

FAR NORTHERN REGIONAL CENTER

CONFLICT OF INTEREST POLICY

(Welfare & Institutions Code sections 4622-4626.5 and
California Code of Regulations, Title 17, sections 54500, *et seq.*)

POLICY:

Far Northern Regional Center (FNRC) has adopted a Conflict of Interest policy in order to ensure that in the course of their duties FNRC board members and employees act with zeal and diligence in the best interests of FNRC consumers and their families without regard to the interests of any other organization with which they are associated or persons to whom they are related. Board members, employees, and others acting on behalf of FNRC as defined in Title 17 of the California Code of Regulations must be free from conflicts of interest that could adversely influence their judgment, objectivity, or loyalty to FNRC, its consumers, or its mission.

Members of the Board of Directors and all employees, including the Executive Director, shall avoid any conflict of interest between their respective personal, professional, business interests and the interest of FNRC in any and all actions taken by them on behalf of FNRC. A conflict of interest is defined as any activity, event, transaction or action that may influence or benefit a Board member, employee or family member of a Board member or employee.

No FNRC employee or board member may have a conflict of interest with an entity that receives regional center funding, including, but not limited to, a nonprofit housing organization and an organization qualified under Section 501(c)(3) of the Internal Revenue Code, that actively functions in a supporting relationship to the regional center.¹

DEFINITIONS:

1. Interested person -- Any director, principal officer, member of the governing board or employee of FNRC.
2. Financial interest -- A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

¹ The governing board must submit a copy of the completed conflict of interest statements of the governing board members and the regional center Executive Director to DDS within 10 days of receipt of the statements.

- a. An ownership or investment interest in any FNRC vendor²; or
- b. A compensation agreement with FNRC or with any entity or individual with which FNRC has a transaction or arrangement.
- c. Compensation includes direct and indirect remuneration, including gifts or favors. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board or Executive Director decides that a conflict of interest exists, in accordance with this policy.

PROCEDURE:

1. Duty to Disclose

Every new FNRC governing board member, every new FNRC employee and every current FNRC employee accepting a new position within the FNRC must review a copy of this policy and appropriate regulations, and then complete and file a standard Conflict of Interest Statement approved by the Department of Developmental Services (DDS) with FNRC within 30 days of assuming the position. They must again complete and file the conflict of interest statement annually, no later than August 1 of each year. A copy of the standard Conflict of Interest Reporting Statement is attached hereto.

Every FNRC board member and employee referenced above must complete and file a subsequent conflict of interest statement upon any change in status that creates a potential or present conflict of interest. A change in status includes, but is not limited to, a change in financial interests, legal commitment, regional center or board position or duties, or both, or outside position or duties, or both, whether compensated or not.

2. Review of Conflict of Interest Statements

FNRC's Executive Director must review the conflict of interest statement of each regional center employee referenced above within 10 days of receipt of the statement. If a potential or present conflict of interest is identified for a regional center employee that cannot be eliminated, FNRC will, within 30 days of receipt of the statement, submit to the DDS a copy of the conflict of interest statement and a plan that proposes mitigation measures, including timeframes and actions FNRC or the employee, or both, will take to mitigate the conflict of interest.

The governing board must submit copies of the completed conflict of interest statements of the governing board members and the regional center Executive Director to DDS within 10 days of receipt of the statements.

DDS and the FNRC governing board must review the conflict of interest statement of FNRC's Executive Director and each FNRC board member to ensure that no conflicts of

2 Excludes parent or family member who is a vendor for their child or family member.

interest exist. If a present or potential conflict of interest is identified for the Executive Director or a board member that cannot be eliminated, FNRC's governing board must, within 30 days of receipt of the statement, submit to DDS and the State Council on Developmental Disabilities a copy of the conflict of interest statement and a plan that proposes mitigation measures, including timeframes and actions FNRC's governing board or the individual, or both, will take to mitigate the conflict of interest.

