



Conflict of Interest Policy

The purpose of this Conflict of Interest Policy is to protect the interests of **OCEAN AVENUE ASSOCIATION (“OAA”)** when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the organization or might result in a possible “excess benefit transaction” under the IRS Code or a “self-dealing transaction” under the California Corporations Code. This policy is intended to supplement, but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Each Officer, Board Member, Committee Member and staff member shall act in the best interest of the organization and disclose any conflicts of interest.

Definitions

A *direct conflict* occurs when a person is party to a transaction with the corporation and stands to benefit from it financially.

An *indirect conflict* is present when the Board enters into a financial transaction with a business in which one of its Directors or a close family member is a general partner or has a material interest. An indirect conflict of interest is also present if a Director is on the Board or an officer of another profit or nonprofit corporation and the transaction is significant enough that it should be considered by the Board or other corporation.

A conflict of interest exists when Officers, Board members, Committee Members or staff have a direct or indirect business, professional or personal situation or relationship that may influence or be perceived to influence the judgment or action of the Officer, Board member or staff when serving the Alliance. Such conflicts of interest include, but are not limited to; personal and professional affiliations and business dealings.

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family;

- a. An ownership or investment interest in any entity with which the organization has a transaction or arrangement,
- b. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board of Directors evaluates and determines that a conflict of interest exists, consistent with state and federal laws.

All real or perceived or potential conflicts of interest will be disclosed at the earliest opportunity to the Board of Directors for consideration, resolution and direction.

Officers, Board Members, Committee Members and staff will be required to annually sign the following conflict of interest form.

Adopted on this 11th day of December, 2023 by a vote of the Board of Directors:

YES: 10

NO: 0

ABSTENTION: 0

Conflict of Interest Form

I have read and understand the Conflict of Interest Policy, and understand that it is my obligation to act in a manner that promotes the best interest of the Alliance to avoid conflicts of interest when making decisions and taking actions on behalf of the Ocean Avenue Association.

I agree to abide by the Conflict of Interest Policy and disclose to the Board of Directors any real or perceived or potential conflicts of interest that may arise during the course of my tenure with the association.

Additionally, I agree to abide by the direction and decision rendered by San Francisco Benefit District Alliance as it pertains to the Conflict of Interest Policy.

Signature

Date

Organization