***Conflict of Interest Policy***

for

[SYSTEM NAME]

1. PURPOSE

 The purpose of this policy is to protect the interests of *[SYSTEM NAME]* by (a) preventing the personal interest of the Board, Employees, and Independent Contractors from interfering with their duties to the organization and (b) avoiding any unethical financial, professional, or political gain on the part of such individuals. This policy does not intend to supplement, or replace, any applicable federal, state, or local laws regarding conflicts of interest.

1. COVERED PERSONS

 This statement applies to Board Members, Officers, and all Employees who can influence the governance and actions of *[SYSTEM NAME]*. This includes anyone who makes financial decisions, or might be referred to as “management personnel”.

1. PROCEDURES
2. Duty to Disclose
Each Member, Director, Officer, Employee, and any other Interested Person is under an obligation to disclose the existence or potential existence of a Conflict of Interest as it arises.
3. Investigating Conflicts
When a potential Conflict of Interest is disclosed, the Governing Board will then provide the individual with an opportunity to disclose all material facts. The Board will collect all pertinent information and question the involved parties. If it turns out that a conflict does not exist, the inquiry will be documented but no further action will be taken.
4. Addressing a Conflict of Interest
If the Board determines that a conflict of interest exists, they will take the appropriate actions to address the conflict. This may include (but not be limited to): (a) prohibiting any Interested Parties from voting on any matter related to said Conflict of Interest or (b) time off without pay or (c) terminating employment with *[SYSTEM NAME].*

Affected parties both within and outside of *[SYSTEM NAME]*, including shareholders, directors, employees, and independent contractors, will be notified. If the Conflict of Interest in question involves a member of the Board, that individual will be excused from deliberations.

1. Disciplinary Action
All conflicts of interest will be reviewed on a case-by-case basis. The board has full discretion to deem what disciplinary action is appropriate and necessary for disclosed conflicts of interest.

If the governing officers reasonably believe a member or staff member failed to disclose an existing or possible Conflict of Interest, it shall inform the individual of the rationale for such belief and grant the individual an opportunity to explain the alleged failure to disclose the Conflict of Interest.

After hearing the individual’s response and investigating further as warranted by the circumstances, the governing officers may take appropriate disciplinary action, including removal from the position at the organization.

1. Notice of Annual Statements
Every Member, Director, Officer, Employee, and any other Interested Person must sign a Conflict-of-Interest Disclosure Statement upon said individual’s term of office, employment, or other relationship with *[SYSTEM NAME]* and must do so annually. Failure to sign does not nullify the policy.
2. POSSIBLE CONFLICTS

 *This list of possible conflicts is NOT all inclusive.*

*Note:* A conflict exists whether it is **real, potential or perceived**.

1. Employees working for suppliers, contractors, or customers of *[SYSTEM NAME]*, or acting as a consultant with or regarding a vendor, supplier, or contractor of *[SYSTEM NAME]*.
2. Conducting System business with your extended family (which includes your or your

spouse's relatives such as parents, siblings, cousins, aunts, uncles, nieces, nephews,

grandparents, regardless of whether they are first or second or great-great-grand or "once

removed," etc.) or with businesses in which you or your extended family have a

significant interest.

1. Utilizing System time or assets to promote personal interests or the interests of third

parties.

1. Serving as a director, officer, associate, or consultant for companies with which the

System transacts business.

1. Making or holding investments or ownership in companies with whom the System does business if such investments have the effect or appearance of influencing your business judgment.
2. Accepting or giving gifts in violation of the Business Courtesies Guidelines.
3. A member of the employee’s extended family serving as a director, officer, partner,

consultant or contractor of, or in a managerial position with, or employment in a technical

capacity by, any outside enterprise which does, or is seeking to do, business with the System.

1. Any other arrangement or circumstance, including family or their personal relationships,

which might dissuade the employee from acting in the best interest of the System.

1. Using his or her official position for private gain.
2. Giving preferential treatment to any person.
3. Losing complete independence or impartiality.
4. Making an official decision outside of official channels.
5. Any Employee, Board, or Council Member having a position in a company bidding, or doing business with the System.
6. Employee, Board, or Council Member using System information, customer lists, or equipment outside the scope of their job.
7. ACKNOWLEDGMENT

By signing, the individual named below understands what constitutes a Conflict of Interest and understands the procedure for addressing them with *[SYSTEM NAME]*, including their duty to disclose any known or potential conflicts of interest.

The signee agrees to abide by the procedures set forth by this policy for the duration of their relationship with *[SYSTEM NAME]*.

Name Printed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_