

## Orange County Continuum of Care Conflict of Interest Policy and Procedure

### Background

The purpose of the Orange County Continuum of Care (CoC) Conflict of Interest Policy and Procedure (Conflict of Interest) is to avoid a conflict of interest, financial interest, or the appearance of a conflict of interest or financial interest, of a member of the CoC Board (Member), CoC General Member (General Member), member of a CoC committee, ad hoc or working group and demonstrate the Orange County CoC's commitment to the highest standards of integrity, fairness, and conduct.

### Definitions

- Member(s): Elected members of the CoC Board, including the CoC Board Chair, Vice Chair and Secretary.
- General Member(s): Any voting CoC General Member, including voting CoC General Members serving as appointed members of a CoC committee, ad hoc or working group.
- Other Individual(s): Any person serving as an appointed member of a CoC committee, ad hoc or working group who is not a voting CoC General Member or CoC Board member.
- Conflict of Interest: A conflict of interest is defined as a situation that exists when a Member, General Member, or Other Individual participating on a CoC committee, ad hoc or working group, has competing commitments, obligations, duties or goals with the interest and activities of the CoC. A conflict of interest may exist due to a personal or professional relationship of a Member, General Member, or Other Individual (i.e. immediate family<sup>1</sup>, parent, spouse, partner, child, sibling, etc.). Examples of common conflicts of interests may include, but are not limited to, situations in which the Member, General Member, or other individual:
  - Is employed by an agency that receives CoC funds as a recipient, subrecipient or contractor
  - Has a relative that is employed by an agency that receives CoC funds as a recipient, subrecipient or contractor
  - Has a spouse or domestic partner who provides consulting services to or is on the Board of an agency that is seeking CoC funds
  - Is employed by an organization that has an investment in one or more CoC funded projects (e.g., a government agency or intermediary organization that provides match, capital funding, or tax credit syndication).
  - Has a child who is receiving services from a CoC funded project.
  - Owns property that receives rental payments from a CoC recipient.
  - Has a sibling who owns a business that provides goods or services to a CoC funded project.Please note, this list is not exhaustive of all potential conflicts of interest that may arise.
- Financial Interest: A Member, General Member, or Other Individual has a financial interest if they have, directly or indirectly, through business, investment, or family:
  - An ownership or investment interest in any entity with which the CoC has a transaction or arrangement;

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<sup>1</sup> The HEARTH Act does not define "Immediate Family" but the term can be understood to include, at a minimum, a parent, spouse, domestic partner, child, or sibling, etc.

- A management position in any entity which has a financial interest, such as serving on the Board of an organization with a financial interest in the CoC;
- A compensation arrangement with the CoC or with any entity or individual with which the CoC has a transaction or arrangement; or
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the CoC is negotiating a transaction or arrangement.
- Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. 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 decides that a conflict of interest exists, in accordance with this policy. Members, General Members or Other Individuals with lived experience of homelessness receiving compensation for their participation on the CoC Board or CoC committees, ad hocs or working groups, should not be seen as having a competing financial interest.

Please note, this list is not exhaustive of all potential financial interests that may arise.

#### Policy:

Members, General Members, and Other Individuals must comply with the conflict of interest and recusal process found in §578.95 Conflicts of Interest in the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act)<sup>2</sup> and any additional requirements per the CoC Governance Charter (Sections V.B.7.1. and V.C.f.).

