

ARIZONA BOARD OF EXECUTIVE CLEMENCY

BOARD POLICY #103

Policy Title: CONFLICT OF INTEREST	Effective Date: July 06, 2017	Policy #103
	Supersedes: November 26, 2014	

PURPOSE:

This policy provides guidelines for identifying conflicts, disclosing conflicts and the procedures to be followed to assist the Arizona Board of Executive Clemency to manage conflicts of interest and situations that may result in the appearance of a conflict. It governs the activities of the members and staff of the Arizona Board of Executive Clemency (AZBOEC).

AUTHORITY:

A.R.S. §31-402

PROCEDURE:

103.1 Conflict of Interest

- 1.1 It is the duty of all Board members and staff to be aware 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:
- a. Board Chairman
 - b. Board Executive Director; or
 - c. Board Counsel.

- 1.2 The board has adopted several policies that directly or indirectly address potential conflict of interest concerns. These policies are:

Board Member Decorum Policy #101

The purpose of this policy is to set the highest standards of honesty, integrity, conduct and impartiality for all Board Members. Board members shall be held accountable for complying with these standards as well as the Board's Policy and Procedures when conducting their official and personal affairs.

Ethical Standards Policy #102

The purpose of this policy is to set the highest standards of honesty, integrity, conduct and impartiality for all Board Members. Board members shall be held accountable for complying with these standards as well as the Board's Policy and Procedures when conducting their official and personal affairs.

Hearing Recusal Policy #104

The purpose of this policy is to outline the general procedures and guidelines associated with the Board's practice of conducting fair and equitable hearings without regard to personal or other biases and interests.

103.2 Training

2.1 All new members shall be trained by the Board's legal counsel and the Board Chairman or designee on how to avoid placing themselves in a conflict of interest situation.

2.1.1. The Board Member Orientation shall include but not limited to:

1. **What is a conflict of interest?** A conflict of interest arises when a Board member or staff member has a personal interest that conflicts with the interests of AZBOEC or arise in situations where a board/staff member has divided loyalties (also known as a "duality of interest").

2. **Who might be affected by this policy?** Typically persons who are affected by a conflict of interest policy are the organization's Board members, officers, and senior staff. AZBOEC 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.

3. **Disclosure of Conflicts.** Board members and staff shall annually disclose and promptly update any disclosures previously made on the Conflict Disclosure Questionnaire form that requests them to identify their interests that could give rise to conflicts of interest, such as a list of family members, substantial business or investment holdings, and other transactions or affiliations with businesses and other organizations or those of family members as well as other nonprofit organizations.

4. **Procedures to manage conflicts.** For each interest disclosed, the full Board or the Executive Director or the Board Chairman, as appropriate, will determine whether the organization should: (a) take no action or (b) disclose the situation more broadly and invite discussion/resolution by the full Board of what action to take, or (c) refrain from taking action and otherwise avoid the conflict. In most cases the broadest disclosure possible is advisable so that decision-makers can make informed decisions that are in the best interests of the organization.

a. When the conflict involves a decision-maker, the person with the conflict ("interested party"): (i) must fully disclose the conflict to

all other decision-makers; (ii) may not be involved in the decision of what action to take (e.g., may not participate in a vote) but may serve as a resource to provide other decision-makers with the needed information.

- b. In some cases the person with the conflict may be asked to recuse him/herself from sensitive discussions so as not to unduly influence the discussion of the conflict.
- c. In all cases, decisions involving a conflict will be made only by disinterested persons.
- d. The existence of a conflict and the Board's management of that conflict will be documented in the minutes of board meetings if the conflict was related to a Board member.
- e. The Executive Director will monitor proposed or ongoing transactions of the organization (e.g., contracts with vendors and collaborations with third parties) for conflicts of interest and disclose them to the Board and staff, as appropriate, whether discovered before or after the transaction has occurred.

2.2 Board members and staff are urged to disclose conflicts as they arise and to disclose those situations that are evolving that may result in a conflict of interest.

2.2.1 Board members shall disclose to the Board Chairman as soon as they are aware of the conflict/potential conflict or if the appearance of a conflict exists. Staff shall disclose to the Executive Director.

2.2.2 Advance disclosure must occur so that a determination may be made as to the appropriate plan of action to manage the conflict.

103.3 Acknowledgement

3.1 Within the first week of employment, all new board members shall receive a copy of the Board's Policy and Procedure Manual and shall read Board Policy #101-*Board Member Decorum*, Board Policy #102 *Ethical Standards* and Board Policy #104 *Hearing Recusal*. Upon completion, the Board Member will acknowledge that they have fully read and understand each policy by initial and signature on the **Conflict of Interest Statement and Acknowledgement** form. The form shall be placed in the Member's personnel file.

3.2 This policy as well as the other three designated policies shall be annually reviewed and acknowledged by each board member at the beginning of the new fiscal year.

CONFLICT OF INTEREST STATEMENT

And

ACKNOWLEDGEMENT

I have received the Board's Policy and Procedures Manual and understand that designated policies are also posted on AZBOEC website (www.boec.az.gov) for review. As a member of the Board, it is my duty to maintain and update the Policy and Procedure Manual that has been provided.

In compliance with Board Policy #103-*Conflict of Interest*, I hereby acknowledge that I have read and fully understand the Board's Policy and Procedures including the following:

Board Member Decorum Policy #101	_____ (initials)
Ethical Standards Policy #102	_____ (initials)
Hearing Recusal Policy #104	_____ (initials)

Signature

Date

Printed Name