

1150 - Conflict of Interest

Prepared by: Office of Human Resource

In accordance with the California Code of Regulations, Title 17, Sections 54500 through 54530, and the Welfare and Institutions Code Sections 4622, 4626, and 4627, the Regional Center of the East Bay (RCEB) has established the following Conflict of Interest Policy to ensure that decisions are made in the best interests of the center's consumers and families.

Purpose

This policy ensures that all RCEB employees, contractors, consultants, governing board members, and executive directors perform their duties with integrity and impartiality, avoiding any actual or potential conflicts between personal interests and official responsibilities. The Regional Center of the East Bay (RCEB) will comply with conflict of interest standards imposed by law to ensure that employees make decisions which are in the best interests of the RCEB's clients and families.

Scope

This policy applies to all employees (bargaining, non-bargaining and temporary), contractors, consultants, governing board members, and executive directors associated with the organization.

Definitions

- **Conflict of Interest:** A situation where a personal, business, or financial interest could compromise or appear to compromise the impartiality and objectivity of an individual's official duties.
- **Actual or Present Conflict of Interest:** An existing conflict of interest.
- **Potential Conflict of Interest:** A situation which, based on circumstances reasonably expected to occur at a point in the future, may result in a conflict of interest at that time.
- **Financial Interest:** Any financial interest, regardless of the dollar amount, including aiming to achieve a financial gain or avoid a financial loss. The financial interest may be direct or indirect and includes any monetary or proprietary benefit, gain of any sort, or the contingent possibility of monetary or proprietary benefits and extends to expectations of economic benefit. Certainty of financial gain is not necessary to create a conflict of interest.
- **Direct Financial Interest:** when the individual in his or her official capacity, does business with himself or herself in his or her private capacity
- **Indirect Financial Interest:** if an employee enters into a contract in his/her official capacity with an individual or entity, and because of the relationship between the individual or entity to the employee, the individual or entity is in a position to render actual or potential pecuniary benefits to the employee based on that contract.

Standards and Procedures

- **Positions Creating Conflicts:**
 - A conflict of interest exists when an employee, a member of the board of directors, a director, an officer, an owner, a partner, a shareholder, or a trustee of any organization either doing or actively planning to do business with RCEB
 - A conflict of interest exists when a regional center governing board member, executive director, or a family member of such person holds certain positions with a business

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entity, entity, or provider, as defined in Section 54505, except as permitted by Welfare and Institutions Code sections 4622 and 4626.

- A conflict of interest exists when a regional center employee, contractor, agent, consultant, or their family member holds certain positions with a business entity, entity, or provider, as defined in Section 54505 that could lead to a conflict with their regional center duties.
- A conflict of interest exists when an employee holds any position of management in any business entity or provider either doing or actively planning to do business with RCEB.
- **Financial Interests in Decisions:** Individuals must not participate in decisions where they have a financial interest that could be affected by the outcome.
- **Financial Interests in Contracts:** Individuals are prohibited from being involved in contracts where they have a financial interest
- **General Prohibition:**
 - Individuals must not engage in activities that present a conflict of interest with their official duties.
 - Individuals must not participate in the evaluation of an application for employment or bid for position or contract at the Regional Center that is submitted by a family member of such person.
 - A conflict of interest exists when a Regional Center employee devotes less than his or her full time attention and effort to Regional Center employment during the hours he or she is compensated to work.
 - A conflict of interest exists when a Regional Center employee provides services for salary, honorarium, or compensation of any kind during the hours he or she is compensated to work. This does not apply to Regional Center employees who are officially off duty unless it is for reasons identified as a conflict above.
 - A conflict of interest exists when a Regional Center employee accepts a gift or gifts from a service provider, consumer, or consumer's family member valued over fifteen dollars (\$15) per year.
- **Employment of Family Members:**
 - A conflict of interest exists when senior staff at the regional center hire relatives at the center or any ancillary foundation and organization. Senior staff are identified as people in key position that drive the strategic decision-making at each regional center. These key positions include: Executive Director, Associate Executive Director or comparable positions, if applicable; Members of the regional center's executive team; the highest-ranking staff position in each of the following disciplines:
 - Case Management
 - Clinical Services
 - Community Services
 - Finance
 - Human Resources
 - No employee can participate in reviewing an application for Regional Center employment from a family member.
 - No employee can directly supervise another Regional Center employee or serve as a reviewing officer for reports of performance for a Regional Center employee who is a family member. Family members are identified as the employee's spouse, domestic partner, siblings, stepsiblings, parents, stepparents, children, stepchildren, parents-in-

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law, sisters-in-law, brothers-in-law, daughters-in-law, sons-in-law, grandchildren, and grandparents.

Disclosure Requirements

- **Reporting Statements:** Governing board members and executive directors are required to file Conflict of Interest Reporting Statements within the specified timelines, in compliance with Section 54532.
- **Conflict Resolution Plan:** If a present or potential conflict is identified, a Conflict Resolution Plan must be submitted as detailed in Section 54533.

Enforcement and Sanctions

Failure to comply with this policy may result in disciplinary actions, including termination of employment or contracts, as outlined in Section 54535.

Candidates for nomination, election, or appointment to a regional center board and applicants for the regional center director are required to disclose any potential or present conflicts of interest prior to being appointed, elected or confirmed for hire by the regional center or the regional center governing board.

Employees are required to file a conflict of interest statement disclosing any actual and/or potential conflict of interest and signed under penalty of perjury with the Human Resources Department at the time of employment and annually thereafter, no later than August 1 of each year.

Each employee is required to report any actual and/or potential conflict of interest RCEB Procedures that arises after the initial filing to the Human Resources Department

Compliance and Training

All individuals subject to this policy must undergo regular training to understand and adhere to conflict of interest laws and organizational standards.

The regional center and its governing board are required to regularly and consistently monitor and enforce compliance with its conflict-of-interest policy.

Review and Amendments

This policy will be reviewed annually and updated as necessary to ensure compliance with applicable laws and regulations.

Contact Information

For questions or further information regarding this policy, please contact RCEB's Human Resources Department.

By adhering to this policy, we commit to maintaining the trust and confidence of the public and stakeholders we serve.