



Conflict of Interest Policy

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Second Harvest Food Bank of Santa Clara and San Mateo Counties (SHFB) encourages the active involvement of its directors, officers and employees in the community. In order to deal openly and fairly with actual and potential conflicts of interest that may arise as a consequence of this involvement, SHFB adopts the following Conflict of Interest Policy.

Conflict of Interest Policy. Directors, officers and employees are expected to use good judgment to adhere to high ethical standards, and to conduct their affairs in such a manner as to avoid any actual or potential conflict between the personal interests of a director or employee and those of SHFB. A conflict of interest exists when the loyalties or actions of a director, officer or employee are divided between the interests of SHFB and the interest of the director, officer or employee. Both the fact and the appearance of a conflict of interest should be avoided. Each employee and Board member shall complete an annual “Conflict of Interest” disclosure statement in order to identify actual or potential conflicts of interest in business dealings with SHFB. Any actual or potential conflict of interest will be reviewed and resolved by the Board in accordance with A and B below.

- A. No employee or Board member (or member of either’s family) may enter into an agreement or contract with SHFB without meeting the following conditions:
 - 1. A majority approval of a quorum of the Board of Directors with the Board member, if applicable, abstaining from the vote.
 - 2. A minimum of three written bids or proposals giving evidence that SHFB will benefit financially, professionally, legally, or programmatically if the employee, Board member, or family member’s agreement/contract is utilized.
- B. No employee, Board, or family member may have a vote or influence in altering the basic operations or mission for which SHFB was incorporated, to achieve direct or indirect personal gain.

Definitions

Conflict of interest may include, but is not limited to the following:

- 1. Owning an interest directly, or indirectly, in a SHFB Supplier.*
- 2. Deriving, in any way, from a SHFB supplier any commission, fees, loans, trips, gifts, benefits, or anything else of value not offered to the general public as part of a promotional campaign.
- 3. Being a director, officer, employee, consultant, agent, representative, or acting for a SHFB supplier in any capacity, or having a relative in such a position.
- 4. Engaging in any business venture or transaction with a SHFB supplier, which could be objectively construed as being a conflict of interest or allegiance with SHFB.

**Second Harvest Food Bank supplier is interpreted broadly for purposes of this procedure as any personal partnership, trust, corporation, or other enterprise which, to an employee’s knowledge, has done business within the past 12 months, is currently doing business, or contemplates doing business in the next 12 months with Second Harvest Food Bank.*

Periodic Review

To ensure that SHFB operates in a manner consistent with its charitable purposes and its status as an organization exempt from federal income tax, there shall be a periodic review of the administration of this Conflict of Interest Policy. The review may be written or oral. The review shall be authorized and overseen by the Governance Committee of the Board of Directors. The review shall consider the level of compliance with the Policy, the continuing suitability of the Policy, and whether the Policy should be modified and improved.