



Effective Date of Policy: February 6, 2009

Responsible Department: Human Resources

Last Update: First Version

Permanent or Temporary/Interim Policy: Permanent

Conflict Of Interest Policy

A. Statement of Purpose: This Conflict of Interest Policy (the "Policy") is intended to protect the interests of Roanoke College (the "College") by avoiding actual and possible conflicts between the personal interests of its Professional Employees and the College, and provide procedures for addressing conflicts of interest when they occur.

The College's Professional Employees should act at all times in the best interests and well-being of the College, and should not profit or gain any advantage from activity that may or reasonably appears to be a conflict with the well-being of the College.

Professional Employees may engage in external professional and community activities, provided that they do not create or cause the appearance of a conflict of interest. Other activities involving Professional Employees that create an actual or possible conflict of interest with the College may not necessarily be detrimental to the College, as long as they are disclosed, understood and approved by the College.

This Policy supplements but does not replace any applicable state or federal laws governing conflicts of interest applicable to charitable organizations.

B. Definitions: The following definitions apply to the terms used in this Policy:

1. "Professional Employees" include the President, Treasurer, Secretary, Deans (including Associate and Assistant Deans), officers, faculty members, Secretary to the Board of Trustees, Athletic Director, financial aid officers, financial controllers and administrative staff.
2. "Family Member" includes any person who is a spouse, child, grandchild, great-grandchild, sibling, blood relative, or any of their spouses of a Professional Employee.
3. "Associate" means any person, entity, organization or enterprise of which a Professional Employee or Family Member is a director, officer, employee, member, partner, or trustee, or in which the Professional Employee or Family Member has a significant financial or other interest that enables the Professional Employee or Family Member to exercise control over and/or significantly influence such person, entity, organization or enterprise.
4. A "Conflict of Interest" arises when the interests, activities, or relationships of a Professional Employee, Family Member or Associate are inconsistent with the interests of the College in the reasonable opinion of the Professional Employee's direct supervisor ("Supervisor").

A Conflict of Interest may exist:

- i. When a Professional Employee, through a Family Member or Associate, has an interest in a supplier or contractor who or which provides goods or services to the College, and the Professional Employee acts on behalf of the College in any transaction involving that interest or benefits financially as a result of the interest. When a Professional Employee, Family Member or Associate uses College personnel, facilities, equipment or services for personal gain or profit without full disclosure, reimbursement of cost, payment of a rental fee, or similar consideration.
- ii. When a Professional Employee, Family Member or Associate divulges privileged, confidential, or proprietary information of the College for purposes of personal gain or for purposes unrelated to the College.
- iii. When a Professional Employee, Family Member or Associate uses the name of the College for personal gain or acts in a way that creates or could reasonably create the impression that he/she is speaking on behalf of the College, unless authorized by the College as a part of his/her position.
- iv. When a Professional Employee, Family Member or Associate uses the name, seal and/or logo of the College or its programs for unauthorized purposes, or without prior written approval of the College.

These are not intended to list all possible situations in which a conflict of interest may exist, but are provided as examples only.

C. Duty to Disclose: A Professional Employee must fully disclose, in writing, the existence of the circumstances and all material facts giving rise to an actual or possible Conflict of Interest to his/her Supervisor at the earliest practical time.

D. Procedures for Determining Whether a Conflict of Interest Exists:

1. After disclosure to the Professional Employee's Supervisor and after discussion with the Professional Employee, the Supervisor will determine in the Supervisor's sole discretion whether a Conflict of Interest exists. The Professional Employee shall not participate in the discussions or decision regarding the Supervisor's determination, except to answer questions or where such continued participation is approved by the Supervisor.

2. If the Supervisor is unable to determine whether a Conflict of Interest exists, the Professional Employee may file a written request with the president of the College (the "President") requesting a review of the question and explaining in detail the nature of the proposed interest, activity or relationship and why, in the Professional Employee's opinion, there is no actual or possible Conflict of Interest. The Professional Employee will provide the Supervisor with a copy of the request promptly after it is filed with the President in a timely manner after his/her receipt thereof. The President will review the information submitted and either: (a) affirm or overturn the Supervisor's decision, or (b) meet with the Professional Employee and/or the direct Supervisor to gather additional information, after which the President will affirm or overturn the Supervisor's opinion. The President will affirm the Supervisor's decision if it is not arbitrary and capricious and not contrary to the best interests of the College. The decision of the President is final. For those Professional Employees reporting directly to the President the President will act as the Supervisor and the Executive Committee of the Board of Trustees (the "Executive Committee") will have the final authority to determine whether to affirm or overturn the decision of the President's decision unless arbitrary and capricious and not contrary to the best interests of the College. The decision of the Executive Committee will be final.

3. If it is determined that an actual or potential Conflict of Interest exists, and the nature of the conflict is known, understood and agreed to by the Professional Employee's Supervisor, the President or the Executive Committee, as applicable, no further action will be required if the following conditions are met:

i. the commitment of time to these activities does not interfere with the Professional Employee's duties;

ii. no proprietary or confidential information of the College is involved or disclosed; and

iii. the Professional Employee, Family Member or Associate does not benefit, financially or otherwise, from the matters related to the activities giving rise to the Conflict of Interest.

E. Compensation: A voting member of any committee of the College, the jurisdiction of which includes compensation matters, and who receives compensation, directly or indirectly, from the College for services is precluded from voting on matters pertaining to that member's compensation. No voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the College, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

F. Annual Statements: Each year, a Professional Employee will sign a statement affirming that the Professional Employee:

1. has received a copy of the Policy;

2. has read and understands the Policy;

3. has agreed to comply with the Policy; and

4. understands that in order to maintain the College's federal tax exemption it must engage primarily in charitable activities which accomplish one or more of its tax-exempt purposes.

All Professional Employees must submit a completed disclosure statement by July 1 of each year or upon employment. Each Professional Employee has a continuing duty to update the disclosure statement and submit it to his/her direct supervisor when a real, apparent or potential Conflict of Interest arises at any time throughout the year.

Adopted by the Board of Trustees of Roanoke College: February 6, 2009