

**THE SOUTHERN CONNECTICUT STATE UNIVERSITY
FOUNDATION, INC.
BOARD OF DIRECTORS
Statement Regarding Conflicts of Interest**

General Statement

The Southern Connecticut State University Foundation, Inc. (the “Foundation”) is a non-stock, private corporation organized under Connecticut state law and exempt from federal income tax under Section 501(c)(3) of the federal tax code. The mission of the Foundation is to solicit, secure, and manage contributions from the private sector (primarily individuals, corporations and philanthropic foundations) for the benefit of Southern Connecticut State University, an institution of higher education. The Foundation has committed itself to administering its programs and operations in a manner that merits a high level of trust and confidence.

Members of the Board of Directors (the “Board”) are expected to conduct themselves honestly, ethically, and fairly. They are further expected to fulfill their responsibilities and carry out their duties in such a manner as to inspire and assure the confidence of fellow Directors, staff officers, employees, donors, alumni, university faculty and administrators, friends of the University, and all others with whom the Foundation transacts business.

1. **Scope.** The following statement of policy applies to each member of the Board and to all staff officers of the Foundation. It is intended to serve as guidance for all persons who volunteer for or are employed by the Foundation in positions of significant responsibility, including the Executive Director and ex-officio Directors.
2. **Fiduciary Responsibilities.** Members of the Board and employees of the Foundation serve the public trust and have a clear obligation to fulfill their responsibilities in a manner consistent with this fact. All decisions of the Board and staff officers are to be made solely on the basis of a desire to promote the best interests of the Foundation and in recognition of the fact that the Foundation’s integrity and the donors’ interests must be protected and advanced at all times.

Men and women of substance inevitably are involved in the affairs of other institutions and organizations. An effective Board and administration cannot consist of individuals entirely free from at least perceived conflicts of interest. Although most such potential conflicts that arise will be deemed to be inconsequential, Directors and staff officers have a responsibility to bring to the attention of the Board any situation that involves a financial interest or personal, familial, or business relationship that might benefit the private interest of a Director or staff officer or might result in an excess benefit transaction.

Thus, the Foundation requires each Director and staff officer, upon election or appointment and annually thereafter, to: (1) review this policy; (2) disclose in

writing any possible financial interest or personal, familial, or business relationship that reasonably could give rise to a conflict of interest or the appearance of a conflict involving the Foundation; and (3) acknowledge by his or her signature that he or she is in compliance with the letter and spirit of this policy. In addition, if a matter arises during the course of the year that requires disclosure, the Director or staff officer will be required to promptly disclose such matter in writing.

3. **Disclosure.** All Directors and staff officers are required to list on the Disclosure Form any financial interest or relationships that he or she maintains (or members of his or her family maintain) with organizations that have a transaction or arrangement with the Foundation or otherwise could be construed to potentially affect his or her independent, unbiased judgment in light of his or her decision-making authority or responsibility. In the event a Director or staff officer is uncertain as to the appropriateness of listing a particular relationship, the Director or staff officer should consult the chair of the Board and/or the Executive Director of the Foundation. They, in turn, may elect to consult with legal counsel, the Executive Committee, or the Board in executive session. The following definitions are provided to help decide whether a financial interest or relationship should be listed on this form.

Interested Person: Any Director or staff officer, who has a direct or indirect financial interest, as defined below, is an interested person.

Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a) An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement,
- b) A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement, or
- c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

Business Relationship: A person has a business relationship if the Director, staff officer, or a member of his or her family serves as an officer, director, employee, partner, trustee, or controlling stockholder of an organization that has a transaction or arrangement with the Foundation.

4. **Restraint on Participation if Conflict of Interest Exists.** After disclosure of a financial interest or business relationship and all material facts, and after any discussion with the Director or staff officer who is the interested person, the interested person shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Directors shall decide if a conflict of interest exists. If a conflict of interest exists, the interested person may not vote, participate in discussion, nor be present at the time of any vote on the proposed action or transaction. The proposed action or transaction in

which a conflict of interest has been declared or found to exist must be approved by a majority of the disinterested Directors, and the Board or committee conducting the vote shall retain detailed minutes of any proceedings involving a potential conflict of interest action or transaction.

In addition, Directors and staff officers should note that the definitions above are provided only for guidance and should not be considered the only situations in which a conflict of interest could possibly exist. For example, the service of a Director or staff officer on the board of another organization could present a conflict if the interests of such organization are, or potentially may be, in conflict with the interests of the Foundation or Southern Connecticut State University. Each Director and staff officer should exercise his or her reasonable judgment in determining whether any circumstances exist, in addition to the existence of a financial interest or business relationship, which could present a potential conflict of interest that should be disclosed.

Approved by SCSU Foundation Board of Directors on October 20, 2008

**DISCLOSURE FORM FOR THE
SOUTHERN CONNECTICUT STATE UNIVERSITY FOUNDATION, INC.
BOARD OF DIRECTORS AND STAFF OFFICERS**

Please complete the following and return this form.

1. Are you or a member of your family an interested person or do you or a member of your family have a financial interest or business relationship with any entity or individual with which the Southern Connecticut State University Foundation has or is negotiating a transaction or arrangement as defined by the letter or spirit of this policy that may represent a conflict of interest?

Yes _____ No _____

If yes, please provide details on the financial interest or business relationship that may represent a conflict of interest.

2. Did you or a member of your family receive during the past twelve (12) months any gifts or loans from any source from which the Southern Connecticut State University Foundation buys goods or services or otherwise has a transaction or arrangement?

Yes _____ No _____

If yes, please list such loans or gifts, their source, and their approximate value.

I certify that the foregoing information is true and complete to the best of my knowledge.

Name: _____

Address: _____

Signature: _____

Date: _____

Approved by SCSU Foundation Board of Directors on October 20, 2008

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