

## Conflict of Interest Protocol

### *Purpose*

This protocol has been designed to accomplish the following purposes:

1. promote high ethical standards and practices;
2. protect the tax-exempt status of MVNU (especially if the transaction/arrangement in question might result in an excess benefit or benefit the private interest of an employee); and
3. provide a process to resolve matters, which may involve an actual or potential conflict.

MVNU will engage in periodic review of this protocol.

### *Commitment to Integrity*

MVNU requires its employees to observe a high standard of ethics. To ensure compliance with the law, employees must act with honesty and integrity in carrying out their duties.

- **Self-Reporting:** Employees must self-report (in writing) conflicts of interest (actual or potential) when they arise. For the President, disclosure shall be made to the Chairperson of the Board of Trustees. For the SLT, disclosure shall be made to the President. For other employees, disclosure shall be made to the employee's supervisor.
- **Disclosures:** Financial and non-financial conflicts of interest (including all material facts) must be disclosed on the *Conflict of Interest Disclosure Form*. Copies will be sent to the Director of Human Resources, where they will remain on file for a period of five years. Persons with faculty rank will also submit a copy to the chief academic officer. Approvals of or exceptions to conflicts of interest will be made in writing.

### *Definitions*

- **Business Associate:** Any person with whom the employee has a shared financial, investment, business, or ownership interest.
- **Business Entity:** Any entity with whom the employee has a shared financial, investment, business, or ownership interest.
- **Family Member:** This includes the employee's spouse; child (natural, adopted, foster); parent; sibling; aunt (and spouse); uncle (and spouse); father-in-law; mother-in-law; half-siblings; brother-in-law; sister-in-law; spouse's aunt (and spouse); and spouse's uncle (and spouse). For purposes of this protocol, this also includes the employee's fiancé or an individual whom the employee is dating.

- **Financial Interest:** These interests may be direct or indirect, and may involve the employee, a business associate of the employee, the employee's business entity, or a family member of the employee. Financial interests include investment, business, or ownership interests.
- **Vendor:** Any entity, individual, or group of individuals, which provides services or goods to MVNU, its employees, or its students.

### ***Specific Conflicts and General Guidance***

MVNU recognizes that the potential for a conflict of interest is always present. To provide credibility to its Christian beliefs, there must be a means to address actual or potential conflicts of interest and resolve disputes.

Conflicts of interest can exist in a variety of circumstances. While it is impossible to provide a comprehensive list, MVNU has identified certain circumstances that it considers to be particularly prone to question. Circumstances that create the need for special consideration will be referred to the Senior Leadership Team (SLT) for direction. The following list is not exhaustive and not stated in any particular order of priority:

- **Academic Advising:** A faculty member may not serve as an academic advisor to a student who is a member of the faculty member's family. Requests for exceptions must be submitted to the Chief Academic Officer who may approve or deny.
- **Admission:** An employee may not vote on the admission of a student, who is a member of the employee's family.
- **Discipline:** An employee (#1) is not permitted to carry out discipline of an employee (#2), who is a member of the employee's (#1) family.
- **Employment:** An employee may not make the final decision to employ or regarding the terms and conditions of employment for an individual who is a member of the employee's family or a business associate of the employee.
- **Faculty Member's Personal Material or Service:** Before a faculty member may charge a student for the faculty member's personal material or service, the faculty member shall request permission from the chief academic officer, who may consult with the department chair and/or school dean.
- **Faculty Rank, Evaluation, or Recommendation:** Any discussion or decision that concerns a faculty member's rank, evaluation, or recommendation may not include an employee who is a member of the faculty member's family.
- **Financial Interests:** Transactions, arrangements, or contracts for goods and/or services between MVNU and an employee, a business associate of the employee, the employee's business entity, or a family member of the employee will be disclosed and reviewed prior to their initiation. No employee may engage in a financial interest that encroaches on the time or attention that she/he is required to devote to MVNU. An employee may not serve as director of, act in any managerial capacity with, be an employee of, or be retained in any capacity by any entity that is a vendor or competitor of MVNU, without prior written permission from MVNU's chief financial officer.
- **Gifts/Remuneration/Favors from Vendors or Non-Vendors:** The following provisions apply:
  - MVNU may solicit gifts, remuneration, or favors for MVNU from any *vendor or non-vendor*, but it may not couple such gifts with any other special consideration.
  - Employees may not offer gifts, remuneration, or favors of any value to any *vendor or non-vendor* on behalf of MVNU, without prior approval of MVNU chief financial officer.

