

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 AS. Director, Commissioner, Executive Officer, 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. Board of Directors (BOD).

V. GUIDELINES

- A. Under the California Corporation Code, Section 820, Directors, Officers 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 Corporation whenever the two parties conflict.
- B. No members of the AS. Board of Directors, 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 Associated Students. 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 Associated Students. 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 Associated Students.
- D. No employee or member of any program will be allowed to use confidential information gained through their position for his/her 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 Associated Students.

- F. No program or employee of the Associated Students may endorse any candidate (local, state or national) using his/her title or position within the Associated Students organization. Nor may any non-student employee of the Associated Students endorse candidates for AS. elections.
- G. No Director shall be employed by the AS. In addition, no Director shall be involved in any paid employment with any Activity Fee Funded Program.

Approved BOD: 5-3-89