

**LEGAL SERVICES CORPORATION
TECHNOLOGY INITIATIVE GRANT PROGRAM
CONFLICTS OF INTEREST POLICY**

[October 10, 2013]

***Policy on Disclosure of Interests for the Determination of Conflicts Related to Expenditures of Funds
Awarded through Legal Services Corporation's Technology Initiative Grant Program***

Section I: Purpose/General Rule

The purpose of this Conflicts of Interest Policy ("Policy") is to provide guidance in identifying and addressing actual, apparent or potential conflicts of interest situations related to an LSC recipient's expenditure of funds granted through the Legal Services Corporation ("LSC" or "Corporation") Technology Initiative Grant Program ("TIG"). This Policy identifies situations in which a question of a conflict must be identified and requires that grant recipients consider and act on them. Not all situations identified will ultimately be determined to present conflicts, and resolution of conflicts will be based on the conflicts policy and judgment of the recipient's board of directors.

Any actual conflict of interest, or apparent or potential conflict of interest, must be fully disclosed before a decision is made on the proposed transaction. In any such situation, the director, officer, or employee with the actual, apparent, or potential conflict shall not participate in the selection, award, or administration of a contract supported by a TIG until the conflict issue is resolved. Moreover, any such person may not be involved in the decision regarding how to address the conflict issue.

No employee, officer, or director of the recipient with a financial or other interest in the transaction may participate in the selection, award, or administration of a contract supported by a TIG, unless the recipient has determined, pursuant to the procedures described in this policy, that the interest is not substantial. The interest of the LSC recipient must be the top priority in all such decisions and actions.

As part of their responsibility to ensure impartial decision making, it is the continuing obligation of those covered by this Policy to review their outside business interests, philanthropic interests, personal interests, and family and other close relationships for actual, apparent, or potential conflicts of interest, and to promptly disclose the nature of the interest or relationship with regard to any Transaction, as defined below.

Section II: Scope of Coverage of this Policy

This Policy covers funds granted to the LSC recipient through a TIG and the expenditure of those funds by the Recipient.

Section III: Persons Covered by this Policy and Disclosure Requirements

This Policy covers members of the LSC recipient's board of directors, its officers, and those of its employees who participate in the selection, award, or administration of a contract involving the expenditure of TIG funds ("Covered Individuals").

Section IV: Conflicts of Interest Defined

A conflict of interest is a transaction, contract, or relationship with any person, organization, firm, or business ("Transaction") that may compromise, or have the appearance of compromising, an individual's obligation to the LSC recipient in favor of his or her personal, business, or other interests. In rendering service to the LSC recipient, Covered Individuals must act at all times in the best interests of the recipient and not for personal or third-party benefit or financial enrichment.

Generally, a conflict of interest with respect to a recipient's Transaction exists if a Covered Individual or a member of his or her family, as defined below, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. An apparent or potential conflict of interest is one that a skeptical viewer could reasonably believe might cause the Covered Individual's decision to be tainted by self-interest.

For purposes of this Policy, family members of a Covered Individual include his or her spouse, domestic partner, parent, child, sibling, or in-law by marriage or domestic partnership. Having a financial or other interest includes, but is not limited to, having an ownership interest in (except as may be part of a diversified mutual fund or diversified unit investment trust), or participating in the management of, being a former employee or founder of, or serving as a board member of, employee of, or consultant to an entity with which the recipient has or potentially will have a Transaction, including current or potential vendors, contractors, or service providers. A Covered Individual shall communicate fully with the recipient regarding any such relationship or commitment that could affect, or be seen to affect, the impartial fulfillment of his/her role(s) in connection with the recipient. Doubts about whether a relationship warrants disclosure under this Policy should be resolved in favor of disclosure.

