

Policies and Procedures

<i>SECTION:</i> Financial	<i>NO.</i> 3.1.12.		
<i>CHAPTER:</i> General	<i>ISSUED:</i> 8/23/00	<i>REV. A</i> 7/20/11	<i>REV. B</i>
<i>POLICY:</i> Conflict of Interest and Disclosure Policy for Senior Administrators	<i>PAGE 1 OF 3</i>		

I. PURPOSE

The purpose of this policy is to protect the best interests of Creighton University when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Senior Administrator by ensuring that such transactions will not be adversely affected by conflicts of interest, to ensure Senior Administrators act in the best interests of the University and to ensure the University operates in a manner consistent with its tax exempt status.

II. POLICY

It is the policy of the University that all Senior Administrators must carry out their responsibilities to the University in the best interests of the University. Further, Senior Administrators should, when acting on behalf of the University, act at all times in a manner which avoids even the appearance of a conflict of interest unless and until disclosure of the conflict is made and a disposition determined in accord with Articles IV. B and C, respectively.

All Senior Administrators must disclose to the University, at least on an annual basis, any financial interest of the Senior Administrator or a Family Member that may result in an actual or potential conflict of interest. In addition, the Internal Revenue Service (IRS) requires annual disclosures of certain business and family relationships on the part of Senior Administrators. (See Schedule A of the Conflict of Interest and Disclosure Policy Annual Statement of Disclosure.) This policy is intended to supplement, but does not replace, any applicable state and federal laws governing conflict of interest applicable to non-profit and charitable organizations.

III. DEFINITIONS

- A. **Conflict of Interest:** A conflict of interest exists when a Senior Administrator's commitment and obligation to the University may be compromised by the Senior Administrator's other interests or commitments, especially financial interests. A conflict of interest may exist when a Senior Administrator or a Family Member of the Senior Administrator has a financial interest, directly or indirectly, through business, investment or otherwise in one of the following:
1. An existing or potential ownership or investment interest in any entity with which the University has a transaction or arrangement. An ownership or investment interest may be through equity, debt, or other means.
 1. An existing or potential compensation arrangement with any entity or individual with which or with whom the University has a transaction or arrangement. Compensation includes any direct or indirect payment in cash or in kind, including gifts or favors that are substantial in nature (more than \$100) or forgiveness of debt.
 3. An existing or potential ownership or investment interest in, or compensation arrangement with, an entity or individual with which or with whom the University is negotiating a transaction or arrangement.

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4. A position which involves a management function (director, officer, trustee, partner, or manager) for another entity or individual with which or with whom the University is negotiating a transaction or arrangement or has an existing transaction or arrangement.
- B. Senior Administrators: President, Senior Vice President for Operations, Vice Presidents, Deans.
- C. Family Member: Spouse, children, siblings, parents, grandparents, grandchildren or spouses of all listed.

IV. PROCEDURE

- A. Senior Administrators of the University are required to make an annual disclosure (see attached) to the President of the University of any financial interests of the Senior Administrator or any Family Member that may result in a potential or actual Conflict of Interest as set out above. In addition, Senior Administrators will annually respond to IRS required inquiries as requested in the attached Conflict of Interest and Disclosure Policy Annual Statement of Disclosure. Annual disclosures are required to be made as of July 1ST of each fiscal year and filed by July 15th of each year.
 - B. A Senior Administrator is also responsible for providing written notification to the President of any instances of any financial interest that may result in a potential or actual Conflict of Interest required to be disclosed under this Policy which arises in the interim period between annual disclosure statements.
- A. The President or (Board Chair, for the President) shall first review the annual and any interim disclosure statements of each Senior Administrator.
1. The President or Board Chair shall determine whether a Conflict of Interest exists and, if so, what action should be taken by the University to manage, reduce, or eliminate the conflict. Not all transactions in which a potential conflict exists are impermissible. Permitted transactions must be in the University's best interests, for the University's benefit and fair and reasonable to the University. Each person to whom financial interests are reported is encouraged to consult with University General Counsel in making his/her determination in less than clear cases. The President or Board Chair may request, and an affected Senior Administrator shall provide upon request, such additional information as may be necessary to make a determination of and resolve any potential or actual Conflict of Interest.
 2. The President must report any potential or actual Conflict of Interest to the Chair of the University's Board of Directors.
 3. The President will forward copies of the annual disclosure statements to the Vice President for Finance for use in preparing the University's annual information return.

