

Associated Students, Inc.

Conflict of Interest Policy

I. NAME

This document shall be called the ASI Conflict of Interest Policy

II. PURPOSE

This policy is in effect in order to set guidelines regarding appropriate financial interest standards for auxiliary organizations

III. DATE OF EFFECTIVENESS

This policy is effective as of as approved by the ASI Board of Directors through SB.

IV. AMENDMENTS

This policy may be amended by a majority vote of the Internal Affairs Committee and the ASI Board of Directors.

V. GUIDELINES

VI.

Conflict of Interest Policy for Associated Students Board Members and Managers

Associated Students is a California Nonprofit Public Benefit Corporation whose board members are elected to serve as the official governing body of the students of California State University, Bakersfield and to advance the welfare of California State University, Bakersfield students. The board members and management staff of the organization have a duty to conduct the affairs of Associated Students, Incorporated (ASI) in a manner consistent with such purposes and not to advance their personal interests. This conflict-of-interest policy is intended to permit the organization and its board members and managers to identify, evaluate, and address any real, potential, or apparent conflicts of interest that might, in fact or in appearance, call into question their duty of undivided loyalty to Associated Students.

THE BASICS:

FULL DISCLOSURE. Board members and staff members in decision-making roles should make known their connections with groups doing business with the organization. This information should be provided at least once annually.

BOARD MEMBER ABSTENTION FROM DISCUSSION AND VOTING. Board members who have an actual or potential conflict of interest shall not vote on matters affecting transactions between the organization and the other group.

TIMING OF DISCLOSURE: All potential conflicts must be disclosed when they occur so that board members who are voting on a decision through the legislative process are aware that another member's interests are being affected.

MEMBER ABSTENTION

1. Covered Persons

This policy applies to ASI board members and managers. Each Covered Person shall be required to acknowledge, not less than annually, that he or she has read and is in compliance with this policy.

2. Covered Transactions

This policy applies to transactions between the ASI and a Covered Person, or between the ASI and another party with which a Covered Person has a relationship. A Covered Person is considered to have a relationship with another party if:

- a) the other party is a family member, including a spouse, parent, sibling, child, stepchild, grandparent, grandchild, great-grandchild, in-law, or domestic partner;
- b) the other party is an entity in which the Covered Person has a material financial interest. This includes entities in which the Covered Person and all individuals or entities having significant relationships with the Covered Person own, in the aggregate, more than 10 percent; or
- c) the Covered Person is an officer, director, trustee, partner, member, or employee of the other party.

A Covered Transaction also includes any other transaction in which there may be an actual or perceived conflict of interest, including any transaction in which the interests of a Covered Person may be seen as competing or at odds with the interests of ASI.

3. Disclosure, Refrain from Influence, and Recusal

When a Covered Person becomes aware of a proposed Covered Transaction, he or she has a duty to take the following actions:

- a) immediately disclose in writing the existence and circumstances of such Covered Transaction to the ASI Board or Executive Director;

In order to assist ASI in identifying potential Covered Transactions, each Covered Person annually shall complete a Conflict-of-Interest Questionnaire provided by ASI, and shall update such Questionnaire as necessary to reflect changes during the course of the year. Completed Questionnaires shall be

available for inspection by any board member, the ASI Executive Director and may be reviewed by ASI legal counsel.

4. Standard for Approval of Covered Transactions

Associated Students may enter into a Covered Transaction where a) such Transaction does not constitute an act of self dealing, and b) the board determines, acting without the participation or influence of the Covered Person and based on comparable market data, that such transaction is fair and reasonable to ASI. The board shall document the basis for this determination in the minutes of the meeting at which the Covered Transaction is considered, and shall consult with ASI's legal counsel as necessary to ensure that the Transaction does not constitute an act of self-dealing.

5. Administration of Policy

This policy shall be administered jointly by the Board and Executive Director, which shall be responsible for the following:

- a) reviewing reports regarding the Conflict-of-Interest Questionnaires
- b) receiving disclosures of proposed Covered Transactions
- c) reviewing proposed Covered Transactions to determine whether they meet the above-described standard
- d) maintaining minutes and such other documentation as may be necessary and appropriate to document its review of Covered Transactions
- e) reviewing the operation of this policy and making changes from time to time as it may deem appropriate.

6. Failure to Comply with Policies and Procedures

- a) Board of Directors who fail to comply with policies and procedures, as prescribed above, shall be charged with an allegation of conflict of interest and be subjected to proceedings before the Executive Committee. Consequence may include removal from office.
- b) ASI Staff, who fail to comply with policies and procedures, as prescribed above, may have appropriate consequences applied by the Executive Director.

Name: _____ Date: _____

ASSOCIATED STUDENTS, INCORPORATED
CALIFORNIA STATE UNIVERSITY, BAKERSFIELD

Conflict-of-Interest Questionnaire

Associated Students, Incorporated (ASI) requires each board member and ASI manager annually

- 1) to review the ASI Conflict-of-Interest Policy (the "Policy");
- 2) to disclose any possible personal, familial, or business relationship that reasonably could give rise to a conflict of interest or the appearance of a conflict of interest; and
- 3) to acknowledge by his or her signature that he or she is acting in accordance with the letter and spirit of such Policy.

The information provided on this form shall be available for inspection by members of the Board, the ASI Executive Director, and ASI's legal counsel, but shall otherwise be held in confidence except when, after consultation with the applicable board member or ASI manager, the Board determines that ASI's best interest would be served by disclosure.

Please respond to the following questions to the best of your knowledge.*

1. Please list all businesses, corporations, partnerships, associations, departments, clubs, or other organizations of which you are an officer, director, trustee, partner, member, or employee, and describe your affiliation with such entity.

| | |
|-------|-------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

2. Please list all entities above in which you have a material financial interest as defined in the Policy.
3. Please list all business dealings that you, your family members, and/or entities listed in paragraphs 1 – 2 above have had with ASI in the past year.

| | |
|-------|-------|
| _____ | _____ |
|-------|-------|

4. Please list any proposed business dealings between ASI and you, your family members, and/or entities listed in paragraphs 1 – 2 above. Describe each such relationship listed and the actual and potential benefits as you can best estimate them.

| | |
|-------|-------|
| _____ | _____ |
|-------|-------|

5. Are you aware of any other relationships, arrangements, transactions, or matters which could create a conflict of interest or the appearance of conflict? If so, please describe.

| | |
|-------|-------|
| _____ | _____ |
|-------|-------|

I have received and read the Associated Students, Incorporated Conflict-of-Interest Policy. I am currently, and agree to remain, in compliance with the Policy.

Signature

Date