To promote transparency, the regional center shall post on its internet website Transparency Portal each completed Conflict of Interest Reporting Statement that identifies a present or potential conflict of interest that cannot be resolved within 30 calendar days as and to the extent required by Title 17 of the California Code of Regulations, section 54533.

FNRC and its Board of Directors will regularly and consistently monitor and enforce compliance with this conflict of interest policy.

VIOLATIONS OF CONFLICT OF INTEREST POLICY/CIVIL PENALTY:

No Board member, trustee, officer, employee or volunteer who has a conflict of interest shall continue to serve as a Board member or continue employment with FNRC unless the conflict of interest has been eliminated or a waiver has been obtained pursuant to the California Welfare and Institutions Code and enabling regulations.

A person who knowingly provides false information on a conflict-of-interest statement will be subject to a civil penalty in an amount up to fifty thousand dollars (\$50,000), in addition to any civil remedies available to the DDS, an action for a civil penalty may be brought by the DDS or any public prosecutor in the name of the people of the State of California.

Welfare and Institutions Code section 4626 and Title 17 of the California Code of Regulations, sections 54500, *et seq.*, shall be the basis upon which conflicts of interest are defined and procedurally handled.

(Approved by FNRC Board of Directors September 23, 2011 [eff. October 1, 2011]; Rev. 11/12)

CONFLICT OF INTEREST REPORTING STATEMENT**DS 6016** (New 08/2012)

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A “conflict of interest” generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

A. INFORMATION OF REPORTING INDIVIDUAL

Name: _____ Regional Center: _____

Regional Center Position/Title:

<input type="checkbox"/> Governing Board Member	<input type="checkbox"/> Executive Director
<input type="checkbox"/> Vendor Advisory Committee sitting on Board	<input type="checkbox"/> Employee
<input type="checkbox"/> Contractor <input type="checkbox"/> Agent	<input type="checkbox"/> Consultant

Reporting Status:

<input type="checkbox"/> Annual	<input type="checkbox"/> New Appointment (date): _____
<input type="checkbox"/> Change of Status ¹	

If a change in status, date and circumstance of change in status:

1. Please list your job title and describe your job duties at the regional center.

¹ Change of status includes reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

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|---|
| <input type="checkbox"/> Governing Board Member |
| <input type="checkbox"/> Vendor Advisory on Board |
| <input type="checkbox"/> Executive Director |
| <input type="checkbox"/> Employee/Other |

2. Do you or a family member² work for any entity or organization that is a regional center provider or contractor? yes no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local entity, provide the specific name of the state or local entity and describe your job duties at the state or local entity.
3. Do you or a family member own or hold a position³ in an entity or organization that is a regional center provider or contractor? yes no -- If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest.
4. Are you a regional center advisory committee board member? yes no -- If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? yes no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.
5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? yes no -- If yes, please explain.

² Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, and in-laws. See California Code of Regulations, title 17, sections 54505(f).

³ For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

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|---|
| <input type="checkbox"/> Governing Board Member |
| <input type="checkbox"/> Vendor Advisory on Board |
| <input type="checkbox"/> Executive Director |
| <input type="checkbox"/> Employee/Other |

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member⁴? yes no -- If yes, please explain.

7. Are you responsible for negotiating, making,⁵ executing or approving contracts on behalf of the regional center? yes no -- If yes, please explain.

8. Do you have a financial interest in any contract⁶ with the regional center? yes no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? yes no -- If yes, please explain.

9. Do any of your family members have a financial interest in any contract with the regional center? yes no
If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? yes no
If yes, please explain.

⁴ Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

⁵ California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

⁶ For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

<input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?
 yes no -- If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? yes no -- If yes, please explain.

B. ATTESTATION

I _____ (print name) HEREBY CONFIRM that I have read and understand the regional center’s Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center’s Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center’s designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature _____ Date _____

INTERNAL USE ONLY

Date this Statement was received by Reviewer: _____

The reporting individual does does not have a present potential conflict of interest

Signature of Designated Reviewer

Date Review Completed

