

NYSUT RETIREE COUNCIL CONFLICT OF INTEREST POLICY

(Applicable to all NYSUT Retiree Council Officials and Members)

Introduction

This NYSUT Retiree Council (“RC”) Conflict of Interest Policy (“Policy”) shall apply to all NYSUT Retiree Councils, which are duly formed under the NYSUT Constitution and Bylaws, and whose jurisdictions and responsibilities are determined by the NYSUT Board of Directors.

Summary

According to this Policy, no RC official or member shall:

- Have a direct or indirect financial or personal interest in or relationship with any business, firm, person, or entity that does or seeks to do business with their RC or NYSUT.
- Receive anything of value in excess of \$250 from any business, firm, person, or other entity which does or seeks to do business with their RC or NYSUT.
- Disclose any information obtained by reason of their RC position that is not otherwise available to the general membership of the RC, and that could be used to the detriment of the RC or NYSUT.
- Use or permit others to use any information obtained by reason of their RC position that is not otherwise available to the general membership of the RC to directly or indirectly further an RC official’s or member’s financial or personal interest.
- Directly or indirectly sell goods or services to their RC or NYSUT.
- Accept any other position or assignment which would conflict with their fiduciary obligation to act in a manner that advances the best interests of their RC or NYSUT.
- Use or permit others to use their position with their RC to create the impression that the RC or NYSUT endorses or has endorsed a product, service or program when that is not in fact the case.
- Use or permit others to use their position with the RC to directly or indirectly further an RC official’s or member’s financial or personal interest.

Purpose

RC officials and members have a fiduciary obligation to act in the best interests of both their RC and NYSUT and to carry out their responsibilities in a manner that advances the interests of their RC as well as NYSUT’s, and to take no action in the course of their duties or otherwise that

could be detrimental to those interests.¹ Accordingly, the purpose of this Policy is to provide guidance to RC officials and members in complying with their fiduciary and other obligations.

Definitions

As used in the Policy, the following terms have the meanings indicated:

- The term “RC official” means an RC officer (President, First Vice-President, Second Vice-President-SRP, Secretary, and Treasurer), a member of the RC Executive Committee, a member of the RC Board of Directors, and any other person designated by the RC and/or NYSUT governance to represent the RC.
- The term “RC member” means: (i) a retired teacher or school related professional who worked in or retired from a school district that is within the established boundaries of that RC and who were eligible for membership in NYSUT, who is currently in good standing; or (ii) a retired teacher or school related professional who worked outside the established boundaries of that RC, but who now resides within the boundaries of it, has submitted the requisite paperwork, and is currently in good standing. Accordingly, the term “RC member” shall refer to both RC members and RC social-members. The term does not mean an RC official.
- The term “immediate family” of an RC official and member means their parent, spouse, domestic partner, child, stepparent, stepchild, grandparent, grandchild, sibling, mother-or father-in-law, sister-or brother-in-law or daughter-or son-in-law.
- The term “directly or indirectly” means an action taken by an RC official or member in their own name (*i.e.* directly), or through a member of the immediate family or a business associate of an RC official or member (*i.e.* indirectly).
- The term “participate in an RC decision” means the authority to approve, disapprove, recommend or otherwise influence the position taken by an RC.
- The term “Conflict of Interest Officer” (“CI Officer”) means the person who is responsible for the implementation of this Policy.

Statement of Principle

No RC official or member shall, directly or indirectly, have any interest or relationship, take any action or engage in any transaction, or incur any obligation which is in conflict with, or gives the appearance of a conflict with, the proper and faithful performance of their RC responsibilities.

Prohibited Activities

The activities that are prohibited by the Statement of Principle set forth above include, but are not limited to, the following:

¹ RC officials are considered “fiduciaries” of their RC. RC members are considered “fiduciaries” of their RC when acting in an agency or representative capacity in the service of that RC.

- **Relationship with Outside Business or Entity:** No RC official or member shall, without the advance written approval of the CI Officer, have a direct or indirect financial or personal interest in or relationship with any business, firm, person, or entity that does or seeks to do business with their RC or NYSUT. This prohibition shall not apply to investments in a business, firm, or other entity through the purchase of securities that are traded on a registered national securities exchange, or utilizing any services that the business, firm, person or entity makes available to the general public in the normal course of business. Additionally, this prohibition shall not apply to an RC official's or member's participation in any RC or NYSUT member benefit program to which the RC official or member is eligible to take part in by virtue of their status as an RC or NYSUT member.
- **Compensation, Gift, or Gratuity Greater than \$250:** No RC official or member shall receive any compensation, gift, gratuity, loan or other thing of value from any business, firm, person, or other entity which does or seeks to do business with their RC or NYSUT, or which has financial or other interests that may be affected by the performance or nonperformance of the RC official's or member's RC fiduciary responsibilities. The term "business, firm, person or other entity" does not include RC or NYSUT affiliates or subsidiary organizations (*e.g.*, NYSUT Member Benefits Trust), and the term "compensation, gift, gratuity, loan, or any other thing of value" does not include an item or items received during an RC membership year with an aggregate value of \$250 or less, or a loan that is available to the general public on similar terms.
- **Disclosure of Information:** No RC official or member shall: (i) except in the performance of their RC responsibilities or in response to a legal mandate, disclose any information obtained by reason of their RC position that is not otherwise available to the general membership of the RC, and that could be used to the detriment of the RC or NYSUT; or (ii) use or permit others to use any information obtained by reason of their RC position that is not otherwise available to the general membership of their RC to directly or indirectly further an RC official's or member's financial or personal interest.
- **Sale of Goods to RC or NYSUT:** No RC official or member shall, without the advance written approval of the CI Officer, directly or indirectly sell goods or services to their RC or NYSUT. This prohibition shall not apply to the payment of a stipend, or reimbursed expenses for services actually performed or expenses actually incurred in carrying out the duties of an RC official, agent or representative of the RC.
- **Outside Positions:** No RC official or member shall accept any other position or assignment which would conflict with their fiduciary obligation to act in a manner that advances the best interests of their RC or NYSUT or interfere with an RC official's or member's ability to properly carry out their RC responsibilities.
- **Endorsement of Product or Service:** No RC official or member shall use or permit others to use their position with their RC to create the impression that the RC or NYSUT endorses or has endorsed a product, service or program when that

