

**Q: What is a conflict of interest?**

**A:** The basic idea of a “conflict of interest” is that you must avoid participating in TVA business which affects your own personal interests, particularly financial interests.

**Q: What is the basic conflict of interest rule?**

**A:** TVA employees are prohibited by a Federal criminal statute from working on matters that could benefit their personal interests. For the rule to apply, you or someone close to you must have a personal interest in the matter in question. For the purposes of this rule, you, as a TVA employee, are responsible for the financial interests of:

- Yourself, your spouse, or your minor child;
- Any entity with which you serve as an officer, director, employee, trustee or general partner; or
- Any entity with which you are negotiating, or have an arrangement, for future employment.

**Q: How would I resolve a conflict of interest?**

**A:** Below are the two preferred ways to resolve a conflict of interest. It is strongly recommended you contact Ethics to help you identify a resolution:

1. Disqualification: You can recuse yourself from participating in all TVA matters involving the entity in which you have an interest, whether it is a financial holding or if you are negotiating employment with a company. However, if recusing yourself would impair your effectiveness on your TVA job, an alternative resolution would be required.
2. Divestiture of the conflicting interest: If the conflict is regarding a financial holding, you can reduce the amount of the financial holding so that it is under the exemption amount or sale it entirely. If the situation is one where you are negotiating for employment, terminating employment negotiations unconditionally will resolve the conflict.

**Q: Are there certain stocks or holdings that are prohibited to be held by TVA?**

**A:** No, TVA employees, other than members of the TVA Board and the CEO, are not prohibited from holding any particular investment. In addition, 18 U.S.C. §208 does not prohibit any particular investment. It prohibits *participation in an official TVA action* when an investment or other financial interest may be affected by the action.

**Q: When are you considered to be negotiating for employment?**

**A:** According to the Office of Government Ethics, a “negotiation” begins when a TVA employee enters into a discussion or communication with a potential employer. The purpose of the discussion or communication is for both parties to agree upon future employment or compensation.

For example, if you submitted your resume to ABC Inc. and it respond by requesting to schedule an interview, then you have begun “negotiating.” If ABC Inc. does not respond, or until it does respond, you are not yet “negotiating.”

**Q: Do I need to recuse myself after a TVA vendor I work with offered me a job? I told them I was not interested.**

**A:** No. Since you advised the vendor you were not interested, you are not considered “negotiating” for employment and the conflicts law is not triggered.