



POLICY:	CONFLICT OF INTEREST
EFFECTIVE DATE:	APRIL 12, 2002
REVISED DATE:	JULY 26, 2012
APPROVAL DATE:	JULY 31, 2012

PURPOSE

To establish policy and procedures for conducting personal and business matters so as to avoid actual, potential, and/or apparent conflict between self interests of ASI Board of Director members, professional staff, and student employees and the interests of ASI and/or CSU San Marcos.

This policy complies with California Education Code, which has specific requirements for the governing board of an auxiliary organization regarding conflict of interest.

I. POLICY AND PROCEDURES

- A) For purposes of this policy, conflict of interest is defined as participating in and/or making decisions which could reasonably affect a person’s economic interests in any material way, and any participation which impacts a person’s economic interest differently than other persons with the same association with the auxiliary organization
- B) The ASI Board of Directors is governed by California Education Code, Sections 89906 - 89909. ASI professional staff and student employees will adhere to California Education Code as specified below.
 - 1) California Education Code, Section 89906: No member of the governing board of an auxiliary organization shall be financially interested in any contract or other transaction entered into by the board of which he or she is a member. Any contract or transaction entered into in violation of this section is void.
 - 2) California Education Code, Section 89907: No contract or other transaction entered into by the governing board of an auxiliary organization is void under the provisions of Section 89906, nor shall any member of such board be disqualified or deemed guilty of misconduct in office under said provisions, if the circumstances specified in the following subdivisions exist:

- a) The fact of such financial interest is disclosed or known to the governing board and noted in the minutes, and the governing board thereafter authorizes, approves, or ratifies the contract or transaction in good faith by a sufficient vote without counting the vote or votes of such financially interested member or members, and
 - b) The contract or transaction is just and reasonable as to the auxiliary organization at the time it is authorized or approved.
- 3) California Education Code, Section 89908: The provisions of Section 89907 shall not be applicable if the circumstances specified in any of the following subdivisions exist:
- a) The contract or transaction is between an auxiliary organization and a member of the governing board of that auxiliary organization.
 - b) The contract or transaction is between an auxiliary organization and a partnership or unincorporated association of which any member of the governing board of that auxiliary organization is a partner or in which he or she is the owner or holder, directly or indirectly, of a proprietorship interest.
 - c) The contract or transaction is between an auxiliary organization and a corporation in which any member of the governing board of that auxiliary organization is the owner or holder, directly or indirectly, of 5% or more of the outstanding common stock.
 - d) A member of the governing board of an auxiliary organization with interest in a contract or transaction within the meaning of Section 89906, and without first disclosing such interest to the governing board at a public meeting of the board, influences or attempts to influence another member or members of the board to enter into the contract or transaction.
- 4) California Education Code, Section 89909: It is unlawful for any person to utilize any information, not a matter of public record, which is received by him or her by reason of membership on the governing board of an auxiliary organization, for personal pecuniary gain, regardless of whether he or she is or is not a member of the governing board at the time such gain is realized.

C) Procedures:

- 1) All voting members of the ASI Board of Directors are required to sign a Conflict of Interest Statement (Attachment A) upon being sworn into office. All ASI professional staff and student employees are required to sign a Conflict of Interest Statement at commencement of employment and at the beginning of each fiscal year. All statements are collected and retained the ASI Corporate Office.
- 2) Any member of the ASI Board of Directors, professional staff, or student employee who cannot separate from a conflict of interest shall be asked to resign his or her position.
- 3) The ASI Executive Director administers the Conflict of Interest Policy. All conflicts or potential conflicts of interest are referred to the Executive Director for remediation. Unresolved conflicts will be reviewed by the ASI Executive Committee for recommendations and/or decisions. ASI Executive Committee decisions can be appealed to the ASI Board of Directors, who has final decision-making authority in instances of appeals.

Associated Students, Inc Conflict of Interest Statement

I certify that I have no personal or financial interest and no present or past employment activity which would be incompatible with my participation in the Associated Students, Inc. solicitation process and that I am fully able to give full, fair and impartial consideration to all proposals/bids as an appointee to the related evaluation team.

I fully understand and agree to immediately disqualify myself as soon as I am aware of a conflict of interest that may compromise my fair and impartial consideration of the proposal/bids.

I certify that I will hold in the strictest confidence all bids, proposals, correspondence, memoranda, working papers, or any other media which has any bearing on, or discloses any aspect of, any vendor's response or potential response to the Associated Students, Inc.

I fully understand that it is unlawful for a person to utilize any Associated Students, Inc. information that is not a matter of public record, for personal pecuniary gain.

I fully understand that any violation of the above is a basis for disciplinary action, including dismissal.

I am aware that the following firms have submitted or may submit proposals:

{List firms if any}

Date: _____

Signed: _____

Name: _____

Title: _____

Organization: _____

EXHIBIT A: Conflict of Interest Policy