

# CHAPMAN UNIVERSITY BOARD OF TRUSTEES

## Policy on Conflicts of Interest

For Fiscal Year June 1, 2021 through May 31, 2022

Chapman University, a California non-profit corporation (the “University”), intend to pursue its mission and purpose in compliance with the law and with high ethical standards in its conduct. All persons associated with the University’s business are expected to act with honesty, integrity, and loyalty and to maintain high standards of personal and ethical conduct in such affairs.

The University expects its Trustees and key employees to recognize and refrain from activities or investments which are likely to involve, or might appear to involve, a conflict of interest with the interests of the University.

The intent of this policy is not to disqualify the University’s Trustees or key employees who have potential conflicts of interest from involving themselves with either University activities or affairs. Rather, the intent is to require disclosure and review of any activities or relationships which may fall within the scope of this policy.

A Trustee or key employee of the University shall be considered to have a conflict of interest if:

- (1) They have existing or potential financial or other interests that impair or might reasonably appear to impair their independent, unbiased judgment in the discharge of their responsibilities to the University; or
- (2) A member of their family, or any organization in which the Trustee or key employee is an officer, director, employee, member, partner, trustee, or controlling stockholder, has such existing or potential financial or other interests; or
- (3) They disclose or use confidential or privileged information obtained through their association with the University for personal gain or any other unauthorized purpose.

All such persons shall disclose any possible conflict of interest at the earliest practical time to the University Compliance Officer who shall report all disclosures to the Audit Committee. Furthermore, the Trustee or key employee shall absent themselves from discussions of, and abstain from voting on, such matters under consideration by the Board of Trustees or its committees. The minutes of such meetings shall reflect that disclosure was made and that the Trustee or key employee who has a conflict or possible conflict abstained from discussing or voting on the matter. Any Trustee or key employee who is uncertain whether a conflict of interest may exist in any matter may request that the Board or committee resolve the question in their absence by majority vote.

Each Trustee and University key employee shall complete, sign and return a disclosure form annually. *See Attachment A.*

## **Definitions For The Purposes Of This Policy**

***Family Member:*** A spouse, parents, siblings, children, and any other relative or close associate if residing in the same household as the Trustee or key employee.

***Key Employee:*** Any full-time university employee whose decisions have the potential to have a significant impact on university resources and the title of Director, Controller, Assistant Vice President, Associate Vice President, Chief Information Officer, Vice President, Dean, Assistant Dean, Associate Dean, Vice Provost, Associate Vice Provost, Assistant Vice Provost, Executive Vice President, Provost, President, and/or who serves as a corporate officer.

***Confidential Or Privileged Information:*** Information that is not public and pertains to the operation of any part of the University, however promulgated, whether spoken, written, or in an electronic-generated form which is not otherwise known to the individual from a source other than the University (e.g., rates or charges involved in competitive bidding or other material price or contract requirements, anticipated programs or operations, real estate sites for purchase or sale, investment decisions, etc.).

## **Examples Of Activities Requiring Disclosure And Refrain From Participation In Decision-Making**

***Financial Interest:*** Whenever a Trustee, key employee or his or her family member has a financial interest in a company or organization or is doing business with the University or anticipates a situation or transaction where they may have an interest in a company or organization conducting business with the University.

***Competition with the University:*** Whenever a Trustee, key employee, or their family member has a financial interest in a company or organization competing with the University or is doing business which competes with the University or anticipates a situation or transaction where they may compete with the University.

***Consultant for or Contract with the University:*** Whenever a Trustee, key employee or their family member has a financial interest in a company or organization that receives a payment from the University or receives payment from the University as a consultant or contractor or anticipates a situation where they may receive payment from the University as a consultant or contractor.

***Business Relations:*** Whenever a Trustee, key employee or their family member has an employment, consulting or other official relationship with a company or organization that has or seeks to have a business, consulting or official relationship with the University or receives a payment or item of significant economic value from that business or organization.

***Use of University Resources:*** Whenever a Trustee, key employee or their family member, except in an official, authorized capacity or incidental manner, uses the University's personnel, resources, equipment, services or facilities for personal gain or profit without full disclosure, approval and reimbursement of costs.

***Disclosure of Confidential or Privileged Information:*** Whenever a Trustee, key employee or their family member discloses confidential or privileged information in any form to an unauthorized party, whether the disclosure was intentional or inadvertent. Any disclosure that has not been formally authorized by the University through an official action is considered to be unauthorized.

***Accepting a Personal Gift or Favor:*** Whenever a Trustee, key employee or their family member accepts a personal gift or special favor from an individual or entity that provides, or seeks to provide, services or supplies to the University. This provision does not include occasional gifts of nominal or modest value (less than \$500.00 in value or isolated invitations to lunch or dinner).

**Attachment A**

CHAPMAN UNIVERSITY

BOARD OF TRUSTEES

Conflicts of Interest Annual Disclosure Statement

For Fiscal Year June 1, 2021 through May 31, 2022

I have read the Policy on Conflicts of Interest (“Policy”) and I am filing this form in accordance with the Policy.

1. Do you or a family member have any financial, ownership, or management interest in any entity that provides goods or services of any kind to Chapman University or a related entity which has had any business dealings with the University or related entity within the past 12 months?

No

YES. If “yes”, please explain (attach additional pages as necessary).

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2. Have you or a family member received gifts, loans or remuneration for services (other than salary as an employee) in excess of \$500.00 from any business or organization that has had business dealings with the University or related entity in the past 12 months or which there is a reasonable possibility will have business dealings with the University or related entity in the next 12 months?

No

YES. If “yes”, please explain (attach additional pages as necessary).

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3. Do you or any of your family members perform any consulting or other professional services related to your work at Chapman University? If so, do you or any of your family members perform these services for a company or other entity that you or they own in whole or in part, or manage? If so, are any of that company's or entity's professional services performed for Chapman University?

No

YES. If "yes", please explain (attach additional pages as necessary).

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4. Do any of your family members receive any compensation directly from Chapman University, including pay as an employee or consultant?

No

YES. If "yes", please explain (attach additional pages as necessary).

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5. Are you or a family member involved with or intend to become involved with (e.g., consult, volunteer, etc.) an individual or entity that competes with the University or related entity where sharing of confidential or privileged information is likely?

No

YES. If "yes", please explain (attach additional pages as necessary).

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6. Do you feel you have any other conflict of interest within the scope of the Policy that is not stated above?

No

YES. If “yes”, please explain (attach additional pages as necessary).

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I certify that I have read and understood the Chapman University Policy on Conflicts of Interest. The responses set forth are true and correct to the best of my knowledge and I have complied with the Policy on Conflicts of Interest and will use my best efforts to comply in the future.

I am responding in my capacity as:

A member of the Chapman University Board of Trustees

A Key Employee of Chapman University

NAME \_\_\_\_\_ DATE \_\_\_\_\_

SIGNATURE \_\_\_\_\_

TITLE \_\_\_\_\_