

# Ocean County Homeless Prevention and Assistance Coalition

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## HPAC Code of Conduct

The following Code of Conduct provides a foundation of ethics for The Ocean County Homelessness Prevention and Assistance Coalition (HPAC).

The HPAC prohibits the solicitation and acceptance of gifts or gratuities (anything of monetary value) by any member of the HPAC for his/her personal benefit or the benefit of the agency that he/she represents.

- A. The HPAC promotes impartiality in performing official duties, and prohibits any activity representing a Conflict of Interest.
- B. The HPAC prohibits the misuse of position. No member can use his/her position with HPAC for personal gain or the benefit of family or friends.
- C. Members shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the HPAC without previous Executive Board approval.
- D. Any member of the HPAC who is aware of any waste, fraud, abuse, or corruption will report same to the Executive Board as soon as the negative conduct is identified.
- E. All members of HPAC will adhere to all laws and regulations that provide equal opportunity for everyone, regardless of race, color, religion, sex, national origin, age, sexual orientation, or handicap.
- F. All members of the HPAC will be required to sign a Conflict of Interest Member Statement on an annual basis.

Violation of any portion of this code will be subject to disciplinary action which could include immediate removal from the HPAC.

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## CONFLICT OF INTEREST MEMBER STATEMENT

Any individual participating in or influencing decisions must identify actual or perceived conflicts of interest as they arise and comply with the letter and spirit of this policy. A financial conflict of interest is defined to include the employment, affiliation, or board membership of the HPAC member or the member's immediate family, i.e. spouse, child, parent, grandparent, grandchild, uncle, aunt, brother, sister, in-law, or significant other, of any funding source, related agency, or vendor. Disclosure should occur at the earliest possible time and, if possible, prior to the discussion of any such issues. Individuals with a conflict of interest shall abstain from both discussion and voting on any issues in which they may have a conflict. An individual with a conflict who is the HPAC chair shall yield that position during discussion and abstain from voting on the item. Decisions by the HPAC Executive Board must be justifiable as being in the best interests of the HPAC. Minutes of meetings involving possible conflicts of interest shall record such disclosure, abstention, and rationale for approval.

Any member may raise the question of a perceived conflict of interest on the part of another member. This question should be decided on by a majority vote of the then-present members of the HPAC.

HPAC members will be asked to submit a Conflict of Interest Member Statement on an annual or as-needed basis.

## CONFLICT OF INTEREST MEMBER STATEMENT

Having read the HPAC conflict of Interest Policy, I hereby submit that I (or my immediate family) have a direct or indirect financial interest in the following agencies/organizations:

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IF NO CONFLICTS, PLEASE WRITE "NONE" ACROSS THE LINES ABOVE

I am aware that I must remove myself from any discussion or vote regarding the awarding of monies or any contract or budget modifications concerning the agencies/organizations listed above.

\_\_\_\_\_  
Signature of member

\_\_\_\_\_  
Date

\_\_\_\_\_  
Agency Name (if applicable)

Please note: This policy was prepared according to HUD rule at 24 CFR 578.95.

## CONFLICT OF INTEREST POLICY AND ANNUAL STATEMENT

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## Article 1 – Purpose

1. The purpose of this policy is to protect the HPAC interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of any member or family member of the HPAC.
2. This policy is intended to supplement any applicable state and federal laws covering conflicts of interest applicable to nonprofit and charitable organizations.

## Article 2 – Definitions

1. Interested person(s) – Any member who has a direct or indirect financial interest, as defined below, is an interested person.
2. Financial interest – A person has a financial interest if the person had, directly or indirectly, through business, investment, or family:
  - a. An ownership or investment interest in any entity with which the HPAC had a transaction or arrangement, or
  - b. A compensation arrangement with the HPAC or with any entity or individual with which the HPAC has a transaction arrangement, or
  - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the HPAC is negotiating a transaction or arrangement.
3. 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 Executive Board decides that a conflict of interest exists, in accordance with this policy.

