

Appendix 2

Association of American State Geologists Conflict of Interest Policy

This policy is designed to ensure that the Members, Associates, Honoraries, Emeriti, contractors, and/or employees of the Association of American State Geologists (AASG) act in AASG's best interest and comply with all applicable legal requirements and, in that regard, that AASG's Members, Associates, Honoraries, Emeriti, , contractors, and/or employees voluntarily identify situations that present potential conflicts of interest and provide a procedure to manage such situations.

Scope

This policy applies to all AASG Members, Associates, and Honoraries, Emeriti, contractors, and/or employees.

Policy

AASG's Members, Associates, Honoraries, Emeriti, contractors, and/or employees all serve the public and have a clear obligation to fulfill their responsibilities in a manner consistent with this fact. All AASG actions and decisions are made solely on the basis of a desire to advance the best interests of the organization and the public good. The integrity of the AASG must be protected at all times.

AASG Members, Associates, Honoraries, Emeriti, contractors, and/or employees inevitably are involved in the affairs of other public and private institutions and organizations. Effective boards and administrations will include individuals who have relationships and affiliations that may raise questions about perceived conflicts of interest. Although many potential conflicts are and will be deemed inconsequential, every AASG Member, Associate, Honorary, Emeriti, contractors, and/or employees has the responsibility to be aware of situations that involve personal, familial, or business relationships that could be troublesome. Thus, it is required that each Member, Associate, Honorary, Emeriti, contractors, and/or employees to (1) be familiar with the terms of the policy; and (2) disclose to the AASG President any possible personal, familial, or business relationships that reasonably might give rise to a conflict involving the AASG.

All terms in *italics* are defined in the section titled "Definitions".

I. Conflicts of Interest

The following circumstances shall be deemed to create Conflicts of Interest:

- A. *Contract or Transaction* between an AASG Member, Associate, Honorary, Emeriti, contractors, and/or employees acting on behalf of AASG, and a *Responsible Person* or *Family Member*.

- B. *Contract or Transaction* between an AASG Member, Associate, Honorary, Emeriti, contractors, and/or employees acting on behalf of AASG, and an entity in which a *Responsible Person* or *Family Member* has a *Material Financial Interest* or of which such person is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative or consultant.
- C. *Responsible Person* competing with the AASG in the rendering of services or in any other *Contract or Transaction* with a third party.
- D. *Responsible Person* having a *Material Financial Interest* in or serving as a director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator, or other legal representative of, or consultant to an entity or individual that competes with the AASG in the provision of services or in any other *Contract or Transaction* with a third party.
- E. *Responsible Person* accepting gifts, entertainment, or other favors, including a loan, from any individual or entity that:
 - i. does or is seeking to do business with the AASG;
 - ii. has received, is receiving or is seeking to receive a loan or grant, or to secure other financial commitments from the AASG;
 - iii. is a charitable organization.
- F. The above i., ii., iii., are circumstances where it might be inferred that such action was intended to influence or possibly would influence the *Responsible Person* in the performance of his or her duties. This does preclude the acceptance of items of *Nominal or Insignificant* value or entertainment which are not related to any particular AASG transaction or activity.

II. Definitions

- A. "Conflict of Interest" is any circumstance described in Section 1 of this Policy.
- B. "Responsible Person" is any AASG Member, Associate, Honorary, Emeriti, contractors, and/or employees.
- C. "Family Member" is a spouse, domestic partner, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister, of a Responsible Person.
- D. "Key employee" is a person who is in a position to exercise substantial influence over AASG and other than directors and officers, may include a person who (1) is a substantial contributor, (2) has authority to control a substantial portion of AASG's expenditures or operating budget, or (3) receives compensation primarily based on revenues derived from AASG activities.
- E. "Material Financial Interest" is a financial interest of any kind, including any holding of stock or ownership interest, other than (1) ownership interest of less than 10%, or (2) funds received from an enterprise during the last calendar year or might be expected to

receive during the current or next calendar year of income less than \$5000, or (3) where the person is a creditor of a private enterprise where the amount is <10% of the debt of that enterprise, all of which when exceeded are substantial enough that it would or reasonably could affect a Responsible Person's or Family Member's judgment with respect to transactions to which the entity is a party. This includes all forms of compensation.

- F. "Contract or Transaction" is any agreement or relationship involving the lease, sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant, or the establishment of any other type of pecuniary relationship by the AASG. The making of a gift to the AASG is not a Contract or Transaction.
- G. "Nominal or Insignificant" is defined as less than \$50.00 per person per incident or less than \$250.00 per person per fiscal year.