#### Procedures

1. Recusal of Self – A Member, General Member, or Other Individual shall recuse themselves at any time from involvement in any discussion or decision in which the Member believes they have or may have a conflict of interest or financial interest. A Member, General Member, or Other Individual shall not vote nor attempt to influence any other Member, General Member, or Other Individual on a matter under consideration by the CoC Board and/or its affiliated committees, ad hocs or working groups as follows:
  - Regarding the provision of services by such Member, General Member, or Other Individual (or by an organization or entity that such Member, General Member, or Other Individual represents, is employed by, and/or has other strong affiliations); or
  - By providing direct financial benefit to such Member, General Member, or Other Individual or the immediate family, parent, spouse, domestic partner, child, or sibling, etc., of such Member, General Member, or Other Individual; or
  - Engaging in any other activity determined by the County, State or Federal law, regulations, and ordinances to constitute a conflict of interest.
2. Duty to Disclose – It is within the Conflict of Interest that a Member, General Member, or Other Individual must disclose the existence of any conflicts of interest and/or financial interest in relation to their involvement with the CoC. It is the duty of the Member, General Member, and Other Individual participating on a CoC committee, ad hoc or working group to review meeting agendas and inform the CoC Board and/or Committee Chairs and/or Vice Chairs of any perceived, actual, or potential conflicts of interest prior to the meeting.
3. Determining Whether a Conflict of Interest Exists – If a question arises as to whether a conflict of interest exists that may prevent a Member, General Member, or Other Individual from voting, the Chair or designee may consult with the Collaborative Applicant staff to assist in making that determination.

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<sup>2</sup> CFR 24 578.95 § 578.95 Conflicts of Interest: <https://www.hudexchange.info/resource/2035/coc-program-interim-rule-formatted-version/>

4. Violation of the Conflict of Interest Policy– If the CoC Board officers, Committee Chairs, Committee Vice Chairs or the Collaborative Applicant has reasonable cause to believe a Member, General Member, or Other Individual has failed to disclose actual, possible or perceived conflicts of interest, they shall inform the Member, General Member, or Other Individual of the basis for such belief and afford an opportunity to explain the alleged failure to disclose. If, after hearing the response of the Member, General Member, or Other Individual, and after making further investigation as warranted by the circumstances, the CoC Board determines there was a failure to disclose an actual, possible or perceived conflict of interest, additional action may be taken.

#### **Annual Statements**

Each Member, General Member, or Other Individual will sign a statement upon being elected or appointed, and annually in January thereafter, that verifies they have received, reviewed, and agreed to comply with the Orange County CoC Conflict of Interest Policy and Procedure at the start of each term served on the CoC Board or a CoC committee, ad hoc or working group. If there are any situations where any new conflicts arise and/or the disclosure and statement of conflicts may need revisions, the Member, General Member, or Other Individual shall disclose such changes to the CoC Collaborative Applicant and needed revisions at the earliest opportunity.

#### **Exceptions and Changes**

The CoC reserves the right to make an exception to the Orange County CoC Conflict of Interest Policy and Procedure based on communication from HUD that impacts the CoC's ability to carry out the policy and procedure as described above. The CoC also reserves the right to amend the policy and procedure on an annual basis.

## Orange County Continuum of Care Conflict of Interest Disclosure and Statement

I, \_\_\_\_\_, as a Member, General Member, or Other Individual participating on the Orange County Continuum of Care (CoC) Board, and/or its affiliated committees, ad hocs or working groups, confirm that I have received and reviewed the Orange County CoC Conflict of Interest Policy and Procedure and that I agree to comply with that policy and the procedures it establishes.

I also agree to report promptly to the CoC Board Chair, Vice Chair and/or Secretary and the County of Orange staff as the Collaborative Applicant for the Orange County CoC, any **future** situation of an actual, possible or perceived conflict of interest between my outside interests and the best interests of the CoC.  
\_\_\_\_\_ (initial)

I furthermore certify that I have below disclosed all relationships, positions, funding, or other circumstances in which I am involved and believe could contribute to any actual, possible or perceived conflict of interest as a Member of the Orange County CoC Board and/or its affiliated committees, ad hocs or working groups. \_\_\_\_\_ (initial)

### DISCLOSURE OF ANY QUALIFIED CONFLICTS OF INTEREST:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_

By signing this statement, I agree that the information provided is accurate, to the best of my knowledge. If any changes to this information arise, I will complete a new disclosure and statement form.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name