

**Conflict of Interest Policy for Trustees, Board Associates,
Officers of Administration and
Other Key Employees of Lafayette College**

The following statement of policy applies to each Trustee, Board Associate and Officer of Administration. Further, it is intended to serve for the guidance of all persons employed by the College, regardless of position:

1. SCOPE - This Conflict of Interest Policy for Trustees, Officers, and Senior Administrators (“Policy”) applies to the Board of Trustees (“Trustees”), officers of the Board, and officers and key administrators of Lafayette College (“Senior Administrators”). And while it may provide useful guidance, this Policy does not directly bind faculty, staff, independent contractors, and volunteers. For Conflicts of Interest as to those parties please refer to the Conflict of Interest Policy for Faculty, Staff, Independent Contractors, and Volunteers. Please see Section 12 of this Policy for the definitions of capitalized terms contained below.
2. FIDUCIARY RESPONSIBILITY- Members of the Board, Board Associates, Officers and Staff of the Board serve a public-interest role and thus have a clear obligation to conduct all affairs of Lafayette College in a manner consistent with their fiduciary responsibilities. All decisions of the Board and Officers of the College are to be made solely on the basis of a desire to promote the best interests of the College and the public good.
3. POLICY - In accordance with this Policy, all Trustees, Officers, and Senior Administrators have an obligation to fulfill their responsibilities in a manner that does not give rise to an Actual, Potential, or Perceived Conflict of Interest. Any decision that could result in an Actual or Potential or Perceived Conflict of Interest must be avoided.

Trustees and Senior Administrators may have relationships and affiliations that may raise questions about perceived Conflicts of Interest. Although many such perceived conflicts are and will be deemed inconsequential, every individual Trustee and Senior Administrator has an ongoing responsibility to disclose situations that involve personal, familial, ethical, legal, or Business Relationships that could be perceived as a Conflict of Interest. To that end, each Trustee and Senior Administrator is required to:

Be familiar with the terms of this Policy;

Avoid and disclose any Actual or Potential Conflicts of Interest involving the College in accordance with this Policy;

Refrain from participating in any transactions or decisions involving the College and/or remove themselves from a position of decision-making authority with respect to any situation in which they have any Actual or Potential, or Perceived Conflicts of Interest involving the College; and

Acknowledge, by signing the annual Conflict of Interest Disclosure Statement (“Statement”) that he or she is currently in accordance with the letter and spirit of this Policy and owes a continuing obligation of compliance with this Policy.

The following is a partial list of activities or actions that merit case-by-case examination to determine whether they create a Conflict of Interest that should either be managed appropriately or eliminated. This list is not exclusive and other situations may require case-by-case examination as well:

Consulting activities;

The purchase of goods or services for the College from businesses in which the Trustee or Senior Administrator or a Family Member has a financial interest, or as a result of such purchase, may directly benefit;

Receipt of gifts, gratuities, loans, or special favors (including trips or speaker's fees) from research sponsors or vendors;

Holding of an ownership interest by the Trustee or Senior Administrator or a Family Member in any real or personal property leased or purchased by the College;

Holding of an equity, royalty, or debt instrument interest by the Trustee or Senior Administrator or Family Member in an entity providing to the College financial support, including research or other support or services, when such support will benefit the Trustee or Senior Administrator or Family Member;

Receipt, directly to the Trustee or Senior Administrator from non-College sources of cash, services, or equipment provided in support of the Trustee's or Senior Administrator's College-related activities;

Memberships on board of directors, councils, or advisory groups (or similar bodies) of governmental, for-profit, or not-for-profit entities;

Use of information received in one's position at the College for personal purposes; and

Employment or promotion of a Trustee's or Senior Administrator's Family Member that results in the Family Member reporting directly to the Trustee or Senior Administrator.

4. REQUIRED DISCLOSURE - Trustees and Senior Administrators shall complete and file a Statement ([see form available here](#)) with the Audit Committee of the Board of Trustees at the first regularly scheduled meeting of the Board of Trustees each year.