## Article 3 – Procedures

1. Duty to Disclose – in connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Executive Board.
2. Recusal of Self – any member may recuse himself or herself at any time from involvement in any decision or discussion in which the member believes that he or she has or may have a conflict of interest, without going through the process of determining whether a conflict of interest exists.
3. Determining whether a Conflict of Interest exists – after disclosure of the financial interest and all material facts, and after any discussion with the interested person(s), he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The Board will then decide if a conflict of interest exists.
4. Procedures for addressing Conflicts of Interest
  - a. Once an interested person has identified a possible conflict of interest, the Chair of the HPAC may, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

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- b. After exercising due diligence, the Board shall determine whether the HPAC can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not present a conflict.
  - c. If such an alternative is not a feasible option, the Board shall determine by a majority vote of the disinterested member(s) whether the transaction or arrangement is in the HPAC's best interest, for its own benefit, and whether it is fair and reasonable. Based on the Board's determination, it shall make its decision as to whether to enter into the transaction or arrangement.
5. Violation of the Conflicts of Interest Policy
- a. If any member of the HPAC has reasonable cause to believe that another member has failed to disclose actual or possible conflicts of interest, he/she shall inform a member of the Board of the basis of such belief and the Board will discuss same with the member in question.
  - b. The member in question will be given an opportunity to explain the alleged failure to disclose to the Board.
  - c. If, after further investigation, the Board determines that the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.
  - d. Records of the Board proceedings shall include the name(s) of the parties involved, the determination of the Board, and the action(s) taken, if any. A full roster of members involved in the proceedings must be maintained.

## Article 4 – Compensation

1. A voting member of the Board who receives compensation, directly or indirectly, from the HPAC for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the HPAC for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the HPAC, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

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HUD Rule:

578.95 Conflicts of interest.

- a. *Procurement.* For the procurement of property (goods, supplies, or equipment) and services, the recipient and its subrecipients must comply with the codes of conduct and conflict-of-interest requirements under 24 CFR [85.36](#) (for governments) and 24 CFR [84.42](#) (for private nonprofit organizations).
- b. *Continuum of Care board members.* No Continuum of Care board member may participate in or influence discussions or resulting decisions concerning the award of a grant or other financial benefits to the organization that the member represents.
- c. *Organizational conflict.* An organizational conflict of interest arises when, because of activities or relationships with other persons or organizations, the recipient or subrecipient is unable or potentially unable to render impartial assistance in the provision of any type or amount of assistance under this part, or when a covered person's, as in paragraph (d)(1) of this section, objectivity in performing work with respect to any activity assisted under this part is or might be otherwise impaired. Such an organizational conflict would arise when a board member of an applicant participates in decision of the applicant concerning the award of a grant, or provision of other financial benefits, to the organization that such member represents. It would also arise when an employee of a recipient or subrecipient participates in making rent reasonableness determinations under § [578.49\(b\)\(2\)](#) and § [578.51\(g\)](#) and housing quality inspections of property under § [578.75\(b\)](#) that the recipient, subrecipient, or related entity owns.
- d. *Other conflicts.* For all other transactions and activities, the following restrictions apply:
  1. No covered person, meaning a person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or its subrecipients and who exercises or has exercised any functions or responsibilities with respect to activities assisted under this part, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under this part, may obtain a financial interest or benefit from an assisted activity, have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity, or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has immediate family or business ties, during his or her tenure or during the one-year period following his or her tenure.
  2. *Exceptions.* Upon the written request of the recipient, HUD may grant an exception to the provisions of this section on a case-by-case basis, taking into account the cumulative effects of the criteria in paragraph (d)(2)(ii) of this section, provided that the recipient has satisfactorily met the threshold requirements of paragraph (d)(2)(ii) of this section.
    - i. *Threshold requirements.* HUD will consider an exception only after the recipient has provided the following documentation:
      - A. Disclosure of the nature of the conflict, accompanied by a written assurance, if the recipient is a government, that there has been public disclosure of the conflict and a description of how the public disclosure was made; and if the recipient is a private nonprofit organization, that the conflict has been disclosed in accordance with their written code of conduct or other conflict-of-interest policy; and

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- B. An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law, or if the subrecipient is a private nonprofit organization, the exception would not violate the organization's internal policies.
- ii. *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the recipient has satisfactorily met the threshold requirements under paragraph (c)(3)(i) of this section, HUD must conclude that the exception will serve to further the purposes of the Continuum of Care program and the effective and efficient administration of the recipient's or subrecipient's project, taking into account the cumulative effect of the following factors, as applicable:
  - A. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;
  - B. Whether an opportunity was provided for open competitive bidding or negotiation;
  - C. Whether the affected person has withdrawn from his or her functions, responsibilities, or the decision-making process with respect to the specific activity in question;
  - D. Whether the interest or benefit was present before the affected person was in the position described in paragraph (c)(1) of this section;
  - E. Whether undue hardship will result to the recipient, the subrecipient, or the person affected, when weighed against the public interest served by avoiding the prohibited conflict;
  - F. Whether the person affected is a member of a group or class of persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class; and
  - G. Any other relevant considerations.