

Alliant International University
Interim Conflict of Interest Policy
Approved June 4, 2009

1. Scope

This policy applies to all Alliant International University (“University”) trustees, officers and employees as well as other University representatives. This policy is in addition to any conflict of interest or related policy that may appear in the Staff Handbook, the Faculty Handbook or any Collective Bargaining Agreement between the University and its faculty or staff.

Through this policy, the University intends to implement the highest possible ethical standards and to establish that it will not tolerate conflicts of interest. The University, through its Audit Committee of the Board of Trustees, will administer this policy strictly, with complete transparency and in accordance with the principles set forth below.

2. Definitions

A. Conflict of Interest. A “conflict of interest” shall mean a personal, familial, business, financial or other relationship between a trustee, officer or key employee and the University that can cause the University to be legally or otherwise vulnerable to criticism, embarrassment, or litigation. A conflict of interest exists when a University representative’s direct or indirect personal interests are inconsistent with or interfere in any way with the best interests of the University. A conflict can also occur if a trustee, officer or key employee has a continuing significant relationship with any other entity engaged in the delivery of educational or other services that fall within the scope of the University’s activities or which may influence the exercise of their professional judgment on behalf of the University.

B. Trustee. “Trustee” shall mean a voting member of the Alliant International University Board of Trustees.

C. Officer. “Officer”, for the purposes of this policy, shall mean president, vice presidents, provost, deans, controller and budget manager having a significant interest or involvement in a University decision or transaction.

E. Key Employee. “Key Employee” shall mean any employee in charge of administrative or program operations, if they have authority to control the University’s activities, its finances or both.

D. Business Relationship. When a trustee, officer, key employee or a member of his or her family; (1) is the actual or beneficial owner of more than five (5) percent of the voting stock or controlling interest in an organization that does substantial business with the University; (2) has other direct or indirect dealings with such an organization from which the Trustee, officer, key employee or a member of his or her family benefits directly, indirectly, or potentially from cash or property receipts totaling \$10,000 or more annually; 3) has a role as general or managing partner or management-level employee or 4) his/her

compensation arrangement with the outside organization is dependent upon a business or financial arrangement with the University.

E. Immediate Family. A member of one's immediate family means 1) a spouse or domestic partner; 2) a child, grandchild, parent, grandparent, sibling, uncle, aunt, nephew or niece or the spouse of any such person; 3) a person having a step-relationship described in 2) above; 4) a parent-in-law or a brother or sister-in-law; or 5) any other person who resides in the same household as the trustee, officer or employee.

The foregoing guidelines are not intended to be exclusive; other relationships or interests that might conflict with the best interests of the University should also be disclosed. If a trustee, officer, key employee, or other representative is uncertain whether to disclose a particular business or financial relationship, the University's General Counsel should be consulted.

3. Fiduciary Responsibilities

Trustees, officers, key employees and other representatives of the University serve the public trust and are required to fulfill their responsibilities with care and loyalty. All decisions and actions of the Board and the administration are to be made for the sole purpose of advancing the best interests of the University and the public good. The integrity of the University must be protected at all times and the fiduciary relationship of Trustees, Officers, employees and other representatives of the University must be respected at all times.

4. Principles

- A. In general, it is the policy of the University that it will not engage in business or financial relationships with Trustees, Officers, Key Employees or their immediate family (as those terms are defined).
- B. Trustees, Officers, Key Employees, faculty, and other employees should avoid having a significant relationship with any other entity engaged in the delivery of educational or other services that fall within the scope of the University's activities or which may influence the exercise of their professional judgment on behalf of the University.
- C. No business or financial relationship between the University and any trustee, officer or key employee or a member of his/her immediate family or any entity with which a trustee, officer or key employee or a member of his/ her immediate family has a significant relationship unless it has been thoroughly reviewed and considered by the Audit Committee and has been found to be of clear benefit to the University.
- D. Except with the prior review and endorsement of the Audit Committee and approval of the Board of Trustees, the University will not knowingly invest directly in an entity or investment vehicle in which a trustee, officer or key employee has a significant relationship.

- E. Any proposed business or financial relationship between the University and an employee or a member of his/her immediate family, or any entity with which the employee or a member of his/her immediate family has a significant relationship is subject to the prior written approval of their immediate supervisor and the Purchasing Department.

5. Employment

- A. A member of the immediate family of an employee may not be assigned to a position in which the one would have direct or indirect administrative or supervisory responsibility for the other or to a position in the same department or academic program.
- B. No employee may sign off on payroll/personnel forms that affect his/her own salary or approve reimbursement of his/her own expenses or those of a direct supervisor.
- C. No employee or former employee having official responsibility for procurement transactions should accept employment with any bidder or contractor with whom he/she has dealt in an official capacity concerning procurement transactions for a period of one year after termination of the employee's university employment unless specifically waived by the University's General Counsel..

6. Procedures

Effective implementation of this policy requires the full disclosure of individual interests that might conflict with the best interests of the University. The interested trustee, officer, key employee or other representative must refrain from participating in University decision making with respect to any transaction or relationship in which he/she is interested. An independent determination must be made that the transaction or relationship meets the applicable standard and should be entered into or continued.

A. Disclosure

- All trustees, officers and key employees are required to disclose on the Conflict of Interest Disclosure Form any business or financial relationship they or members of their immediate families have or propose to have with the University, either directly or through another entity in which they have a significant interest. The disclosure form is to be filed annually on or before June 15 as detailed below and updated during the year as circumstances change.
- Any faculty member who engages in sponsored research shall also annually disclose to the University any potential conflicts of interest by submitting a conflict of interest disclosure form.

- The responsibility for obtaining the annual disclosure shall be as follows:
Trustees and Officers – the Secretary of the Board of Trustees
Faculty – the Provost
Employees– the Senior Vice President of Finance
- When any interest on the part of a trustee, officer, key employee, faculty or staff member of the university or a member of his or her immediate family poses a possible conflict with the trustee's, officer's, key employee's, faculty or employee's university responsibilities, the trustee, officer, faculty or employee shall promptly report the conflict to the attention of the other Trustees or the Officers of the University who are participating in or voting on the matter which poses the possible conflict, and that person shall abstain from participation in or voting on such matters.

The minutes of the meeting shall reflect that a disclosure was made and that the trustee or officer abstained from any participation in the matter.

B. Restraint on Participation

Trustees, officers, key employees and other representatives who have disclosed a potential conflict of interest shall refrain from participating in the University's consideration of any proposed business or financial relationship in which he or she is interested, except to respond to questions or to provide further information. If a transaction or relationship requires a vote, the interested party should not be present at the time of the vote and all those voting will be advised of the conflict facts and circumstances.

C. Approval of Business or Financial Relationship

The Audit Committee will determine whether a business or financial relationship involving a trustee, officer or key employee should be entered or continued. In the case of any such relationship such a determination shall be set forth in a written report of the Audit Committee and provided to the Board of Trustees for approval.

7. Solicitation and Acceptance of Gifts

No individual within the scope of this policy shall solicit or accept money, gift, loan, advance, favor, special discount, service or other personal benefits of material value that might reasonably tend to influence him/her in the discharge of his/her duties.

Such individual shall not accept a business or personal trip paid for by the vendor, for any reason whatever, without first obtaining written approval from the University's General Counsel. . Acceptable circumstances for such travel (inspection, training on new equipment, etc.) must be established through the University's established procurement process.