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- D. If in the course of his or her duties, a Senior Administrator becomes aware of a business, investment or other potentially valuable opportunity that rightfully belongs to the University and not to the Senior Administrator or another entity with which the Senior Administrator is affiliated, the Senior Administrator shall bring the opportunity to the attention of the President.
- E. Senior Administrators may not use or disclose confidential information, whether of the University or a third party, acquired as a result of service to the University for any purpose unrelated to University business, or provide such information to any third party without the consent of the President. Wrongful use or disclosure of confidential information includes, but is not limited to, use or disclosure of information to engage, invest or otherwise participate in any business, project, venture, or transaction other than through the University.
- F. Violations of this policy may lead to disciplinary action including written warning, suspension or termination.

SCOPE

This policy applies to Senior Administrators as defined in this Policy.

ADMINISTRATION AND INTERPRETATIONS

Specific questions regarding potential or actual Conflicts of Interest should be directed to the Office of General Counsel.

AMENDMENTS OR TERMINATION OF POLICY

The University reserves the right to modify, amend or terminate this policy at any time.

**SENIOR ADMINISTRATORS
CONFLICT OF INTEREST AND DISCLOSURE POLICY
ANNUAL STATEMENT OF DISCLOSURE**

I acknowledge that I have read and understand Creighton University's Conflict of Interest and Disclosure Policy for Senior Administrators attached to this Statement. Further, I declare to the President that neither I nor any family member* have any potential or actual conflicts of interest which could be perceived as adversely affecting the performance of my University duties or responsibilities or which could be perceived as affecting my independence of judgment with respect to transactions between the University and the other business enterprise except as described below.

I also acknowledge that:

- the University did not provide any grants or assistance to me or any member of my family except as disclosed on the attached Schedule A, Section 1.
- I have disclosed all business transactions between the University and me or any member of my family on Schedule A, Section 2;
- I have disclosed all family relationships on Schedule A, Section 3, if applicable, with any individuals listed on Schedule B; and
- I have disclosed all business relationships on Schedule A, Section 3, if applicable, with any of the persons listed on Schedule B.

I understand that the University will rely on this information to file its annual information return, Form 990, with the Internal Revenue Service. I agree that I will provide an updated form to the University President whenever a material change occurs in the information I have provided.

Dated this _____ day of _____, 20__.

Signature

* Includes spouse, children, siblings, parents, grandparents, grandchildren or spouses of all listed.

Annual Disclosure Schedule A

1. Were any grants or assistance (i.e. scholarships, fellowships, internships, prizes or awards, including the provision of goods or services or use of facilities) provided by the University to you or your family members during the year?

Recipient	Type of payment or Assistance	Relationship

2. Were there any business transactions made during the tax year between the University and you or your family members that exceed the reporting thresholds? The reporting threshold is all payments during the year that exceed \$100,000 or compensation to a family member that exceeds \$10,000 (compensation can be either as an employee of Creighton University or an independent contractor).

Entity Name	Relationship	Amount of Transaction	Description	Revenue Share, Yes or No

3. Please use the attached list of Officers, Trustees, and Key Employees who will be reported in Part VII, Section A of the Form 990 to respond to the following two questions:

- a) Do you or a family member have a family relationship with any of the persons on the attached list?
Yes No

Individual Name	Family Relationship

- b) Do you or a family member have a business relationship with any of the persons on the attached list? This excludes transactions in the ordinary course of either party's business on the same terms as are generally offered to the public.

Yes No

Individual Name	Business Relationship