

**LEGAL SERVICES CORPORATION
TECHNOLOGY INITIATIVE GRANT PROGRAM
DISCLOSURE OF INTERESTS FOR DETERMINATION OF CONFLICTS POLICY
November 17, 2010**

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

Section I: Purpose/General Rule

The purpose of this Disclosure of Interests for Determination of Conflicts Policy ("Policy") is to provide guidance in identifying and addressing actual, apparent or potential conflicts of interest situations related to an Organization's expenditure of funds granted through the Legal Services Corporation's Technology Initiative Grant program ("LSC's TIG program" or "TIG"). In most instances, conflicts of interest can be avoided simply by continuing to exercise good judgment and this Policy is intended to assist in preventing conflicts of interest from arising in the first instance as well. This Policy identifies situations in which a question of a conflict must be identified and requires that TIG grantees consider and act on them. Not all situations identified will necessarily turn out to present conflicts, and resolution of conflicts will be specific to the situation based on the conflicts policies and judgment of the grantee's board of directors as specified below.

The General Rule is that: any actual conflicts of interest, or apparent or potential conflicts of interest, must be fully disclosed before a decision is made on the matter involved. In such situations, no director, officer, management level employee or Staff Member may participate (other than providing information) in any decision regarding whether or not he or she has a conflict of interest, but must remove him or herself from a position of decision-making authority with respect to any such conflict situation until the conflict issue is resolved. The interests of the Organization must be the first priority in all decisions and actions.

As part of the responsibility to ensure impartial decision making, it is the continuing responsibility of those covered by this Policy to review their outside business interest, 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 Organization through LSC's TIG program and the expenditure of those funds by the Organization ("TIG funds").

Section III: Persons Covered by this Policy and Disclosure Requirements

This Policy covers members of the Organization's board of directors, and its officers, management level employees, and all staff members who can influence or make decisions regarding the expenditure of TIG funds ("Staff Members").

Section IV: Conflicts of Interest Defined

A conflict of interest is a transaction, contract or relationship with any person, organization, firm or business (“Transaction”) which may compromise or have the appearance of compromising an individual’s obligation to the Organization in favor of his or her personal, business or other interests. In rendering service to the Organization, its directors, officers, management level employees and Staff Members must act at all times in the best interest of the Organization and not for personal or third-party gain or financial enrichment.

Generally, a conflict of interest with respect to an Organization’s Transaction exists if a director, officer, management level employee or Staff Member of the Organization: (a) is in a position to make or influence the Organization’s decision about whether and how to proceed with a proposed Transaction, and (b) has an Affiliation, as described below, with any other party to a Transaction. An apparent conflict of interest is one that a skeptical viewer might reasonably believe might cause the director’s, officer’s, management level employee’s or Staff Member’s decision to be tainted by self interest.

For the purposes of this Policy, an Affiliation is the close involvement with a vendor, contractor or service provider on the part of (a) a director, (b) an officer, (c) a management level employee, (d) a Staff Member or (e) the spouse, domestic partner, parent, child, sibling, or in-law of a director, officer, management level employee or Staff Member.

Affiliation 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), participating in the management of, being a former employee or founder of, or serving as a board member, employee, or consultant to a current or potential vendor, contractor or service provider. Directors, officers, management level employees and Staff Members shall communicate fully with the Organization regarding such Affiliations and any other relationship or commitment that could affect, or be seen to affect, the impartial fulfillment of their roles in connection with the Organization. Doubts about whether a relationship warrants disclosure under this Policy should be resolved in favor of disclosure.

The fact that one of the interests described above in this Section exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, would preclude the Transaction from proceeding. However, the interests as described in this Section must be disclosed before any transaction is consummated to ensure that such interests are scrutinized and evaluated before a transaction is approved or disapproved consistent with the procedures set forth in this Policy.

Section V: Disclosure and Procedure for Decision on Conflict Situation

Disclosure in the Organization of an actual, apparent or potential conflict is to be made to the board chair. The board chair shall bring the matter to the attention of the board, or to a duly constituted 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 constitute an affiliation as defined above. The board chair’s action will be recorded in writing. Disclosure involving directors are to be made to the board chair (or if he or she is the one with the conflict, then to the board vice-chair), who shall bring the matter to the board, or to a duly constituted 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. 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 a duly constituted committee thereof, shall determine whether a conflict exists and how to resolve it, and in the case of an existing conflict, whether the contemplated Transaction may be authorized as just, fair and reasonable to the Organization or must be renegotiated or terminated. The decision of the board, or the duly constituted committee thereof, on these matters will rest in their sole discretion, and their concern must be the welfare of the Organization.

In evaluating such Transactions and making determinations regarding resolution of the conflicts situations, the board, or the duly constituted committee thereof, must ensure that:

1. the conflicting interest is fully disclosed, with any supporting information or documentation provided;
2. the person with the conflict of interest is excluded from the discussion of and determination on the conflict of interest question affecting the Transaction;
3. a competitive bid or comparable valuation exists for objective comparison purposes; and
4. the decision on the conflict resolution is documented in the board minutes, including whether the Transaction is or is not in the best interest of the Organization.

Prior to the board, or duly constituted committee thereof, taking action on a Transaction involving a conflicting interest, the following must occur:

1. The director, officer, management level employee or Staff Member must be in attendance at the meeting and disclose all facts related to the conflict of interest. Such disclosure shall be reflected in the minutes of the meeting.
2. Once the disclosure is completed and is reflected in the minutes of the meeting, the person with the conflict shall not be permitted to participate in or be permitted to hear the board's or committee's discussion of the matter except to disclose facts or respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either inside or outside the meeting.
3. A person who has a conflict of interest under consideration that will be voted upon at a meeting shall not be counted in determining the presence of a quorum for the purposes of the vote. The person who has such a conflict under consideration may not vote on the Transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such a person's ineligibility to vote shall be reflected in the minutes of the meeting.

On an annual basis, all directors, officers, management level employees and Staff Members 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. 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 director, officer, management level employee or Staff Member is to promptly notify in writing the board chair, or if he or she is the one with the conflict, then the board vice chair. All completed Disclosure Forms and written updates, as well as any other conflict information, shall be provided to the board chair, or, if he or she has the conflict, then to the board vice chair.

Section VI: Violation of Conflicts of Interest Policy

- a. If a director, officer, management level employee or Staff Member fails to disclose an actual, apparent or potential conflict or fails to disclose all facts surrounding the situation, that individual shall be informed and afforded the opportunity to explain the alleged failure to disclose. After hearing the response and making further investigation as warranted by the circumstances, 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. If the board determines the individual intentionally failed to disclose the existence of, or all relevant facts related to, an 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 Organization.
- b. The board shall serve as the final enforcement and interpretive authority with respect to this Policy.