

September 12, 2019

TO: Board of Directors  
FROM: David Hassenzahl, Interim Chief Executive Officer  
SUBJECT: Conflict of Interest

As you may know, the California Education Code addresses the monitoring of potential conflicts of interest between Chico State Enterprises and its Board of Directors. As a result, Chico State Enterprises has adopted the practice of annually updating its files with regard to this matter.

In accordance with the conflict of interest provisions set forth in Education Code 89906-89909, the only relationships that are specifically deemed not permissible are the following:

- (a) Any contract, other than an employment contract, directly between Chico State Enterprises and a Chico State Enterprises Director.
- (b) Any contract between Chico State Enterprises and a partnership or unincorporated association in which a Chico State Enterprises Director is a partner, or owner, or holder, directly or indirectly, of a proprietorship interest.
- (c) Any contract between Chico State Enterprises and a for-profit corporation in which a Chico State Enterprises Director is the owner or holder, directly or indirectly, of 5 percent or more of the outstanding common stock.

Therefore, I would appreciate it if you would review the above and if appropriate, sign and date the acknowledgement below. Statements will be collected at the Board meeting.

I am not now financially interested in any contract or other transaction entered into by the Board of Directors of Chico State Enterprises.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name