

# DST POLICIES AND PROCEDURES

## APPENDIX A

### Board Member Conflict of Interest: Abstention & Recusal Form

Board Member Name

Name of Board

Pursuant to the State Government Ethics Act (N.C.G.S. § 138A-36), board members must abstain or recuse themselves from taking action when there is an actual or potential conflict of interest between their personal or business interests and their duty to represent the general public. The abstention/recusal must be recorded in the meeting minutes. In addition, the member must also separately document the reason for the abstention/recusal in writing to board counsel or the Board Liaison. That writing can be with this form:

I have a conflict of interest in the following Board matter: [describe agenda item]

I am recusing myself from discussion of this agenda item and have abstained from the official action or proceeding on this matter based on the following potential or actual conflict of interest(s):

☐ financial benefit<sup>7</sup>

☐ familial relationship<sup>8</sup> conflict (including members of extended family<sup>9</sup>)

☐ employment or association<sup>10</sup> conflict

☐ personal conflict (including friendships or a leadership position in an organization)

☐ other conflict

The conflict being described as:

I intend for this statement to satisfy the requirement to “submit in writing . . . the reasons for the abstention” pursuant to N.C.G.S. § 138A-36(b). This form will be treated as a public record unless an exemption applies.

Board Member Signature

Date

<sup>7</sup> Defined as “A direct pecuniary gain or loss” to the board member or a person or entity with which the board member is associated N.C.G.S. § 138A-3(30). “With which associated” includes the board member’s employer; members of Extended Family; employers of Immediate Family; the board member as a director, officer, partner or similar position (irrespective of compensation received); an entity in which the board member has a financial interest (lesser of \$10K or 5% interest); or non-profit organization where the board member or an immediate family member is on the board of directors is a corporate officer.

<sup>8</sup> Defined as “an unemancipated child of the covered person residing in the household and the covered person's spouse, if not legally separated. A member of a covered person's extended family shall also be considered a member of the immediate family if actually residing in the covered person's household.” [N.C.G.S. § 138A-3(40)]

<sup>9</sup> Defined as a “spouse, lineal descendant, lineal ascendant, sibling, spouse's lineal descendant, spouse's lineal ascendant, spouse's sibling, and the spouse of any of these individuals.” [N.C.G.S. § 138A-3(25)]

<sup>10</sup> An association conflict can include the board member’s employer; members of extended family; employers of immediate family; the board member as a director, officer, partner or similar position (irrespective of compensation received); or in which the board member has a financial interest (lesser of \$10K or 5% interest); or non-profit organization on which the board member or an immediate family member serve on the board of directors or as a corporate officer.