

Boise State University Foundation, Inc. Conflict of Interest Policy

I. Purpose:

The Boise State University Foundation, Inc. ("Foundation") is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of the Foundation as a public trust which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public.

Consequently, there exists between the Foundation and Responsible Persons (defined below) and the public a fiduciary duty which carries with it a broad and unbending duty of loyalty and fidelity. Responsible Persons have the responsibility of administering the affairs of the Foundation honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the Foundation. Those persons will exercise the utmost good faith in all transactions involved in their duties, and they will not use their positions with the Foundation or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

II. Responsible Persons:

This statement is directed to Directors, Officers, all employees and others who can influence the actions of the Foundation ("Responsible Persons"). For example, this would include all who make purchasing decisions, all persons who might be described as "management personnel," and anyone who has proprietary information concerning the Foundation.

III. Areas in Which Conflict May Arise:

Conflicts of interest may arise in the relations of Responsible Persons with any of the following third parties:

1. Persons and firms supplying goods and services to the Foundation.
2. Persons and firms from whom the Foundation leases property and equipment.
3. Persons and firms with whom the Foundation is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities or other property.
4. Competing or affinity organizations.
5. Donors and others supporting the Foundation.
6. Agencies, organizations and associations which affect the operations of the Foundation.
7. Family members, friends, and other Responsible Persons.

IV. Nature of Conflicting Interest:

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section III. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with the Foundation.
2. Holding office, serving on the Board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with the Foundation.

3. Receiving remuneration for services with respect to individual transactions involving the Foundation.
4. Using the Foundation's time, personnel, equipment, supplies, or goodwill for other than Foundation-approved activities, programs and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with the Foundation. Receipt of any gift is disapproved except gifts of a value less than \$50 which could not be refused without discourtesy. No personal gift of money should ever be accepted.

V. Interpretation of this Policy:

The areas of conflicting interest listed in Section III, and the relations in those areas which may give rise to conflict, as listed in Section IV, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that Responsible Persons will recognize such areas and relation by analogy.

The fact that one of the interests described in Section IV exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of the Foundation.

However, it is the policy of the Board that the existence of any of the interests described in Section IV will be disclosed before any transaction is consummated. It will be the continuing responsibility of Responsible Persons to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

VI. Disclosure Policy and Procedure:

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest must be fully disclosed.
2. The conflicting interest must be considered by the Board, or, if appropriate a Committee of the Board.
3. The person with the conflict of interest will not participate in or be permitted to hear the Board's or Committee's discussion of the matter except to disclose materials facts and to respond to questions. Such person will not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
4. The person with the conflict of interest with respect to the contract or transaction that will be voted on at a meeting will not be counted in determining the presence of a quorum for purposes of the vote. The person who has the conflict of interest may not vote on the contract or transaction and will not be present in the meeting room when the vote is taken, unless the vote is by secret ballot.
5. The Board or Committee will consider whether a competitive bid or comparable valuation exists.
6. The Board or Executive Committee must determine that the transaction is in the best interest of the Foundation.

Responsible Persons who are not members of the Board of Directors or who have a conflict of interest with respect to a contract or transaction that is not the subject of Board or Committee

action, will disclose to their supervisor, the Executive Director, or the Board chair any conflict of interest that such person has with respect to any contract or transaction. Such disclosure will be made as soon as the conflict of interest is known to the Responsible Person. The Responsible Person will refrain from any action that may affect the Foundation's participation in such contract or transaction. A supervisor will inform the Executive Director of any such conflict of interest. The Executive Director will bring the matter to the attention of the Board or Executive Committee.

Disclosure involving Directors will be made to the Board Chair (or if she or he is the one with the conflict, then to the Board Vice-Chair) who will bring these matters to the Board or the Executive Committee.

Information acquired in connection with disclosures of conflicts of interest or potential conflicts will be treated as confidential and will generally be made available only as necessary for the implementation of this Policy.

The Board or Executive Committee will determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to the Foundation. The decision of the Board or Executive Committee on these matters will rest in their sole discretion, and their concern must be the welfare of the Foundation and the advancement of its purpose.

Each Responsible Person will be provided with and asked to review a copy of this Policy and to acknowledge in writing that he or she has done so. Any changes to the Policy will be communicated to all Responsible Persons.

Annually, each Responsible Person will complete a disclosure form identifying any relationships, positions or circumstances in which s/he is involved that he or she believes could contribute to a conflict of interest.

Conflict of Interest Disclosure Statement

In order to be more comprehensive, this statement of disclosure/questionnaire also requires you to provide information with respect to certain parties that are related to you. These persons are termed "affiliated persons" and include the following:

1. Your spouse, domestic partner, child, mother, father, brother, sister, mother-in-law, father-in-law, sister-in-law, or brother-in-law;
2. Any corporation or organization of which you are a Board member, an officer, a partner, participate in management or are employed by, or are, directly or indirectly, a debt holder or the beneficial owner of any class of equity securities; and
3. Any trust or other estate in which you have a substantial beneficial interest or as to which you serve as trustee or in a similar capacity.

1. Name of Responsible Person:

2. Capacity of Responsible Person:

_____ Board of Directors

_____ Committee Advisor

_____ Foundation Staff (position): _____

_____ University Staff (position): _____

3. Except as provided in Question 2, have you or any of your affiliated persons provided services or property to the Foundation in the past year?

_____ Yes

_____ No

If yes, please describe the nature of the services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

4. Have you or any of your affiliated persons purchased services or property from the Foundation in the past year?

_____ Yes

_____ No

If yes, please describe the nature of the services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

5. Please indicate whether you or any of your affiliated persons had any direct or indirect interest in any business transaction(s) in the past year to which the Foundation was or is a party?

Yes No

If yes, please describe the transactions) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

6. Were you or any of your affiliated persons indebted to pay money to the Foundation at any time in the past year (other than travel advances or the like)?

Yes No

If yes, please describe the indebtedness and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

7. In the past year, did you or any of your affiliated persons receive, or become entitled to receive, directly or indirectly, any personal benefits from the Foundation or as a result of your relationship with the Foundation that in the aggregate could be valued in excess of \$1,000 that were not or will not be compensation directly related to your duties to the Foundation?

Yes No

If yes, please describe the benefits and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

8. Are you or any of your affiliated persons a party to or have an interest in any pending legal proceedings involving the Foundation?

Yes No

If yes, please describe the proceedings and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

9. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by the Foundation's Board or Executive Committee in accordance with the terms and intent of the Foundation's conflict of interest policy?

Yes No

If yes, please describe the situation and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

I hereby confirm that I have read and understand the Foundation's conflict of interest policy and that my responses to the above questions are complete and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will immediately notify the person designated in the conflict of interest policy.

Print name

Date

Signature