

B. Conflict of Interest Policy

1. Preamble

The Southern Illinois University Board of Trustees acknowledges that as members of the Board, each Trustee has a fiduciary responsibility to the University, that each member is a steward of the public trust, that each member has a legal obligation to comply with relevant laws and regulations, and that each member has an ethical obligation to uphold the highest ethical standards in the conduct and discharge of the University business, academic, and service affairs.* Further, each member of the Board acknowledges that each member should take reasonable steps to avoid even the appearance of a conflict of interest or something that might be perceived as improper or inappropriate.

A Trustee shall be considered to have a conflict of interest if (a) such Trustee has existing or potential financial or other interests which impair or might reasonably appear to impair such member's independent, unbiased judgment in the discharge of his or her responsibilities to Southern Illinois University, or (b) such Trustee is aware that a member of his or her family, or any organization in which such Trustee (or member of his or her family) is an officer, director, employee, member, partner, trustee, or controlling stockholder, has such existing or potential financial or other interests. For the purposes of this provision, a family member is defined as a spouse, parent, sibling, child, and any other relative who resides in the same household as the Trustee.

Each Trustee shall complete and sign a conflict of interest disclosure form annually, prior to the Board's first regular meeting of each calendar year, which shall indicate that the Trustee acknowledges a conflict of interest or potential conflict of interest, if any, and shall recuse himself or herself pursuant to the procedures adopted by the Board. In addition, a Trustee must also make changes to their disclosure form as his or her situation changes or conflicts of interest or potential conflicts of interest arise throughout the year. If a question arises as to whether a conflict exists, a Trustee shall disclose in writing to the Chair of the Board and the General Counsel any possible conflict of interest at the earliest practical time, and if such disclosure is complete, shall be entitled to rely upon the opinion of the General Counsel as to whether a conflict exists. If a conflict does exist, the General Counsel shall disclose the conflict to the Board and the Trustee shall abstain from discussions of and advocacy for, voting on the matters under consideration by the Board of Trustees or its committees. The minutes of such meeting shall reflect that a disclosure was made and that the Trustee having a conflict or potential conflict abstained from deliberating and voting. The General Counsel shall maintain a confidential file of all such inquiries in the offices of the Board of Trustees.

Nothing in this policy shall be construed to abridge, abrogate or otherwise alter any professional privileges recognized by law including but not limited to the attorney- client privilege, doctor-patient confidentiality and mental health provider privileges.

2. Trustee Duties and Obligations

a. Time commitment

In undertaking the duties of the office, a Trustee shall make the necessary commitment of time and diligence to carry out his/her public governance responsibilities.

b. Trustees authority

A Trustee shall not use the authority, title, or prestige of office to solicit or otherwise obtain a private financial, social, or political benefit that in any manner would be inconsistent with the public interest or the interest of the university, or to secure unwarranted privileges or advantages for him/herself or others.

c. Prohibited Activities

A Trustee shall not have any interest (financial or otherwise, direct or indirect) or engage in any business transaction or professional activity that is in substantial conflict with the proper discharge of his/her duties in the public interest and shall not act in his/her official capacity in any manner wherein he/she has a direct or indirect personal, financial or political interest that might reasonably be expected to impair the Trustee's objectivity or independence of judgment. A Trustee or member of his or her family who resides in the home of the Trustee is prohibited from entering into any contract for the purchase of goods or services by the University. Student members shall not be deemed to have a conflict of interest under this policy because of their student status.

d. Use and Disclosure of Information

A Trustee shall not willfully disclose any information not generally available to members of the public that he/she receives or acquires in connection with his/her official duties, nor shall he/she use such information for the purpose of securing personal, financial, or political gain for him/herself or others with whom he/she is associated.

e. Conduct in the Public Interest

Trustees should strive to conduct themselves in a manner that serves the best interests of the public and the university. A Trustee shall not knowingly act in any way that might reasonably be expected to create an impression or suspicion among the public that he/she is engaged in conduct violative of his/her trust as a Trustee.

