

Conflict of Interest Policy

Scope:

This policy applies to all Regis University (“University”) trustees and employees. This policy is designed to identify and address potential, apparent and actual conflicts of interest (“conflicts of interest”), and to protect the tax exempt status of the University. Each Trustee and employee has an obligation to act in the best interests of the University and must not permit outside financial and/or personal interests to interfere with that obligation. This policy is intended to increase the awareness of all Trustees, employees and Interested Persons to the potential for conflicts of interest and to establish a process for properly managing or avoiding such conflicts. This policy supplements but does not replace any applicable state and federal laws governing conflicts of interest.

No policy statement can address every situation that might entail a conflict of interest. As a general principle, actions or situations should be avoided that might result in or create the appearance of using one’s position with the University for gain or that would cause embarrassment to one’s self or the University.

Conflict of Interest:

A conflict of interest may exist when an individual’s direct or indirect personal interests are inconsistent with or interfere with the best interests of the University.

Specifically, a conflict of interest may arise if a Trustee, employee or Family Member of either of the aforementioned has a Business Relationship with or financial interest with each other or a third party engaging in a Business Transaction with the University. For purposes of this policy, the following definitions apply:

DEFINITIONS

A. Business Relationships between two persons include but are not limited to the following:

1. One person is employed by the other in a sole proprietorship or by an organization with which the other is associated as a trustee, director, officer, key employee, or possesses more than a 35% interest in the organization; or
2. One person is transacting business with the other directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of \$10,000 in the aggregate during the tax year (May 1 through April 30), where one person to the transaction is associated as a trustee, director, officer, key employee, or possesses more than a 35% interest in the organization; or
3. The two persons together possess more than a 35% ownership interest in common in the same business or investment entity.

A “business relationship” need not be disclosed if it is a privileged relationship such as between an attorney and client, a medical professional (including psychologist) and patient, or a priest/clergy and penitent/communicant (“Privileged Relationship Exception”).

B. Business Transactions include, but are not limited to:

1. Ownership or investment interest in any entity that provides goods or services to, or has any other transaction or arrangement with the University or is negotiating such a transaction or arrangement if such interest represents at least \$5,000, 1% of a publicly traded company or 5% of a privately owned company.
2. Contracts of sale, lease, license and performance of services whether initiated during the current period or ongoing from the prior year.
3. Joint venture (new or ongoing) in which either the profits or capital interest of the organization and you (and/or an Interested Person) each exceed 10%.
4. Receipt of compensation from the University or from any entity or individual that provides goods or services to, or has any other transaction or arrangement with the University or is negotiating such a transaction or arrangement.

C. Compensation means wages, commission, fringe benefits, royalties, honoraria, fees, and any and all other remuneration, reimbursed or sponsored travel expenses, as well as gifts or favors that are substantial in nature.

D. Current Period. The entirety of the then current fiscal year.

E. Family Member/Family Relationship includes your spouse, ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, and spouses of brothers, sisters, children, and grandchildren.

F. Independent. You are considered independent only if **all four** of these circumstances applied at all times during the current period:

1. You were not compensated as an officer or employee of the University or a related entity, AND
2. You did not receive total compensation or other payments exceeding \$10,000 from the University as an independent contractor, other than reimbursement of expenses incurred in your capacity as a Trustee or Board Committee Member, AND

3. Neither you, nor any Family Member, was involved in a transaction with the University (whether directly or indirectly through affiliation with another organization) that is required to be reported as a Business Transaction in the University's tax return, AND
4. Neither you, nor any Family Member, was involved in a Business Transaction with a University Related Organization (whether directly or indirectly through affiliation with another organization) that must be reported on the University related organization's tax return.

G. Interested Person includes any person or organization in a position to exercise substantial influence over the affairs of the University, as well as their Family Members. Specifically, Interested Persons include, but are not limited to:

1. All members of the Board of Trustees;
2. All officers of the University;
3. "Key employees" as reported on the University's IRS filings;
4. Individuals who receive compensation based upon revenues generated by a University activity that such individual controls;
5. Other persons who have managerial authority with respect to the University's affairs.
6. Principal Investigators and Project Directors.
7. Members of the family of any of the above mentioned persons
8. An entity that is 35% owned by one or more current/former officers, directors, or key employees or their Family Members.