III. Procedure

- A. A *Responsible Person* that has a potential *Conflict of Interest* shall disclose all facts and materials related to the Conflict of Interest to the AASG President, and other Executive Committee Members (ExCom). The President shall report the disclosure at a meeting and the disclosure shall be reflected in formal minutes.
- B. An ExCom Member who has reason to believe that he or she will act on a matter in which he or she has a *Conflict of Interest* shall disclose to the AASG President all facts and materials related to the Conflict of Interest. The President shall report the disclosure at a meeting and the disclosure shall be reflected in formal minutes.
- C. A person who has a Conflict of Interest shall not participate in or be permitted to hear the ExCom's discussion of the matter except to disclose material facts and to respond to questions. Such a person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside of the meeting.
- D. The person having a *Conflict of Interest* may not vote on the *Contract or Transaction* and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.
- E. *Responsible Persons* who are not ExCom Members, or who have a *Conflict of Interest* with respect to a *Contract or Transaction*, shall disclose to the AASG President any *Conflict of Interest* that such *Responsible Person* has with respect to a *Contract or Transaction*. Such disclosure shall be made as soon as the *Conflict of Interest* is known to the *Responsible Person*. The *Responsible Person* shall refrain from any action that may affect the AASG's participation in such *Contract or Transaction*.

- F. If it is not entirely clear that a *Conflict of Interest* exists, the individual with the potential conflict shall disclose the circumstances to ExCom, and they shall determine whether there exists a *Conflict of Interest* that is subject to this policy.
- G. The existence and resolution of conflicts must be documented in AASG records, including in the minutes of any meeting at which the conflict was discussed or voted on.

IV. Interpretation of this policy on conflicts

The areas of conflicting interest listed in Section I and the relations in those areas, which may give rise to conflict, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the Responsible Persons will recognize such areas and relation by analogy.

The fact that one of the interests described in Section I exists does not necessarily mean that a conflict exists or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of the AASG. However, it is the AASG policy that the existence of any of the interests described in Section I shall be disclosed before any transaction is consummated. Out of an abundance of caution, all *Responsible Persons* shall also disclose the existence of any interests described in Section I which may create an appearance or perception of a *Conflict of Interest* to a reasonable person who does not have complete knowledge of the underlying facts. In the event that ExCom believes that a *Conflict of Interest* exists, the procedures set forth in Section III shall be followed. It shall be the continuing responsibility of the ExCom and each Responsible Person to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

V. Confidentiality

Each *Responsible Person* shall exercise care not to disclose confidential information acquired in connection with such status or other information whose disclosure might be adverse to the interests of the AASG. Furthermore, a *Responsible Person* shall not disclose or use information relating to the business of the AASG for the personal profit or advantage of the *Responsible Person* or a *Family Member*.

VI. Disclosure of Conflicts and Review of this policy

- A. Each new AASG Member, Associate, Honorary, Emeriti, contractors, and/or employees shall be required to review a copy of this policy.
- B. All AASG Members, Associates, Honoraries, Emeriti, contractors, and/or employees shall complete, sign and submit to AASG's Secretary a written statement identifying to the best of their knowledge, any entity of which they are an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which

AASG has a relationship, and any transaction in which AASG is a participant and in which they might have a conflicting interest.

- C. Each Responsible Person shall annually complete a disclosure form identifying any relationships, positions, or circumstances in which the Responsible Person is involved that he or she believes could contribute to a Conflict of Interest. Such relationships, positions, or circumstances might include service as a director of or consultant to a nonprofit organization, or ownership of a business that might provide goods or services to the AASG. Any such information regarding business interests of a Responsible Person or a Family Member shall be treated as confidential and shall generally be made available only to AASG's ExCom, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.
- D. This policy shall be reviewed semi-annually by ExCom, and any changes to the policy shall be communicated immediately to all Responsible Persons.

The AASG Conflict of Interest Information Form

_____ I certify that I have reviewed the Association of American State Geologists Conflict of Interest Policy in connection with completing this Conflict of Interest Information Form.

Are you aware of any relationship between the AASG and yourself or a family member as defined by the spirit of this policy that may represent a conflict of interest?

☐ No ☐ Yes

Print Name: _____

Signature: _____ Date: _____

If yes, please list and describe below the relationships, positions, or circumstances in which you are involved that you believe could contribute to a Conflict of Interest (as defined in the AASG Policy on Conflicts of Interest).

Adopted by AASG on 5/14/2021.