

*The Board of Trustees  
of the  
School and Institutional Trust Lands Administration*

*New Policy*

*Amends Policy No. \_\_\_\_\_*

*Repeals Policy No. \_\_\_\_\_*

*Policy Statement No. 2017-02*

*Subject: Condition of Employment*

*The Board of Trustees of the School and Institutional Trust Lands Administration (the "Board") met in open, public session on January 19, 2017, and by majority vote declares the following an official policy of the Board.*

Purpose: The purpose of this policy is to avoid conflict of interest or the appearance of a conflict of interest as may be created by personal and/or familial relationships in the workplace.

Definition: As used in this policy, "relative" means a father, mother, husband, wife, son, daughter, sister, brother, grandfather, grandmother, uncle, aunt, nephew, niece, grandson, granddaughter, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law. In addition to the relationships cited above and for the purpose of this policy, step children is included in the definition.

Policy: Trust principles impose a fiduciary duty of undivided loyalty and a strict requirement to administer the trust corpus for the exclusive benefit of trust beneficiaries.

Favoritism and perceived favoritism in hiring decisions can undermine undivided loyalty. Favoritism and perceived favoritism can cause a decline in organizational performance, resentment, conflict and as a consequence, elevate concerns involving internal and financial controls.

No relative of the Director and no relatives of those members of the agency management team, as designated by the Director, and as set forth in the agency organization table, will be hired to work for the agency in any capacity. Any relative of any other staff employee is discouraged from applying for a job in the agency, but the Director is afforded discretion to make such a hiring decision. The Director will notify the Board of Trustees of the hiring decision and the relationship in such circumstances.

No employee shall attempt to influence the hiring of a relative to any position.

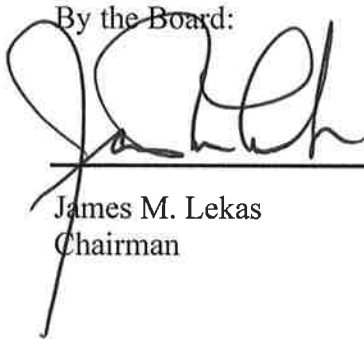
**Guidelines**

Any employment relationships which exist upon the adoption of this policy shall be grandfathered in, and shall not be subject to this policy.

If employees enter into a relationship creating a situation prohibited by this policy, the employees may, at the Director's discretion, be required to leave their employment at the agency or may be moved to another position within the agency.

Failure to follow this policy may result in discipline to the employee and other appropriate actions, as determined in the Director's discretion.

By the Board:

A handwritten signature in black ink, appearing to read 'J. Lekas', is written over a horizontal line. The signature is stylized and cursive.

James M. Lekas  
Chairman