospital provides.

Section 12.056 Amendment of Bylaws. The Board may amend or repeal the Corporation's bylaws; provided, however, that any amendment to the following specifically delineated bylaws must also be approved by a unanimous vote of the Sole Member and its shareholders.

A. Article I, Section 1.02
B. Article III, Section 3.01
C. Article V, Section 5.02 and 5.03
D. Article IX, Section 9.03 and 9.04
E. Article XII, Section 12.05

Any amendment to Article V, Section 5.03 Section C, must also have the unanimous approval of the Citrus County Board of County Commissioners.

Section 12.076 Relation to Articles of Incorporation. These Bylaws shall be subject to, and governed by the Articles of Incorporation.

Section 12.077 Amendment of Articles of Incorporation. Amendments to the Articles of Incorporation shall be made in accordance with the law.
CERTIFICATE

We, the undersigned, hereby certify that we acted as Chair and Secretary, respectively, of a meeting of the Board of Directors of Citrus County Community Charitable Foundation, Inc., held on the _______day of ________, 2017, at which the foregoing Bylaws were duly adopted as and for the Bylaws of Citrus County Community Charitable Foundation, Inc., and we hereby certify that the foregoing constitutes the Bylaws of Citrus County Community Charitable Foundation, Inc.

Mike Gudis, President/Chairperson
Board of Directors
Citrus County Community Charitable Foundation, Inc.

__________________________________________
Date

__________________________________________
Date

Jeff Wallis, Secretary/Treasurer
Board of Directors
Citrus County Community Charitable Foundation, Inc.
Amended and Restated
Bylaws of Citrus County Community Charitable Foundation, Inc.
Revised as of September 12, 2018

CERTIFICATE

We, the undersigned, hereby certify that we acted as Chair and Secretary, respectively, of a meeting of the Board of Directors of the Citrus County Hospital Board held on the ________ day of _________, 2018 at which the foregoing Amended and Restated Bylaws were confirmed and approved.

______________________________ ________________________________
Jeff Wallis Debbie Ressler, Chairperson
Board of Directors
Citrus County Hospital Board, Inc.

______________________________
Jeff Wallis
Secretary/Treasurer
Board of Directors
Citrus County Hospital Board, Inc.

Date

Date
RECORD OF ADOPTION, AMENDMENTS AND RESTATEMENTS

 Adopted: October 2014

 Amended: January 22, 2015; Confirmed by CCHB January 30, 2015; Bylaw provision 5.02 and 5.03(k) were amended by the CCCC on January 22, 2015 and confirmed by the CCHB on January 30, 2015.

 Amended: By CCCC on May 2015

 Amended: By CCCC on June 2015

 Amended: By CCCC on October 2015

 Amended: Amended and Restated Bylaws approved by CCCC on October 27, 2016; Confirmed by CCHB on January 23, 2017; adopted by CCCC on January 26, 2017.

 Amended: Amended Section 8.01, 8.02, 8.07A-D, and 9.03. Approved by CCCC on September 27, 2017; Confirmed by CCHB on May 21, 2018; adopted by CCCC on May 24, 2018.

 Amended: Amended and Restated Bylaws: Amended Section 1.02, Section 1.03, Section 2.01, Article III, Article IV, Section 5.02, Section 5.03B, Section 5.09, Section 5.14, Section 5.15, Section 5.18, Section 6.05, Section 6.08, Section 8.01, Section 8.02, Section 8.07(F), Section 9.03, Section 9.04, Section 10.01, Section 12.03, Section 12.05, and Section 12.06, and corrections for scriveners errors, and typographical edits. Approved by CCCC on ____________; Confirmed by CCHB on ____________; adopted by CCCC on ____________.
Dear Mr. Anderson,
Thank you for talking with me recently about DOH’s conflict question. I have attached the inquiry for your review and informal response.

Best wishes,

Beverly Hunt Diehr
Chief Legal Counsel
Florida Department of Health
West Central Florida Legal Consortium
8751 Ulmerton Road, Suite 1300
Largo, Florida 33771
NOTE NEW NUMBER: (727) 507-4327
Fax (727) 507-4329
Beverly.diehr@flhealth.gov

Beverly,
It was a pleasure speaking with you. Please inquire via replying to this email.
Thank you,
Chris Anderson
C. Christopher Anderson, III
General Counsel and Deputy Executive Director
Florida Commission on Ethics
(850) 488-7864
Dear Mr. Anderson:

We recently spoke by telephone concerning an inquiry from my client, the Department of Health, as to whether the appointment of its employee, Ernesto “Tito” Rubio, as a Director of the Citrus County Charitable Foundation, Inc. (“CCCCF”), poses a conflict of interest with Mr. Rubio’s employment as Administrator of DOH’s Citrus County Health Department.