3. Conflict of Interest Procedures

Upon completion of the annual disclosure form, or any update thereto throughout the year, any member shall disclose that a potential conflict of interest exists and advise the Chair and the General Counsel of such disclosure. In such an event, the Trustee shall be deemed an Interested Trustee and shall be governed by the Conflict of Interest procedures. A majority of disinterested Trustees may determine that a potential conflict of interest exists. Upon such disclosure, and if a majority of the then present disinterested Trustees at the meeting determine that a conflict of interest exists and is material to the particular matter being considered, all Board proceedings regarding such matters shall be governed by the Conflict of Interest procedures.

Procedures

- a. Upon completion of the annual disclosure form, or any update thereto throughout the year, in the event a conflict of interest or potential conflict of interest is identified, the Interested Trustee shall refrain from exerting in any manner, his or her personal influence over the decision of such matter; and
- b. Thereafter, if requested by the Chairperson or the Vice Chair, in the event the Chair is the subject matter of the conflict, the Interested Trustee shall not participate in any discussions, recommendations, determinations, and decisions concerning the particular matter; and
- c. The Board and/or committee shall take no action on the matter unless and until a quorum of disinterested Trustees is present; and

- d. The Interested Trustee shall not vote on the particular matter. The Interested Trustee must recuse him or herself from Board deliberations or actions if the Trustee believes that a duality or conflict of interest exists with respect to any such deliberations or actions. Any such recusal shall not release the Trustee from making full disclosure upon request of the Board as set forth hereinabove.
- e. Any disputed issues relating to the existence of a conflict of interest requiring recusal shall be decided by the Board. The majority of disinterested Trustees shall determine whether there is a conflict of interest. In all cases the Board is the final authority on conflict questions.
- f. Upon identification of a conflict of interest or potential conflict of interest, if the conflict involves a matter that relates to university procurement, the General Counsel shall notify the procurement offices at Southern Illinois University Carbondale, Southern Illinois University Edwardsville, and the Southern Illinois University School of Medicine.

The Chair of the Board, or his or her designee shall annually disclose to the Board, Governor, the Senate President, and the Senate Minority Leader all conflicts of interest as determined by the member or the Board.

4. Recusal

Members of the Board shall recuse themselves from any discussion, vote, decision or activity related to a matter which either they determine or the Board determines is a conflict of interest. The Board's determination shall be final and shall be based on the majority of disinterested Board members, i.e., those members not having a conflict of interest in the matter or activity.

Recusal shall mean the removal by the member or the Board of a member or members from acting as policymaker, judge, advocate or decision maker related to a particular matter of material substance to the University or Board.

5. Gifts and Expenses

a. Acceptance of Gifts

A Trustee shall not accept any gift, favor, service, accommodation or other thing of value under circumstances from which it might reasonably be inferred that such gift, service or other thing of value was given or offered for the purpose of influencing him/her in the discharge of his/her official duties. A Trustee shall comply with the relevant gift ban provisions of the State Officials and Employees Ethics Act. A Trustee may, however, accept from University officials complimentary tickets to University-sponsored events.

b. Reimbursement for Expenses

A Trustee serves without compensation. However, he/she is entitled to receive payment for expenses incurred while representing the University in his/her official capacity.

* Attribution

Conflict of interest policies are governed by state and federal laws and statutes. As such, policies at many institutions can look very similar to that proposed by Southern Illinois University. This policy was developed in accordance with the Southern Illinois University Management Act (110 ILCS 520/0.01 et al.), the State Officials and Employees Ethics Act (5 ILCS 430/1-1 et al.), the Illinois Governmental Ethics Act (5 ILCS 420/1.101 et al.) as well as various Illinois Attorney General opinions, and state and federal appellate decisions. Additionally, policies from several other universities were reviewed including, but not limited to: University of Illinois, Northern Illinois University, Western Illinois University, American University, Boston University, Catholic University, University of Michigan, University of Minnesota, University of Tennessee, Vanderbilt University, Montclair State University, and University of Northern Colorado.

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