

I. ORGANIZATION OF THE NON-PROFIT AGENCY

Effective Date: April 21, 2008

C. CONFLICT OF INTEREST

Effective July 1, 2005, every grantee shall file with the State agency or department disbursing funds to the grantee a copy of that grantee's policy addressing conflicts of interest that may arise involving the grantee's management employees and the members of its board of directors or other governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the grantee's employees or members of its board or other governing body, from the grantee's disbursing of State funds and shall include actions to be taken by the grantee or the individual, or both to avoid conflicts of interest and the appearance of impropriety. The conflict of interest policy must be approved by the Board. The policy shall be filed before the disbursing State department or agency may disburse the grant funds.

The exact wording of the policy statement may vary depending on the desires of the entity's board of directors and legal counsel. However, it is recommended that the policy statement, at a minimum, include the following provisions.

1. The entity is aware that in the process of fund allocation by its management, employees, members of the board of directors or other governing body, instances may arise which have the appearance of a conflict of interest or appearance of impropriety.
2. To avoid conflicts of interests or the appearance of impropriety, any individual who may benefit, directly or indirectly, from the entity's disbursement of funds shall abstain from participating in any decisions or deliberations by the entity regarding the disbursement of funds.

In addition to the above referenced conflict of interest statements for the entity, each employee should be required to sign a conflict of interest statement. This policy statement should stipulate that the employee agrees to neither maintain nor engage in any outside business or financial interest which conflicts with the interests and activities of his/her employer or which interferes with the employee's ability to fully perform his/her job responsibilities in an independent, objective manner.