Mr. Rubio has authorized me to request an informal written opinion on his behalf.

Mr. Rubio serves as Administrator and Health Officer for the Florida Department of Health’s Citrus County Health Department, a position authorized by Section 154.04(1), Fla. Stat. As such, he oversees the daily operations of the Citrus County Health Department, which provides various public health services in Citrus County, including obstetrical services for indigent women, treatment for needy patients with tuberculosis, HIV/AIDS, and sexually transmitted diseases, as well as environmental health regulatory services, primary care, and disease control and intervention services, as authorized and required by Chapter 154, Fla. Stat. The Department applies for and receives state, federal, and local funding and grants to perform these community services.

The Citrus County Charitable Foundation, Inc. is a non-profit quasi-governmental entity established under the authority of Laws of Florida 14-254 (attached), which created the Citrus County Hospital Board, an independent special district, and authorized the Hospital Board to create an irrevocable foundation or trust to manage the proceeds of a lease of the public hospital, and also authorized the Hospital Board to “partner with the Department of Health and other entities “in furtherance of the hospital board’s public purpose and the necessity for the preservation of the public health and welfare of the residents of ... (Citrus)... county”. CCCC, Inc, the foundation created by the Hospital Board, is awarded ad valorem tax revenues by the hospital board, and the expenditure of all public tax funds must be approved in a public meeting and accounted for annually.

Mr. Rubio’s directorship on the Board is uncompensated, except for reimbursement for out-of-pocket expenses.

Mr. Rubio’s directorship on the Board is mandated by the Foundation Bylaws (attached, page 5, section 5.03 F.). The Bylaws require a Health Department member on the Board, requiring the Health Department’s highest eligible ranking employee to serve as a Director, if the Health Officer is not available or eligible. The Health Department representative director is one of an 11-member Board. Two citizen members are elected by Citrus County residents. The remaining members are designated by their public or community function, including persons who serve on the Citrus BOCC, City Councils of the cities of Inverness and Crystal River, the College of Central Florida’s Vice President, and the DOH-Citrus’ Health Officer. Other directors must be the Chiefs of the Medical Staff of two local hospitals, the President of the County Medical Society, and the President of the Well Care Alliance.

Mr. Rubio has acted as a Director of the foundation Board for several years. Mr. Rubio’s term has expired, and CCCC, Inc. has proposed to reappoint him for another term.
The Department of Health provides no funding to CCCF, Inc. DOH-Citrus does not directly or indirectly purchase, rent or lease any realty, goods, or services from CCCF, Inc.

Before 2017, the foundation had not provided any grant funding to DOH-Citrus. In 2017, CCCF provided a $10,000.00 grant award to the Department of Health-Citrus, which assisted the Department’s preparation of a community health assessment addressing medical needs in Citrus County. Mr. Rubio was on the foundation Board at the time, but abstained from voting on the proposed grant award.

Due to reduced funding available to DOH-Citrus to provide indigent medical care services, Mr. Rubio anticipates that DOH-Citrus will seek grant funding from any available source, including CCCF, Inc. grants, to continue to provide medical care to indigent Citrus County citizens. He wishes to be certain his membership, or the membership of another highly-ranked Health Department employee, on the foundation Board would not constitute a conflict of interest or prohibit DOH-Citrus from seeking grant funding from this source.

The Board is required by the enabling statute and its bylaws to function in compliance with all ethical and other laws applicable to public agencies and employees. The Bylaws prohibit the Corporation from entering any contract or other transaction with its Directors or any entity in which the Director has a financial interest or “authority to plan, direct, or control such entity’s activities”, but provides for a waiver of the prohibition if the Director discloses the conflict in writing, abstains from voting or participating in the decision, leaves the room for discussion and vote, and the transaction is approved by vote of 75% of the present majority of the Board. Mr. Rubio has the described “authority” with DOH-Citrus and would be required by the Bylaws to abstain from any vote on funding grants to DOH-Citrus.

I have attached the enabling legislation (LOF 2014-254) and the Bylaws of the Foundation for your review. I will be happy to provide any additional information you may feel would assist your assessment.