

Richard S. Lapidus, Ph.D.

PRESIDENT

Conflict of Interest Policy

Purpose:

This conflict of interest policy (“the policy”) is intended to:

- protect the interests of Fitchburg State University (“the University”) and serve as a guide when the University is contemplating entering into a transaction or arrangement that might benefit, directly or indirectly, the private interest of university officers, trustees, or directors;
- enable such individuals to recognize situations that may be subject to question and resolve them to avoid conflicts of interest; and/or
- supplement, not replace, any applicable federal and state laws governing conflict of interests.

Who is subject to the policy?

This policy covers:

- members of the Board of Trustees, including honorary trustees, that participate in board and committee meetings, and members of the Foundation Board and its associated committees.

Policy:

Trustees and Foundation Board members have a fiduciary duty to the University and, as such, should act in a manner consistent with this obligation and exercise particular care that no detriment to the interests of the University (or the appearance of such detriment) may result from a conflict between the interests of the University and personal financial interests an individual may have.

An individual has a financial interest if that person has, directly or indirectly, through business, investment, or family:

- an ownership or investment interest in an organization supplying goods or services to the University;
- performed services for other individuals or organizations that do business with the University; and/or
- a potential ownership, investment interest, or compensation arrangement with any individual or organization seeking to do business with the University.

In general, when those covered by this policy are deemed to be in a conflict of interest situation with respect to any matter before the Boards or administration, that individual will refrain from participating in the consideration of any proposed transaction, unless specifically requested to provide information regarding the transaction in question. The individual will refrain from voting on, or taking any position for or against, the proposed transaction. When deemed appropriate, a notification will be made in the minutes of the meeting that the person involved neither participated in the consideration of the proposed transaction nor voted on the matter.

In all other instances where it is determined that a conflict of interest exists, such conflicts, and their remedy, shall be disclosed to the Board of Trustees and/or the Foundation Board of Directors at their next meeting.

Disclosure:

The University is aware that it may not be possible to completely avoid all relationships between those individuals covered by this policy and certain third parties with whom the University transacts business. One of the keys to evaluating the potential conflict is full disclosure. All individuals covered by this policy shall complete, at least annually, a *Conflict of Interest Disclosure Statement*. These disclosure statements shall be reviewed and accumulated by the President's Office and furnished to the Board of Trustees, the Foundation Board of Directors, and/or the President upon request.

If an individual covered by this policy believes that he or she may have a conflict of interest with respect to this policy, or any particular transaction that has not been previously disclosed, he or she will promptly and fully disclose the potential conflict to the President and will refrain from participating in any related transactions or decisions of the University until the conflict is reviewed and a determination has been made.

Individual disclosure statements will be held in confidence by the President. The statements will be open for public inspection only:

- by official action of the Board of Trustees for university matters or by official action of the Foundation Board of Directors for Foundation matters upon showing of good cause;
- with the consent of the person who submitted the data to be disclosed; and/or
- by court order or as otherwise required by Massachusetts or federal law or regulation.

Questions:

Questions regarding this policy should be directed to the President.

Approved by the Board of Trustees _____

Approved by the Foundation Board of Directors _____