is not in fact the case, or to otherwise directly or indirectly further an RC official's or member's financial or personal interest.

Implementation Procedures

- The NYSUT Executive Director shall serve as the CI Officer and shall in that capacity be responsible for the implementation of this Policy. The CI Officer shall monitor the implementation of this Policy and, recommend to the NYSUT Executive Committee or NYSUT Officers such modifications in the Policy as they may from time to time deem appropriate.
- If an RC official or member believes that they may be engaged or about to become engaged in an activity that is prohibited by this Policy, they shall consult with the CI Officer. The RC official or member and the CI Officer shall attempt to deal with the matter informally. If they are unable to do so, the CI Officer shall submit to the RC official or member, as may be applicable, a written opinion indicating whether the activity in question is prohibited by this Policy, and, if so, what should be done to correct the situation.
- If an RC official or member believes that another RC official or member is engaged or is about to become engaged in an activity that is prohibited by this Policy, the official or member may file a written complaint with the CI Officer. The complainant shall identify herself or himself to the CI Officer, but the CI Officer shall, if requested to do so by the complainant, treat the complaint as anonymous and not reveal the complainant's name. Upon receiving a complaint, the CI Officer shall consult with the complainant and, as may be applicable, the RC official or member in question. Based upon the information received from the complainant and the RC official, or RC member and/or other relevant information, the CI Officer shall decide whether the RC official or member is engaged or is about to become engaged in an activity that is prohibited by the Policy, and, if so, what should be done to correct the situation. The CI Officer shall submit to the RC official or member, as may be applicable, and to the complainant a written opinion setting forth their conclusions.
 - **Applicable only to RC officials:** If an RC official disagrees, in whole or in part, with the conclusions of the CI Officer, they may appeal to the NYSUT Officers by filing a written notice of appeal with the NYSUT Officers within ten (10) calendar days after receiving the opinion of the CI Officer. The NYSUT Officers, or a subcommittee thereof, shall make a recommendation to the NYSUT Executive Committee in connection with the appeal as expeditiously as possible. The NYSUT Executive Committee shall thereafter act upon each recommendation. If the RC official files a timely appeal to the NYSUT Officers, they need not comply with the opinion of the CI Officer pending the outcome of the appeal. If the RC official does not file a timely appeal to the NYSUT Officers, they shall comply with the opinion of the CI Officer.

- **Applicable only to RC members:** If an RC member disagrees, in whole or in part, with the conclusions of the CI Officer, they may appeal to the NYSUT Officers by filing a written notice of appeal with the NYSUT Officers within ten (10) calendar days after receiving the opinion of the CI Officer. The NYSUT Officers shall decide the appeal as expeditiously as possible, and the resulting decision of the NYSUT Officers or subcommittee shall be final and binding. If the RC member files a timely appeal, they need not comply with the opinion of the CI Officer pending the outcome of the appeal. If the RC member does not file a timely appeal, they shall comply with the opinion of the CI Officer.
- In implementing this Policy, the CI Officer and the NYSUT Officers shall consider all relevant factors, including the specific RC and/or NYSUT responsibilities of the RC official or member and the nature of the allegedly prohibited activity, and shall interpret and apply the Policy in a manner that furthers its intended purpose.

Miscellaneous

To the extent that this Policy is inconsistent with any RC policy and/or governing document, this Policy shall supersede and control. All information and documents involved in the implementation of this Policy shall be treated as confidential, and the CI Officer shall make such information and documents available to others only on an “as needed” basis. To the extent relevant, all privileges, including the attorney/client and attorney work product privileges, shall apply to information and documents involved in the implementation of this Policy, including any and all CI complaints and investigations thereof.

Effective Date, Amendment and Distribution

- This Policy shall be made effective as of May 2, 2019 and shall supersede all prior RC conflict of interest or other policies dealing with the same subject.
- The NYSUT Board of Directors, upon recommendation of the NYSUT Executive Committee, may amend, from time to time as it deems appropriate, those provisions of this Policy as they pertain to RC officials. The NYSUT Officers may amend, from time to time as it deems appropriate, those provisions of the Policy as they pertain to RC members.
- This Policy shall be posted on all RC websites, and a copy of this Policy shall be distributed to all RC officials and members immediately upon its adoption.