



San Clemente Chamber of Commerce

Conflict of Interest Policy

Employees and volunteers should be aware that conflicts of interest can arise through various relationships including, but not limited to, family relationships, economic relationships and personal or intimate relationships.

No volunteer or employee of San Clemente Chamber of Commerce shall operate or act in any manner that is contrary to the best interests of San Clemente Chamber of Commerce.

Conflict of Interest is created when:

- a. A director, officer, employee or volunteer, including a board member, is a party to a contract, or involved in a transaction with San Clemente Chamber of Commerce for goods or services.
- b. A director, officer, employee or volunteer, has a material financial interest in a transaction between San Clemente Chamber of Commerce and an entity in which the director, officer, employee or volunteer, or a family member has an interest or relationship.
- c. A director, officer, employee or volunteer, (or a family member of the foregoing) is engaged in some capacity or has a material financial interest in a business or enterprise that competes with San Clemente Chamber of Commerce.

A conflict of interest arises when a board member or staff member has a personal interest that conflicts with the interests of San Clemente Chamber of Commerce or arises in situations where a board/staff member has divided loyalties (also known as a "duality of interest").

A conflict arising out of a personal interest can occur in situations that result in inappropriate financial gain to persons in authority at San Clemente Chamber of Commerce and can lead to financial penalties and violations of IRS regulations. Situations or transactions arising out of a conflict of interest also can result in either inappropriate financial gain or the appearance of a lack of integrity in San Clemente Chamber of Commerce decision-making process.

Other situations may create the *appearance of a conflict*, or present a *duality of interests*, with a person who has influence over the activities or finances of San Clemente Chamber of Commerce.

Typically persons who are affected by a conflict of interest policy are San Clemente Chamber of Commerce's board members, officers, and senior staff. In some cases a major donor could also be in a conflict situation. San Clemente Chamber of Commerce takes a broad view of conflicts and board/staff are urged to think of how a situation/transaction would appear to outside parties when identifying conflicts or possible conflicts of interest.

A person who must consider whether he/she has a conflict includes any person serving as an officer, employee or member of the Board of Directors of San Clemente Chamber of Commerce or a major donor to San Clemente Chamber of Commerce or anyone else who is in a position of control over San Clemente Chamber of Commerce or who has a personal interest that is in conflict with the interests of San Clemente Chamber of Commerce.

It is the duty of all board members and staff to be aware of this policy, and to identify conflicts of interest and situations that may result in the appearance of a conflict and to disclose those situations, conflicts or potential conflicts to (i) the employee's supervisor (ii) the executive director, (iii) the Chair of the Board or (iv) other designated person, as appropriate.

Board and staff are urged to disclose conflicts as they arise as well as to disclose those situations that are evolving that may result in a conflict of interest. Advance disclosure must occur so that a determination may be made as to the appropriate plan of action to manage the conflict.

Staff should disclose to their supervisor/Executive Director and board members should disclose to the board/Chairperson of the board as soon as they person with the conflict is aware of the conflict, potential conflict or appearance of a conflict exists.

Employees should avoid situations in which they may be called upon to negotiate or do business with an organization in which the employee (or close relative of the employee or other person with whom the employee has a close personal relationship) has substantial ownership or other interest.

Because of the potential for a conflict of interest, all employees considering or having employment, performing services or consulting work outside San Clemente Chamber of Commerce must have prior written approval from the Chief Professional Officer and may not accept fees for service when representing San Clemente Chamber of Commerce.

In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to his or her supervisor or the Chair or the Chair's designee, who shall determine whether there exists a Conflict of Interest that is subject to this policy.

All such circumstances should be disclosed to the board or staff, as appropriate, and a decision made as to what course of action the organization and/or individuals should take so that the best interests of San Clemente Chamber of Commerce are not compromised by the personal interests of stakeholders in the nonprofit.

BOARD CONFLICT DISCLOSURE FORM

I, _____ (name of board member) wish to disclose the following conflicts of interest:

Signature: _____

I do not have any conflicts of interest to report.

Signature: _____