

## CONFLICT OF INTEREST POLICY

### I. NAME

This document shall be called the Conflict of Interest Policy.

### II. PURPOSE

This policy is, and will be in effect in order to define a procedure that will act as a safeguard against a conflict of interest that might occur at some future point in time between an Associated Students (AS) Director, Commissioner, Executive Officer, Senator, Coordinator, Board, Committee and Council member, employee or program and an external entity.

### III. DATE OF EFFECTIVENESS

This policy shall be effective upon approval of the AS Board of Directors (BOD).

### IV. AMENDMENTS

This policy may be amended by a 2/3 vote of the AS BOD.

### V. GUIDELINES

- A. Under the California Corporation Code, Section 820, Directors, Officers, Senators and employees or programs shall exercise their powers in good faith and with a view to the interest of the Corporation, therefore subordinating their individual and private interests to their duty with the Corporation whenever the two parties conflict.
- B. No members of the AS BOD, standing committees, or direct appointees of said Board, committee or council shall be financially interested in any contract or other transaction entered into by the AS. Any contract or transaction entered into in violation of this section is void. As provided by the California Education Code, Section 24059, an exception to this aforementioned rule calls for an adequate disclosure of the individual's financial interest to the BOD, if there is sufficient vote to ratify without counting votes of those financially interested, and the contract is just and reasonable of the case in question. Section 24060 limits the scope of this exception. Essentially, the only type of contract an auxiliary organization may enter into with an organization in which a member of the Board is financially interested is the case when the Board member owns less than five percent of the common stock of the other contracting party and discloses this fact before the contract is discussed by the Board of the auxiliary organization.
- C. No Director, Officer, employee or program may accept gifts of any significant value or nature from current vendors or those seeking to do business with the AS. They will also avoid a conflict of interest in relations with vendors, contractors and consultants doing business with, or seeking to do business with, the AS.
- D. No employee or member of any program will be allowed to use confidential information gained through their position for their personal gain.
- E. No AS office or other facility, supplies or assets may be used in any way for the development, administration or advancement of any program(s), campaign(s), or activity(ies) which are not officially endorsed or sponsored (solely or in part) by the AS.
- F. No program or employee of the AS may endorse any candidate (local, state or national) using their title or position within the AS organization. Nor may any non-student employee of the AS endorse candidates for AS elections.
- G. Employment of Elected Officers

1. Members of the BOD cannot be employed elsewhere within the corporation once their elected term begins.
  2. AS Commissioners can be employed within a corporate area not funded by the Activity Fee as long as their total combined working hours per week do not exceed 20 during the academic year.
  3. Senators can be employed up to 20 hours per week in any corporate area of the organization.
- H. Appointments to the Committees of ASBC, ASFC and SFAC  
Paid students cannot be appointed as voting members to any Committee which funds the program or service area in which the student is employed.
1. For example, student employees of the Student Union funded areas cannot be appointed as voting members to the Associated Students Facilities Committee (ASFC) or the Sustainability Fund Allocation Committee (SFAC).
  2. Student employees of the Chico State Wildcat Store or the AS Dining Services and its various departments cannot be appointed to the Associated Students Businesses Committee (ASBC).
  3. Student employees working in a Corporate Services overhead area can be appointed as voting members to any of the Committees noted above.
  4. The Government Affairs Committee (GAC) is comprised of elected positions and does not have appointed students as voting members.

Approved BOD: 5-3-89  
Revisions Approved BOD: 9-16-11  
Revisions Approved BOD: 2/21/18  
Summer 2022 Cleanup  
Revisions Approved BOD: 9/11/23