Associated Students, Incorporated
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Conflict of Interest Policy

Approved per BD 60-20, May 12, 2020

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 between the Associated Students, Incorporated (ASI) personnel, or program and an external entity.

Scope: This policy applies to all individuals who hold an official ASI position or operate in any capacity for or in the name of the ASI at California State University, San Bernardino.

1. **General Duty of Care:** Directors of a Public Benefit Corporation, in this case the ASI at CSU San Bernardino are held to a general duty of care as stated in the California Corporations Code. (Cal. Corp. Code 5231)

2. **Statement of Acknowledgement:** In accordance with the California Education Code, Sections 89906 - 89909 all ASI members that fall within the scope of this policy shall sign a statement of acknowledgement and submit it to the ASI Executive Director on an annual basis.

3. **Guidelines under Conflicts of Interest:**

   a. Directors, Officers, and employees shall exercise their powers in good faith and with a view to the interest of ASI, therefore subordinating their individual and private interest to their duty with ASI whenever the two parties' conflict.

   b. All persons who fall under the scope of this policy will fully disclose their transactions or relationships that involve a prohibited interest as described in and not exempted from California Education Code 89906.

   c. No elected official, officer, appointee or employee shall engage in any enterprise or activity which shall result in any of the following:
      1) Using the prestige or influence of ASI office or employment for private gain or advantage for themselves or another.
      2) Receiving or accepting, directly or indirectly, any gift or favor from anyone doing business with ASI under circumstances from which it could be reasonably inferred that such was intended to influence them in their official employment or duties, or as a reward for official action.
      3) Using time, facilities, equipment or supplies of ASI for the private gain or advantage of themselves or another.
      4) Utilize any information, not matter of public record, which is received by membership through ASI, for personal or financial gain.

4. **Decisions affecting Interests**

Members of the Board of Directors must be aware that situations may arise when they may be asked by the ASI to participate in a decision that may affect an organization or entity in which that Board member represents in another capacity. In such cases, Board members must act in a manner consistent with their fiduciary obligation to the ASI and the California Corporations Code.

a. In the event a Board member is uncertain a conflict exists, the member should recuse themselves from discussions, deliberations and voting (abstention) on the matter.

5. **Self-dealing Transactions**

Members of the Board of Directors are prohibited in self-dealing transactions to which the ASI is a party and in which one or more board members have a material financial interest. (Cal. Corp. Code. 5233 (a) & 5234)

6. **Conflict of Interest Breach**

a. In the event that a conflict of interest should arise, the following actions must be adhered to:

1) The conflict of interest shall be brought to the attention of the ASI Executive Committee (not including the member who has a conflict of interest) in which this committee shall recommend to the Board of Directors a course of action as described below.

2) The Board of Directors shall discuss the matter in an open session at a regular meeting, allowing all interested parties an explanation.

3) The BoD will determine the validity of such transaction in pursuant with Section 89907 of the California Education Code.

4) The Board of Directors shall take action regarding the matter by a majority vote (not including the Director with the Conflict of Interest) as follows:

i. Removal of the person with the conflict of interest
ii. Recession of transactions
iii. Other action deemed appropriate by the BoD in consultation with ASI General Counsel

Approved with revisions per BD 01-18 | 04/17/2018
Approved with revisions per BD 074-94 | 05/31/1994
Approved with revisions per BD 60-20 | 05/12/2020

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Conflict of Interest Policy – Statement of Acknowledgment

I have read, understood, and agree to abide by the Conflict of Interest Policy. I understand that a conflict of interest can apply to on and off-campus groups that do business with ASI, and that this policy does not just apply to on-campus groups' dealings with ASI. I also agree that I must declare any conflict of interest prior to any ASI Board of Directors action or any action/function of an ASI entity.

Signature: _____ Date: _____

Printed Name: _____

Please list below all on-campus organization(s) of California State University, San Bernardino that you are currently involved with and your position(s) in the organization(s). Also list any off-campus organizations that you are currently involved with that has the possibility of involvement

Organization: **Position (if applicable):**

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