Section V: Disclosure and Procedure for Decision on Conflict Situation

Disclosure of an actual, apparent, or potential conflict is to be made to the recipient's board chair or board chair's designee. The board chair (or chair's designee, as the case may be) shall bring the matter to the attention of the board, or designated committee thereof, if the board chair, or the chair's designee, determines that the situation is subject to the Policy including whether the involvement is sufficiently "close" to have a financial interest, as defined above. The action of the board chair (or chair's designee) shall be recorded in writing. Disclosures involving directors are to be made to the board chair or chair's designee (or if he or she is the one with the conflict, then to the board's vice-chair), who shall bring the matter to the board, or designated committee thereof. Such disclosures shall be made through the annual disclosure form, as discussed in this Section, and/or as soon as the affected individual becomes aware of the conflict situation, including situations in which disclosure should have occurred earlier.

TIG Policy on Disclosure of Interests for Determination of Conflicts

Individuals are encouraged to disclose a situation even if they are uncertain whether or not it is subject to this Policy.

If the disclosure is subject to further consideration under the Policy, then the board, or designated committee thereof, shall determine whether an actual, apparent, or potential conflict exists, and whether the Covered Individual's interest is not substantial and the Covered Individual's participation may be authorized as just, fair and reasonable to the recipient. The decision of the board, or the designated committee thereof, on these matters will rest in their sole discretion and be guided by what is in the best interests of the recipient.

In evaluating such Transaction and making determinations regarding resolution of actual, apparent, or potential conflicts of interest in connection with the Transaction, the board, or the designated committee thereof, must ensure that:

1. any Covered Individual who has an actual, apparent, or potential conflict of interest with regard to the Transaction fully discloses such to them, and also provides any relevant information and documentation;
2. a Covered Individual who has an actual, apparent, or potential conflict of interest in connection with the Transaction shall not be permitted to vote on or be counted in determining the presence of a quorum at any meeting for purposes of voting on the conflict issue;
3. except for the purpose of disclosing facts and/or responding to questions, a Covered Individual who has an actual, apparent, or potential conflict of interest with regard to the Transaction shall not participate in or be permitted to hear the board or designated committee's deliberations regarding the conflicts issue; and
4. the decision on the conflict resolution is documented in the board or designated committee minutes, including whether or not: (1) an actual, apparent, or potential conflict exists; (2) if so, whether the Covered Individual's interest is substantial; and (3) if the Covered Individual's interest is not substantial, the Covered Individual's participation is in the best interests of the recipient.

On an annual basis, all Covered Individuals shall be provided with a copy of this Policy and shall be required to complete and sign the "*Conflicts of Interest Acknowledgement and Disclosure Form*" ("Disclosure Form"), in the form as attached hereto. All completed Disclosure Forms and written updates, as well as any other conflict information, shall be provided to the board chair or, if he/she has the conflict, then to the board's vice chair. In addition, if a new conflict situation arises after the completion of the annual Disclosure Form, or the information provided on the annual Disclosure Form was incomplete or inaccurate, then the Covered Individual is to promptly so notify the board chair *in writing*. If the board chair is the one with the conflict, then he/she shall promptly so notify the board's vice chair *in writing* of the incomplete, inaccurate, or new information relevant to the issue of conflict.

Section VI: Violation of Conflicts of Interest Policy

- a. If a Covered Individual fails to disclose an actual, apparent, or potential conflict or fails to disclose all of the relevant facts surrounding the situation, that individual shall be informed of and afforded the opportunity to explain the alleged failure to disclose. If the board or designated committee thereof determines the individual intentionally failed to disclose the existence of, or all relevant

TIG Policy on Disclosure of Interests for Determination of Conflicts

facts related to, his/her actual, apparent, or potential conflict of interest, it shall take appropriate disciplinary and corrective action, up to and including termination or removal from service to the recipient.

- b. If a Covered Individual who has been determined to have failed to disclose an actual, apparent, or potential conflict of interest, or who has been determined to have a real or apparent conflict of interest, participates in the selection, award, or administration of a contract supported by a TIG, the board may require the affected individual to resolve the conflict by withdrawing from the outside conflicting interest or relationship or may provide for other means to resolve the conflict and shall take appropriate disciplinary and corrective action, up to, and including, termination or removal from service to the recipient.

Section VII: Board Authority

The recipient's board of directors shall serve as the final interpretive and enforcement authority for the recipient with respect to this Policy. LSC retains the ultimate authority to determine whether the actions of the recipient comply with the requirements of this policy.