

FRANKLIN COUNTY CIVIC DEVELOPMENT CORPORATION

CONFLICT OF INTEREST POLICY

DEFINITION

A conflict of interest is a situation in which the financial, familial, or personal interests of a director or employee come into actual or perceived conflict with their duties and responsibilities with the CDC. Perceived conflicts of interest are situations where there is the appearance that a director and/or employee can personally benefit from actions or decisions made in their official capacity, or where a director or employee may be influenced to act in a manner that does not represent the best interests of the CDC. The perception of a conflict may occur if circumstances would suggest to a reasonable person that a director may have a conflict. The appearance of a conflict and an actual conflict should be treated in the same manner for the purposes of this Policy.

Directors and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of their relationship with any other party, or that they are acting in violation of their public trust. While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest typically arises whenever a director or employee has or will have:

- A financial or personal interest in any person, firm, or corporation or association which has or will have a transaction, agreement or any other arrangement in which the CDC participates.
- The ability to use his or her position, confidential information or the assets of the CDC, to his or her personal advantage.
- Solicited or accepted a gift of any amount under circumstances in which it could reasonably be inferred that the gift was intended to influence him/her, or could reasonably be expected to influence him/her, in the performance of his/her official duties or was intended as a reward for any action on his/her part.
- Any other circumstance that may appear to make it difficult for the director or employee to exercise independent judgement and properly exercise his or her official duties.

Outside Employment of the CDC's Employees: No employee may engage in outside employment if such employment interferes with his/her ability to properly exercise his or her official duties with the CDC.

PROCEDURES

Duty to Disclose: All material facts related to the conflicts of interest (including the nature of the interest and information about the conflicting transaction) shall be disclosed in good faith and in writing to the Governance Committee. Such written disclosure shall be made part of the official record of the proceedings of the CDC.

Determining Whether a Conflict of Interest Exists: The Governance Committee shall advise the individual who appears to have a conflict of interest how to proceed. The Governance Committee should seek guidance from counsel or New York State agencies, such as the Authorities Budget Office, State Inspector General or the Joint Commission on Public Ethics (JCOPE) when dealing with cases where they are unsure of what to do.

Recusal and Abstention: No director or employee may participate in a decision or take any official action with respect to any matter requiring the exercise of discretion, including discussing the matter and voting, when he or she knows or has reason to know that the action could confer a direct or indirect financial or material benefit on himself or herself, a relative, or any organization in which he or she is deemed to have an interest. Directors and employees must recuse themselves from deliberations, votes and internal discussion on matters relating to any organization, entity or individual where their impartiality in the deliberation or vote might be reasonably questioned, and are prohibited from attempting to influence other directors or employees in the deliberation and voting on the matter.

Records of Conflicts of Interest: The minutes of the CDC's meetings during which a perceived or actual conflict of interest is disclosed or discussed shall reflect the name of the interested person, the nature of the conflict, and a description of how the conflict was resolved.

Reporting of Violations: Directors and employees should promptly report any violations of this policy to the Governance Committee in accordance with the CDC's Whistleblower Policy.

Penalties: Any director or employee that fails to comply with this policy may be penalized in the manner provided for in law, rules or regulations.

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