ASSOCIATED STUDENTS, INC.
CAL STATE SAN MARCOS

POLICY: CONFLICT OF INTEREST POLICY

EFFECTIVE DATE: APRIL 12, 2002

REVISED DATE: FEBRUARY 9, 2026

DEFINITIONS

Conflict of Interest:
For purposes of this policy, conflict of interest is defined as participating in and/or making decisions which could reasonably affect a person's economic interests in any material way, and any participation which impacts a person's economic interest differently than other persons with the same association with the auxiliary organization.

PURPOSE

To establish policy and procedures for conducting personal and business matters so as to avoid actual, potential, and/or apparent conflict between self-interests of Associated Students, Inc. (ASI) of California State University San Marcos Board of Director members and their employees and the interests of ASI and/or California State University San Marcos.

This policy complies with the California Education Code, which has specific requirements for the governing board of an auxiliary organization regarding conflict of interest.

POLICY

I. The ASI Board of Directors is governed by the California Education Code, Sections 89906 - 89909. All ASI employees shall adhere to California Education Code as specified below:

    1. California Education Code, 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 or she is a member. Any contract or transaction entered into, in violation of this section, is void.
    2. California Education Code, Section 89907: No contract or other transaction entered into by the governing board of an 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:
        a. The fact of such financial interest is disclosed or known to the governing board and noted in the minutes, and the governing board thereafter authorizes, approves, or ratifies the

contract or transaction in good faith by a sufficient vote without counting the vote or votes of such financially interested member or members, and

b. The contract or transaction is just and reasonable as to the auxiliary organization at the time it is authorized or approved.

3. California Education Code, Section 89908: The provisions of Section 89907 shall not be applicable if the circumstances specified in any of the following subdivisions exist:
   a. The contract or transaction is between an auxiliary organization and a member of the governing board of that auxiliary organization.
   b. The contract or transaction is between an auxiliary organization and a partnership or unincorporated association of which any member of the governing board of that auxiliary organization is a partner or in which he or she is the owner or holder, directly or indirectly, of a proprietorship interest.
   c. 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% or more of the outstanding common stock.
   d. A member of the governing board of an auxiliary organization with interest 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.
4. California Education Code, Section 89909: It is unlawful for any person to utilize any information, not a matter of public record, which is received by him or her by reason of membership on the governing board of an auxiliary organization, for personal pecuniary gain, regardless of whether he or she is or is not a member of the governing board at the time such gain is realized.

PROCEDURE

I. Completion of Conflict of Interest Statement (Attachment A)
   1. Presentation of Conflict of Interest Statement
      a. All voting members of the ASI Board of Directors and ASI employees are required to review and sign the Conflict of Interest Statement.
      b. ASI Executive Director/Designee will review with all of ASI staff and elected officials the Conflict of Interest Policy at the annual Fall ASI Retreat.
   2. Timeline for Completion
      a. Voting Members of the ASI Board of Directors and ASI Employees are required to complete a Conflict of Interest Statement at the start of employment and/or at the beginning of each academic year at fall retreat.
      b. The supervisor will send the adobe workflow form to the student or staff member. Record Retention
      c. All completed ASI Conflict of Interest Statements are collected and retained by the ASI Corporate Office and ASI Professional Staff designee.
      d. The ASI Professional Staff designee will audit and verify annual list twice per academic year to confirm each staff members or board member has submitted and completed form.

e. Length of retention should follow the ASI Documents and Records Retention & Destruction policy.
f. The ASI Executive Director/Designee will review completed Conflict of Interest Statements and is responsible for bringing any disclosed conflicts to the ASI Executive Committee for review.

II. Reporting a Conflict of Interest

1. Should a conflict of interest arise after the Conflict of Interest Statement is initially completed and submitted, it is that employee's or elected official responsibility to bring said conflict to the ASI Executive Director/Designee.
    a. All conflicts should be documented on that employee's conflict of interest statement by ASI Executive Director/Designee
2. All conflicts or potential conflicts of interest are referred to the ASI Executive Committee for review and/or recommendations and/or decisions.
    a. ASI Executive Committee decisions can be appealed to the ASI Board of Directors, who has final decision-making authority in instances of appeals.
3. Any member of the ASI Board of Directors or employees who cannot separate from a conflict of interest shall be asked to resign from their position.

RELATED DOCUMENTS

I. ASI Bylaws
https://www.csusm.edu/asi/about/corporate_documents/index.html

II. The California State University
https://www.calstate.edu/csu-system/administration/systemwide-human-resources/Pages/conflict-of-interest.aspx

III. California Education Codes
https://leginfo.legislature.ca.gov/faces/codesTOCSelected.xhtml?tocCode=EDC

IV. CSUSM Corporation
https://www.csusm.edu/corp/businesssrvcesandfinance/policies_proc_forms/index.html

V. ASI Documents and Records Retention & Destruction policy.
https://www.csusm.edu/asi/about/corporate_documents/policies_and_procedures/policies_and_procedures.html

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CONFLICT OF INTEREST STATEMENT

I certify that I have no personal or financial interest and no present or past employment activity which would be incompatible with my participation in the Associated Students, Inc. of California State University San Marcos (ASI) solicitation process and that I am fully able to give full, fair and impartial consideration to all proposals/bids as an appointee to the related evaluation team.

I fully understand and agree to immediately disqualify myself as soon as I am aware of a conflict of interest that may compromise my fair and impartial consideration of the proposal/bids.

I certify that I will hold in the strictest confidence all bids, proposals, correspondence, memoranda, working papers, or any other media which has any bearing on, or discloses any aspect of, any response or potential response to the ASI.

I fully understand that it is unlawful for a person to utilize any ASI information that is not a matter of public record, for personal pecuniary gain.

I fully understand that any violation of the above is a basis for disciplinary action, including dismissal.

I am aware that the following firms have submitted or may submit proposals:
{List firms if any}

Signed: _____
Name: _____
Title: _____
ASI Entity: _____
Date: _____