

# **Manual of Policy and Procedures**

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## GENERAL POLICY STATEMENT

It is important to the proper operation of the Vermont State Colleges system that its Trustees and Executives be independent and impartial; that system decisions and policy be made fairly and impartially, on the merits of the matter at issue; that Trustee and Executive positions not be used for private gain other than the remuneration provided by the Vermont State Colleges system; and that there be public confidence in the integrity of the Vermont State Colleges system.

It is also essential to the proper operation of the Vermont State Colleges system that those best qualified not be discouraged from serving as Trustees or Executives by requiring them to relinquish totally the opportunity to further their own interest, at least where such interests do not create irreconcilable conflicts with their official responsibilities.

In order to ensure fairness and impartiality in the conduct of Vermont State Colleges business, while, at the same time, encouraging the recruitment and retention of those best qualified to serve the Vermont State Colleges system, the Board of Trustees of the Vermont State Colleges adopts the following Conflict of Interest Policy.

Except where otherwise provided by law, members of the Board of Trustees and all Executives shall be subject to provisions of this policy. Nothing in this policy shall exempt Trustees or Executives from any other requirement of law or any duly adopted Vermont State Colleges personnel policy.

Any activity or expense related to federal grants or contracts must comply with 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, in addition to the provisions above.

#### I. Definitions

As used in this policy:

- a) "Trustee" means any member of the Vermont State Colleges Board of Trustees.
- b) "Executive" means any senior management position of the Vermont State Colleges including the Chancellor, the Vice Presidents, the General Counsel and the College Presidents or other similar positions that may be added over time. If the context so requires, "Executive" also may include the designee of an Executive.
- c) "Appearance of a conflict of interest" means the impression that a reasonable member of the public might have that a Trustee's or Executive's judgment might be significantly influenced by outside interests, even though there is no actual conflict of interest.
- d) "Conflict of interest" means a significant interest of a Trustee or Executive or such an interest, known to the Trustee or Executive, of a member of his or her immediate family or household or of a business associate, in the outcome of any particular matter pending before the Trustee or Executive. "Conflict of interest" does not include any interest that (i) is no greater than that of other persons generally affected by the outcome of the matter; or (ii) has been disclosed and found not to be significant.
- e) "Private Entity" means any person or any corporation, partnership, joint venture or association, whether organized for profit or not for profit, except those specifically chartered by the State of Vermont or which relies upon taxes for at least 50 percent of its revenues.

### II. General Conduct

- A. A Trustee or Executive shall take all reasonable steps to avoid any action or circumstances, whether or not specifically prohibited by this policy, which might result in:
  - 1. Undermining his or her independence or impartiality or action;
  - 2. Taking official action on the basis of unfair considerations;
  - 3. Giving preferential treatment to any private entity on the basis of unfair considerations;
  - 4. Giving preferential treatment to any family member or member of the Trustee's or Executive's household;
  - 5. Using his or her position for the advancement of personal interest;
  - 6. Using his or her position to secure special privileges or exemptions; or
  - 7. Affecting adversely the confidence of the public in the integrity of the Vermont State Colleges.
- B. Every Trustee and Executive shall be true and faithful to the Vermont State Colleges; will not, directly or indirectly, do any act or things injurious to the Vermont Constitution or of the Vermont State Colleges; will faithfully execute the position which he or she holds;

- and will therein do equal right and justice to all men and women, to the best of his or her judgment and ability, according to law.
- C. A Trustee or Executive shall disclose a conflict of interest or appearance of a conflict of interest. A Trustee and the Chancellor shall disclose a conflict or appearance of a conflict to the Chairman of the Board of Trustees. Should the Chairman need to disclose a conflict of interest or appearance of a conflict of interest he/she shall do so to the full Board of Trustees. Executives shall disclose a conflict of interest or appearance of a conflict of interest to the Chancellor.
- D. A Trustee or Executive shall recuse himself/herself from the decision making process or outcome involving a conflict of interest or appearance of a conflict of interest. Any dispute as to whether a conflict of interest or appearance of conflict of interest exists shall be resolved by the Board.

## III. Personal Interests, Outside Employment, and Financial Activities

Ethical Rules While in Vermont State Colleges Service:

- 1. A Trustee or Executive shall not take any action on behalf of the VSC on any matter in which he or she has, or is believed to have, a conflict of interest or the appearance of a conflict of interest until such time as a determination is made, after full disclosure, that the Trustee or Executive may take such action without violating this Policy.
- 2. A Trustee or Executive shall not take any official action that materially advances the interest of any entity with which the Trustee or Executive is actively seeking employment or in which the Trustee or Executive, or any member of his or her immediate family, household or a business associate, has a significant interest.
- 3. A Trustee or Executive shall not solicit or receive any payment, gift, or favor based on any understanding that it may influence any official action.
- 4. A Trustee or Executive shall not accept gifts or trips from private interests if the gifts or trips:
  - i. are or reasonably could be perceived as a quid pro quo;
  - ii. are intended to influence any decision by the Trustee or Executive; or
  - iii. create an appearance of a conflict of interest.
- 5. Absent specific law requiring disclosure, a Trustee or Executive, both during and after VSC service, shall not disclose any confidential or privileged information obtained while in Vermont State Colleges service.

Signed by: Jeb Spaulding Chancellor