

RURAL DEVELOPMENT PROJECT POLICIES AND PROCEDURES	Issued by: RDP Statewide Program Officer- Maile Lu'uwai	Policy No.: OPR 003
		Effective Date: 03/15/2006
Subject: <i>Conflict of Interest</i>	Approved by: RDP Statewide Program Coordinator-John Dunncliffe	Revision No.: N/A
		Supersedes Policy: N/A

I. **PURPOSE:** To provide conflict of interest guidelines for RDP staff.

II. **DEFINITIONS**

A. **Conflict of Interest:** RDP staff shall not take official action directly affecting an organization that will be or has been selected for an RDP award if the employee, any member of his/her immediate family, or his/her partner or spouse has a financial or other interest in the organization.

1. Financial Interest is an interest held by an employee, his/her spouse/partner, or immediate family which is:
 - a. An ownership interest in a business.
 - b. A creditor interest in an insolvent business.
 - c. Employment or prospective employment for which negotiations have begun.
 - d. An ownership interest in real or personal property.
 - e. A loan or other debtor interest.
 - f. A directorship or officership in a business or organization.
2. Official Action means a decision, recommendation, approval, disapproval, or other action, including inaction, which involves the use of discretionary authority.

B. **Members of the Immediate Family:** Dependents and all members of a household are considered members of the immediate family.

C. **RDP Staff** in the context of this policy includes all RDP employees and all students who are either employed or receiving stipends as a result of their work for RDP.

III. **GUIDELINES**

A. **Disclosure.** RDP staff is required to make regular, timely, and full confidential disclosures to the Principal Investigator or the RDP Statewide Coordinator of all outside remunerative activities related to their employment with RDP. If RDP staff

has cause to believe that a RDP matter would involve him/her in a conflict of interest, he/she is required to disclose the conflict of interest to the RDP Statewide Coordinator or Principal Investigator.

RDP staff must also disclose equities and positions of members of their immediate family which could create a conflict or the perception of a conflict of interests between their employment with RDP and their outside activities and/or holdings.

Disclosure must be in writing and sent to the Principal Investigator or RDP Statewide Coordinator. Disclosures shall be kept confidential. The Principal Investigator or RDP Statewide Coordinator shall make a determination of whether a conflict exists or may refer the disclosure to the Hawai'i State Ethics Commission for a written opinion.

Supervisory personnel, who are themselves subject to this policy and its disclosure requirements, are also required to report conflicts of interests of persons under their supervision.

Failure, whether willful or not, to comply with the requirements or provisions of this policy may be sanctioned as in non-compliance with this policy.

B. Abstention from Participation in Selection or Award Process for Funding

RDP staff shall not participate in the selection, award or administration RDP funding if a real or apparent conflict of interest would be involved between the RDP staff member and the organization/program receiving funding. 29 CFR 95.42

C. Program Participants

A spouse/partner or immediate household member may participate in RDP programs if he/she meets the program eligibility requirements. RDP staff is required to ensure that his/her spouse/partner or immediate household member does not receive preferential treatment or any unwarranted advantage.

IV. CONFIDENTIAL INFORMATION

No RDP staff shall disclose information which by law or practice is not available to the public and which the employee acquires in the course of the employee's official duties, or use the information for the employee's personal gain or for the benefit of anyone.

V. GIFTS

RDP staff shall not solicit, accept gifts or receive, directly or indirectly, any gift, whether in the form of money, service, loan, travel, entertainment, hospitality, thing, or promise, or in any other form, under circumstances in which it can reasonably be inferred that the gift is intended to influence the employee in the performance of the employee's official duties or intended as a reward for the any official action on the employee's part.

VI. DISCIPLINARY ACTION

RDP staff found in violation of this policy may be subject to disciplinary action on the basis of the severity of the violation. A verbal reprimand, written reprimand, suspension or termination may be issued. The Principal Investigator or RDP Statewide Coordinator may refer the violation to the University of Hawaii or Research Corporation of the University of Hawaii for resolution.

VII. STATE OF HAWAII / UNIVERSITY OF HAWAII / RCUH ETHICS POLICIES

RDP staff that are RCUH employees are subject to the provisions of the State Ethics Code, Chapter 84, Hawaii Revised Statutes (HRS Chapter 84).

RDP staff that are University of Hawaii employees are subject to HRS Chapter 84 and University of Hawaii Executive Policy E5.214-Conflicts of Interest.

It is the responsibility of RDP staff to be apprised of the requirements of the foregoing provisions.

VIII. REFERENCES: UH Executive Policy E5.214-Conflicts of Interest; HRS Chapter 84; 29 CFR 95.42; RCUH Policies and Procedures Section 1.001: Conflict of Interest Policy Statement.