In the period between the filing of the annual Statements, if a Trustee or Senior Administrator believes that he/she may have an Actual or Potential Conflict of Interest with respect to this Policy, he/she shall immediately and fully disclose the Actual or Potential Conflict of Interest to the Audit Committee in writing, and shall refrain from participating in any transactions or decisions involving the College that may involve a Potential or Actual Conflict of Interest.

If a Trustee or Senior Administrator is uncertain whether to list a particular Business Relationship or other outside interest on the Statement, the Chair of the Audit Committee and the Chair of the Board should be consulted (unless such Chair is, themselves, the person raising the issue, in which case the issue shall only be addressed to the other Chair). Information shared or gathered as a result of such considerations (including information provided on the Statement) shall be confidential except when it is determined by the Chair(s) that the College's best interests would be served by disclosure. Such disclosure will be made only after informing those concerned.

5. REVIEW OF DISCLOSURES - The Audit Committee will accumulate all Statements and review them to determine if a Conflict of Interest exists. The Audit Committee may request additional information from the Trustees or Senior Administrators, if needed. The Audit Committee will be responsible for ensuring compliance by the full population covered by this Policy and report to the Chair of the Board those individuals failing to furnish an annual Statement. The Audit Committee, in its discretion, may either make a conflict determination or if the Audit Committee believes it is appropriate, refer the matter to the full Board of Trustees. Should a determination regarding the existence of a Conflict of Interest require an Executive Committee or Board vote to resolve, those who are the subject of the potential conflict shall not be present at the time of the vote.

If a determination is made that a Conflict of Interest exists with respect to a matter before the Board, the Board may request that a party other than the Trustee or Senior Administrator involved make all communications to the Board in respect to such matter. If this is not possible, the Board may permit the Trustee or Senior Administrator involved to communicate with the Board regarding the matter. In either case, the Trustee or Senior Administrator shall be required to leave the meeting prior to the discussion of, and the vote on, the matter. The Board shall approve the matter which is the subject of the Conflict of Interest only upon finding, by a majority vote of the disinterested Trustees, that the matter is in the College's best interest, is for the College's benefit, and is fair and reasonable to the College.

Trustees or Senior Administrators who have declared a Conflict of Interest, or who have been found to have a Conflict of Interest, shall refrain from participating in any proposed transaction involving the subject of the Conflict of Interest held by the Trustee or Senior Administrator including consideration of the matter or voting, unless the Board of Trustees requests information or interpretation from them for special reasons that are stated on the record or in writing.

If a determination is made that no conflict exists, the Trustee or Senior Administrator may thereafter participate fully in any discussions or decisions related to the matter.

6. RECORD OF PROCEEDINGS - Whenever the Board holds a meeting at which a Trustee's Actual, Potential or Perceived Conflict of interest is considered, the Board's consideration of the matter shall be reflected in the minutes of the meeting.
7. GIFTS - Trustees and Senior Administrators shall not encourage or accept gifts, favors or gratitude for themselves or Family Members, from any individual or entity that to the Trustee or Senior Administrator's knowledge, has Transacted Business or seeks to Transact Business, with the College.

Gifts of a nominal value may be accepted, such as small speaker's gifts or promotional items. Perishable items such as those typically given at the holidays (e.g., hams, cookies, nuts, candy, etc.) may be accepted if they are shared within the receiving college, school, administrative unit of the College. Similarly, plants or flowers may be displayed in the lobby, or at another central location where all may enjoy their presence. Acceptance of a modest meal or refreshments in connection with attendance at professional meetings and events sponsored by industrial, technical, professional, or educational associations is permissible.

The provision of moderately priced meals or refreshments, or modest entertainment services such as golf, a sporting event, or a concert is also permissible *if* received as part of a business meeting that advances the College's interests and relationships. While this Policy does not set forth a hard-and-fast dollar amount for what is nominal, anything with a value in excess of \$500 should be carefully scrutinized. If an employee or department receives a gift that does not comply with this Policy, the gift should be returned and the vendor requested to refrain from offering gifts in the future. If the gift cannot be returned, the individual receiving the gift should consult with the Executive Vice President of Finance and Administration, or their delegate to discuss alternatives, such as repayment of market value or donation.