H. Material Interest means (1) ownership of more than 5% in an entity, excluding a passive ownership interest through publicly traded entities; (2) holding a position as an officer, director, trustee, partner, agent or employee of an entity; (3) a relationship with an entity resulting in payment of \$10,000 or more in the preceding 12 months or (4) having actual or apparent influence over a decision that may affect the entity.

I. Principal Investigator and Project Director include those individuals who have independent responsibility for accomplishing research project objectives, regardless of title or position, including those responsible for the design, conduct, or reporting of research.

J. Related Entity is an entity that is 35% controlled by you and/ or your Family Members.

K. Reviewer: The individual to whom the initial disclosure is made under the Duty to Disclose provisions of this policy.

L. University Related Organization means any entity that is controlled in whole or in part by the University.

Duty to Disclose:

The responsibility of avoiding and managing conflicts of interest begins with the Trustees and employees. If a situation arises that could present a conflict of interest, Trustees or employees shall make full disclosure of the relevant information to the University's General Counsel. Employees shall make full disclosure of the relevant information, as applicable, to the President, Provost, Vice President, or Academic Dean, to whom the employee reports for administrative purposes or the Research Integrity Officer (RIO) in the event of a research matter.

In addition to the self-reporting obligation described above, Trustees and Interested Persons are required to complete and deliver annually a written statement which affirms such person has received a copy of this policy, read and understands it, and agrees to comply with it.

Principal Investigators and Project Directors are required to submit the disclosures required by applicable laws and regulations with respect to conflicts of interest with applicable updates and certifications.

Whenever changes occur, the disclosures described above are to be updated in writing as soon as possible. Whenever possible, Trustees and employees should disclose expected changes or newly anticipated conflicts at least thirty (30) days before they occur.

Determining whether a Conflict of Interest Exists:

Upon the disclosure of a potential conflict, the Reviewer shall review the disclosure, determine the facts (after providing the Trustee or employee with an opportunity to disclose all material facts), and make an initial determination as to whether a conflict exists. If the Reviewer determines that there is a conflict, the Reviewer shall so advise the Trustee or employee and indicate that the matter is being referred to the University's General Counsel. If the Reviewer determines no conflict exists, the Reviewer shall document that determination and the basis for it in writing and provide it to the University's General Counsel, who can accept or reject the determination. If the Reviewer's decision is rejected, the University's General Counsel shall submit the matter to the University's Board Directions and Leadership Committee as it relates to Trustees, the President as it relates to employees (non-research matters) and the RIO as it relates to research matters.

The Board Directions and Leadership Committee's decision shall be final unless it refers the matter to the Board of Trustees for determination, in which event the Board's decision shall be final.

The Trustee or employee may make a presentation to the Committee or Board, as applicable, and after any discussion with the Trustee or employee, he/she shall leave the meeting during the discussion of, and the vote on the matter.

Procedures for Addressing a Conflict of Interest:

The Committee, Board or President (as applicable) may authorize or approve the conflicting interest transaction. Approval shall occur using the procedures and criteria specified in the Colorado Revised Nonprofit Corporation Act. The Committee, Board or President may engage such consultants as it deems necessary or useful to assist its determination of the issues.

The affected Trustee or Interested Person must refrain from attending and participating in the deliberation and voting on those matters regarding which the Trustee or Interested Person is involved in a conflict of interest, both at meetings of the Board of Directors and at any other decision-making body, committee, or division participating in the respective transaction or decision.

Violations of the Conflicts of Interest Policy:

If reasonable cause exists to believe that a Trustee or employee has failed to disclose a conflict of interest, the Trustee or employee shall be informed of the basis for such belief and afforded the opportunity to explain the alleged failure to disclose to the Reviewer.

Appropriate disciplinary or corrective action shall be taken, if it is determined (using the same process as for determining whether a conflict exists), that there was a failure to disclose.

Records of Proceedings:

With respect to each determination under this policy, a written record shall be made and provided to the University's General Counsel which record shall contain the name(s) of the Trustees and Interested Persons involved, the nature of the matter presented, the action taken (including the persons involved in the discussion and the vote of each), and the basis on which the action was taken. The University's General Counsel shall maintain such records for a period of seven years.

Questions:

Questions regarding this policy shall be directed to the University's General Counsel.

Approved by the Regis University Board of Trustees: January 12, 1990

Amended by the Regis University Board of Trustees: March 9, 1992

Amended by the Regis University Board of Trustees: October 10, 2008

Amended by the Regis University General Counsel: March 1, 2016; Pending Regis University Board of Trustee's approval.