

Policy (T) 1.5 Conflict of Interest

Background:

The purpose of the conflicts of interest policy (set forth below) is to help identify what constitutes a conflict of interest, assist the Board members in identifying and disclosing actual and potential conflicts, and help ensure the avoidance of conflicts of interest where necessary.

Policy Resolution:

This policy may be enforced against individual Board members as described:

1. Board members have a fiduciary duty to conduct themselves without conflict to the interests of Hagensborg Waterworks District. In their capacity as Board members, they must subordinate personal, individual business, third-party, and other interests to the welfare and best interests of Hagensborg Waterworks District.
2. A conflict of interest is conduct, a transaction or relationship that presents or might conflict with a Board member's obligations owed to the Hagensborg Waterworks District and the Board member's personal, business or other interests.
3. All conflicts of interest are not necessarily prohibited or harmful to Hagensborg Waterworks District. However, full disclosure of all actual and potential conflicts, and a determination by the disinterested Board member(s) or Hagensborg Waterworks District Corporate Officers – with the interested Board member(s) recused from participating in debates and voting on the matter – are required.
4. All actual and potential conflicts of interests shall be disclosed by Board members to the Hagensborg Waterworks District Board and Officer(s) through the annual disclosure form and/or to the Board whenever a conflict arises including verbally during a board meeting. Disinterested members of the Hagensborg Waterworks District Board and/or Officer(s) shall make a determination as to whether a prohibited conflict exists and what subsequent action is appropriate (if any). The Hagensborg Waterworks District Board and/or Officer(s) shall inform the Board of such determination and action. The Board shall retain the right to modify or reverse such determination and action in future, and shall retain the ultimate enforcement authority with respect to the interpretation and application of this policy.
5. On an annual basis, all Board members shall be provided with a copy of this policy and required to complete and sign the acknowledgment and disclosure form. All completed forms shall be provided to and reviewed by the Hagensborg Waterworks District Board and/or Officer(s), as well as all other conflict information, if any, provided by Board members.

Date Adopted: 05.16.16