8. APPROPRIATION OF COLLEGE OPPORTUNITIES - If a Trustee becomes aware of a business, investment, or other potentially valuable opportunity that rightfully belongs to the College, and not to the Trustee or Senior Administrator individually or another entity with which the Trustee or Senior Administrator is affiliated, the Trustee or Senior Administrator shall bring the opportunity to the attention of the Board.
9. CONFIDENTIALITY - Trustees and Senior Administrators may not use confidential information acquired as a result of service to the College for any purpose unrelated to College business, request confidential information other than for College business purposes, or provide any such information to any third party, without the consent of the Board.

10. ACTIONS NOT VOID OR VOIDABLE - No transaction or action undertaken by the College shall be void or voidable, or may be challenged as such by an outside party, by reason of having been undertaken in violation of this Policy or the principles set forth herein.
11. NONCOMPLIANCE - Failure to disclose Actual or Potential Conflicts of Interest or failure to abide by this Policy may result in sanctions up to and including removal from one's current position or termination of one's employment.
12. DEFINITIONS -

Business Relationship – One in which a Trustee or Senior Administrator (or a Trustee's or Senior Administrator's Family Member), serves as a trustee, officer, director, employee, partner, or greater-than-35% owner of an organization that does business with the College or another Trustee or Senior Administrator directly or indirectly in any transaction in excess of \$10,000; or serves as a trustee, director, officer, or greater-than-10% owner in the same organization as another Trustee or Senior Administrator. A Trustee or Senior Administrator is not deemed to have a material financial interest in a publicly traded entity by reason of an investment in that entity through another publicly traded entity, such as through a mutual fund, where the party does not control investment decisions for such entity.

Conflict of Interest – No definition of conflict of interest can be sufficiently inclusive to cover all possible forms of such conflict. Trustee and Senior Administrators have an affirmative responsibility to identify all Actual or Potential Conflicts of Interest of whatever nature so that the College may determine whether a Conflict of Interest exists. The College offers the following non-exhaustive definitions as guidance:

Actual Conflicts of Interest – Actual Conflicts of Interest are, most generally, situations in which Trustee and Senior Administrators have interests or relationships, including personal or Business Relationships, that might reasonably be construed to affect their independent, unbiased judgment when making or participating in the making of decisions on behalf of the College where such decisions will or could materially benefit them directly, indirectly, or their Family Members.

Potential or Perceived Conflicts of Interest – A potential or perceived conflict of interest occurs when a Trustee or Senior Administrator's personal or private interests or Business Relationships might lead an independent observer reasonably to question whether the individual's professional actions or decisions are influenced by the considerations of a Business Relationship or significant personal interest, financial or otherwise. A Trustee and Senior Administrator is considered to have a potential conflict of interest when:

He/she or any Family Member may receive a financial or other significant benefit as a result of his/her position at the College;

He/she or any Family Member has the opportunity to influence the College's financial, business, administrative, or other material decisions in a manner that leads to his/her (or a member of his/her Family's) personal gain or advantage;

He/she or any Family Member has an existing or potential financial or other significant interest, which impairs or appears to impair his/her independence in the discharge of their responsibilities to the College.

Family Member – A spouse, domestic partner, parent, sibling (whether whole, half blood, or step), child (natural or adopted), grandchild (including spouses of siblings, children, grandchildren and great-grandchildren), any other member of a Trustee and Senior Administrator's household, or any other relative or person who does or could exert influence over the Covered Individual.

Senior Administrators - For the avoidance of doubt, any employee who sits on a Board committee will be considered a Senior Administrator solely for the purposes of compliance with this Policy. Any questions related to the scope and application of this Policy can be directed to the Chair of the Audit Committee.

Transacting Business - the full spectrum of the College's actual or prospective commercial activities, including but not limited to purchasing, selling, hiring, contracting, investing, licensing, and leasing.

EFFECTIVE DATE: **September 30, 2023**