

# CONFLICT OF INTEREST POLICY

## I. California Education Code

### A. Section 89906 :

No member of the governing board of an auxiliary organization shall be financially interested in any contract or other transaction entered into by the board of which he is a member, and any contract or transaction entered into in violation of this section is void.

### B. Section 89907:

No contract or other transaction entered into by the governing board of auxiliary organization is void under the provisions of Section 89906, nor shall any member of such board be disqualified or deemed guilty of misconduct in office under said provisions, if the circumstances specified in the following subdivisions exist:

1. The fact of such financial interest is disclosed or known to the governing board and noted in the minutes, and the governing board thereafter authorities, approves, or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such financially interested member or members, and
2. The contract or transaction is just and reasonable as to the auxiliary organization at the time it is authorized or approved.

### C. Section 89908:

The provisions of Section 89907 shall not be applicable if the circumstances specified in any of the following subdivisions exist:

1. The contract or transaction is between an auxiliary organization and a member of the governing board of that auxiliary organization.
2. The contract or transaction is between an auxiliary organization and a partnership or unincorporated association which any member of the governing board of that auxiliary organization is a partner or in which he is the owner or the holder, directly or indirectly, of a proprietorship interest.
3. The contract or transaction is between an auxiliary organization and a corporation in which any member of the governing board of that auxiliary organization is the owner or holder, directly or indirectly, of 5 percent or more of the outstanding common stock.
4. A member of the governing board of an auxiliary organization is interested in a contract or transaction within the meaning of Section 89906, and without first disclosing such interest to the governing board at a public meeting of the board, influences or attempts to influence another member or members of the board to enter into the contract or transaction.

### D. Section 89909:

It is unlawful for any person to utilize any information, not a matter of public record, which is received by him by reason of his membership on the governing of an auxiliary organization, for personal pecuniary gain, regardless of whether he is or is not a member of the governing board at the time such gain is realized.

## II. Rule II - The Members

### A. Section 9:

All Board members shall read and sign a conflict of interest statement before being sworn into office.

### **III. Certification Of Non-Conflict Of Interest**

I have read and understood Sections 89906, 89907, 89908, and 89909 of the California Education Code.

I declare that I am not in conflict with the provisions of the California Education Code. I am not involved financially, through employment or family connections with any business, firm, vendor, or service bureau engaged in contracts with the Associated Students, Incorporated, of San Jose State University.

I declare that, during my tenure as a member of the Board of Directors of the Associated Students, Incorporated of San Jose State University, I shall disclose any potential conflict of interest regarding contractual matters before the Board of Directors. If I am legally considered to be in a position of conflict, I shall abide by the conditions set forth in Section 89907 of California Education Code.

In addition, I acknowledge and understand that Associated Students' policy prohibits a member of the Board of Directors or officer of the Associated Students from simultaneously (1) serving as an employee of the Associated Students regardless of the source of funds for the position; (2) serving as director, chair or employee of an A.S. sponsored program or service which receives funding in whole or in part from the Associated Students; (3) receiving a stipend or grant-in-aid funded in whole or in part by the Associated Students other than that received as a Board Member or officer of the Associated Students.

I also understand that in the event a recognized campus organization or club of which I am a member or in which I participate applies for or receives financial assistance from the Associated Students I will be required to abstain from voting directly or indirectly on a matter affecting financial assistance to that organization or club. I further understand and agree that abstain form voting on any matter which directly or indirectly affects me, my employer and family.