

# Northern California Conference

\_\_\_\_\_  
School Name

## Conflict of Interest

1. I am in full compliance with Pacific Union Education Code A25-144 as to Conflict of Interest as printed on the attached pages, and have been in compliance at all times during the past twelve months except as to specific exclusions attached hereto and incorporated herein by reference.
2. I have had no financial interest or business relationship which competes with or conflicts with the interest of \_\_\_\_\_
3. I have had no financial interest in; been an employee, officer, director, or trustee of; or received financial benefits either directly or indirectly from any enterprise (excluding less than five percent (5%) ownership in any entity with publicly traded securities), which is or has been doing business with or a competitor of \_\_\_\_\_
4. I have received no substantial payments or gifts (other than of token value) from suppliers or agencies doing business with \_\_\_\_\_ in any decision-making process involving financial or legal interests adverse to \_\_\_\_\_

This declaration applies, to my best knowledge, to all members of my immediate family (spouse, children, parents) and its provisions shall protect any organization affiliated with or subsidiary to \_\_\_\_\_. In the event facts change in the future that may create a potential conflict of interest, I agree to notify \_\_\_\_\_ in writing.

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Print your Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title/Position

## **A25-144 Conflict of Interest and/or Commitment**

### **A. Statement of Policy**

Conflict of interest shall mean any circumstance under which an employee or volunteer by virtue of financial or other personal interest, present or potential, directly or indirectly, may be influenced or appear to be influenced by any motive or desire for personal advantage, tangible or intangible, other than the success and well-being of the denomination.

Because of the common objectives embraced by the various organizational units and institutions of the Seventh-day Adventist Church, membership held concurrently on more than one denominational committee or board does not of itself constitute a conflict of interest provided that all the other requirements of the policy are met.

A conflict of commitment shall mean any situation which interferes with an employee's ability to carry out duties effectively. Elected, appointed, or salaried employees on full-time assignment are compensated for full-time employment; therefore, outside or dual employment or other activity, whether compensated or not, that in any way interferes with the performance of an employee's duties and responsibilities is a conflict of commitment. A conflict of commitment also exists in situations where an employee functions contrary to the values and ethical conduct outlined in the organization's statement of ethical foundations and conduct or when an employee functions contrary to established codes of ethical conduct for employees in particular professions (e.g. legal, investments).

All trustees, officers, board members, employees, and volunteers of denominational organizations shall be subject to this policy.

### **B. Conditions Constituting Conflict**

A trustee, officer, board member, employee, or volunteer has a duty to be free from the influence of any conflicting interest or commitment when serving the organization or representing it in negotiations or dealings with third parties. Both while on and off the job an employee is expected to protect the best interests of the employing organization. The following list, though not exhaustive, describes circumstances and conditions that illustrate conflict of interest or commitment:

1. Engaging in outside business or employment that encroaches on the denominational organization's call for the full services of its employees even though there may be no other conflict.
2. Engaging in business or employment that is in any way competitive or in conflict with any transaction, activity, policy, or objective of the organization.
3. Engaging in any business with or employment by an employer that is a supplier of goods or services to any denominational organization.
4. Making use of the fact of employment by the denominational organization to further outside business or employment, associating the denominational organization or its prestige with an outside business or employment or using one's connection to the denomination to further personal or partisan political interests.
5. Owning or leasing any property with knowledge that the denominational organization has an active or potential interest therein.
6. Lending money to or borrowing money from any third party, excluding financial institutions, who is a supplier of goods or services or lending to/borrowing from a trustor or anyone who is in any fiduciary relationship to the denominational organization or is otherwise regularly involved in business transactions with the denominational organization.
7. Acceptance or offering of any gratuity, favor, benefit, or gift or of any commission or payment, monetary or non-monetary, of greater than nominal value, in connection with work for the denominational organization other than the compensation agreed upon between the denominational organization and/or the employee.
8. Making use of or disseminating, including by electronic means, any confidential information acquired through employment by the denominational organization for personal profit or advantage directly or indirectly.
9. Using denominational personnel, property, equipment, supplies, or goodwill for other than approved activities, programs, and purposes.
10. Expending unreasonable time, during normal business hours, for personal affairs or for other organizations, to the detriment of work performance for the denomination.
11. Using one's connections within the organization to secure favors for one's family or relatives.
12. Employees shall not accept loans from church members or churches.

### **C. Statement of Acceptance**

1. By Employees - At the time of initial employment an employee shall sign a statement indicating acceptance of the conditions of employment as outlined in the organization's employee handbook. This acceptance shall constitute the employee's declaration of compliance and resolve to remain in compliance with the conflict of interest and/or commitment policy. On an annual basis the employer shall provide employees with a copy of the Statement of Ethical Foundations, plus a copy of the conflict of interest and/or commitment policy, and shall inform employees regarding the duty to disclose potential conflicts of interest and/or commitment.

2. By Administrators, Department Directors and Trustees - The administrator or designee, of the organization concerned shall receive annually a statement of acceptance and compliance with the policy on conflict of interest and/or commitment from each administrator, department director, member of the board, and any other person authorized to handle resources of the organization. (The employing organization may determine that other individuals shall also be required to submit annually a statement of acceptance and compliance.) Submission of the statement by persons identified above shall constitute a declaration of compliance with the policy and shall place the individual under obligation to disclose potential conflicts of interest and/or commitment that may arise during the ensuing year.

### **D. Reporting Potential or Actual Conflicts of Interest or Commitment**

All present and potential conflicts of interest must be disclosed:

1. If known, in advance of any meeting, business transaction, or other activity at which the issue may be discussed or on which the issue may have a bearing on the person's approach to the issue, whether directly or indirectly; or
2. If not known in advance, when the actual, possible, or potential conflict becomes apparent. Disclosure must be made to the person in charge of the meeting or activity and to the full meeting, or to the person's supervisor, as appropriate. The person should leave the room or situation to avoid participation in all discussion or deliberation on the issue, and voting. All such actions should be recorded in any minutes or records kept. Following full disclosure of the present or potential conflict, the board or equivalent group may decide that no conflict of interest exists and invite the participation of the person.

This policy establishes a process which is self-identifying. However, third parties may report alleged conflicts in writing with supporting documentation, to an officer of the organization concerned if the employee fails to disclose a conflict or does so inadequately. The source of the third party reports shall be held in confidence by the recipient unless it is required to divulge the information pursuant to a court order or if there is indication that the report is fraudulent or made with malicious intent.

### **E. Review Process for Conflicts of Interest and/or Commitment**

The officer or human resource/personnel office that receives the report of potential conflict shall inform the employee's supervisor and shall have the matter reviewed by the appropriate employing authority or by the committee assigned to review such matters. If the disclosure has come from a third party, the officer or human resource/personnel office shall inform the employee concerned and shall give the employee an opportunity to submit any information which may help in the review of the reported conflict. The decision of the employing authority or review committee as to whether or not a conflict exists shall be communication to the employee in writing.

### **F. Sanctions for Noncompliance**

Noncompliance includes failure to:

1. Comply with this policy;
2. Report accurately on the disclosure form;
3. Comply with decisions made by the employing authority or review committee as a result of reported potential or actual conflicts of interest and/or commitment.

Noncompliance may result in disciplinary action, up to and including termination from employment. Termination from employment shall be processed in harmony with existing policies.

### **G. Model Statement of Acceptance**

See *NAD Working Policy S 47 40* for the "Model Statement of Acceptance".