- Employees may receive gifts, remuneration, or favors from *non-vendors*, as long as they do not exceed \$100 from all non-vendors in any calendar year. If the amount exceeds \$100, the employee is responsible for informing the Human Resources Department of the total amount received.
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- Employees may not solicit gifts, remuneration, or favors from *vendors*, but they may receive such gifts, remuneration, or favors, as long as they do not exceed \$100 from all vendors in any calendar year. If the amount exceeds \$100, the employee is responsible for informing the Human Resources Department of the total amount received. Should circumstances arise in which such gifts, remuneration, or favors are received from vendors and cannot be returned, the employee is required to submit them to the Human Resources Department for disposition.
- **Off-Campus Travel:** The following provisions apply:
- Except where prior approval is obtained from the appropriate SLT member, employees may not collect checks and/or payments.
  - All checks must be made payable to MVNU.
  - Notwithstanding the above, gifts/remuneration/favors policy, employees may not receive gifts, remuneration, or favors from trip vendors. Any gifts, remuneration, or favors will go to MVNU, which will disclose same to trip participants. (Exception: Trip organizers, leaders, and chaperones may receive “free travel” favors from trip vendors, as long as they make the proper pre-trip declarations on the Off-Campus Travel Supplementary Budget Information form for prior administrative review and approval.)
- **Registration:** A faculty member may not register (online or otherwise) a member of his/her family for courses. Requests for exceptions must be submitted to the Chief Academic Officer who may approve or deny.
  - **Students:** A faculty member may have a member of his/her family as a student, as long as she/he notifies and seeks guidance from his/her school dean. A faculty member may not vote on the review of a grade of a student who is member of that faculty member’s family. A faculty member may provide a letter of recommendation on behalf of a student who is a member of that faculty member’s family, so long as the letter clearly discloses the relationship.
  - **Supervisory Relationship:** An employee may not directly supervise a member of his/her family.
  - **Transfer Credit:** An employee may not evaluate the transfer work of a member of the employee’s family.

### *Procedures*

- **Informal Review:** The model for an informal review is guided by Matthew 18. The individual who feels a conflict exists will schedule a meeting with the person he/she believes may have a conflict of interest through the Director of Human Resources to discuss his/her concern. The purpose of this meeting is to determine if an actual conflict of interest exists and if so, determine a mutually agreeable resolution. When a mutually agreeable resolution is reached, the Director of Human Resources will prepare a document with the final resolution for both parties to sign within 10 business days of the original meeting. If a resolution cannot be agreed upon, a formal review may be requested in writing through the Director of Human Resources.
- **Formal Review:** The complainant may submit a formal review request (through the Director of Human Resources) to the President within five business days of the above-mentioned meeting with the Director of Human Resources. The person accused of the conflict will be given an additional five business days to submit a response to the President. Any additional written statements deemed necessary for a complete understanding of the complaint may be

requested. If the President (after reviewing all material) determines that no conflict of interest exists, the complaint will be dismissed. A written notice will be sent to all parties with no further appeal within 10 business days of the disposition of the request.

- The President may appoint a committee composed of two SLT members and the Director of Human Resources to review the written statements to assist with the determination. The SLT members must be outside the employee's unit. If the written statements are insufficient, the President may call witnesses as deemed necessary. A majority vote will determine the outcome. The final decision will be filed with the Director of Human Resources. All parties will receive a copy of the decision. A written notice will be sent to all parties with no further appeal within 10 business days of the disposition of the request.
- The President may delegate the formal review process to a member of the Senior Leadership Team.
- If the complaint is against the President, the Director of Human Resources will submit the formal review statement from the complainant, along with written rebuttal statements from the President, to the Chair of the Board of Trustees. The Board Chair will review the documents in order to determine if a clear conflict of interest exists. The Chair may dismiss the charges or appoint a committee composed of two additional members of the Executive Committee of the Board of Trustees to determine the facts and appropriate action. The Board Chair may contact the University's legal counsel if deemed necessary.
- The following steps will guide the final decision: a) determine if a conflict of interest exists (if the answer to this question is no, the complaint must be dismissed and written documentation of such will be disseminated to the parties involved and Human Resources), b) if a conflict is determined to exist, alternatives that would eliminate or mitigate the conflict will be considered, or c) if appropriate alternatives cannot be found, the conflict will be resolved by the committee in a manner that is fair and the least disruptive for the work of the University.
- **No Retaliation:** Any employee who believes that a conflict of interest exists may discuss the matter with his/her supervisor, without fear of retaliation, as provided by MVNU's whistleblower protocol (<http://mvnu.edu/policies/whistleblower.pdf>). If the matter involves the supervisor, the employee may discuss it with the respective Senior Leadership Team member or Director of Human Resources.

### ***Statements and Education***

All employees are responsible for reading, understanding, and abiding by this protocol. The President and SLT shall sign (annually) the Conflict of Interest Disclosure Form. Supervisors are responsible for ensuring that each employee under his/her supervision has read this protocol and understands its importance.

### ***Assistance***

The following individuals may be contacted for assistance with this protocol:

<b>For</b>	<b>Contact</b>
Any question	Supervisor or Director of Human Resources
Reporting alleged conflicts of interest	Supervisor or Director of Human Resources

Reviewing potential conflicts of interest on proposed transactions	Supervisor, President, chief academic officer, chief financial officer, or Director of Human Resources
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The following outlines the approval, review, and revision history of this protocol:

Version	Reviewed Date of Version	Work Performed
1.0	Compliance Advisory Committee (May 5, 2007) President (June 2, 2007)	Initial release
1.1	Director of Institutional Research and Compliance (August 16, 2007)	Update: employee titles
1.2	Director of Institutional Research and Compliance (August 23, 2007)	Clarification: conflicts committee & academic advising
1.3	Director of Institutional Research and Compliance (August 27, 2007)	Clarification: faculty personal materials and services
2.0	Chief Financial Officer (October 9, 2007) Compliance Advisory Committee (October 10, 2007) President (October 12, 2007)	Merger of general conflict of interest and financial conflict of interest policies
2.1	Institutional Effectiveness Office (July 31, 2012)	Update: reorganization of MVNU policies, change in committee structure, document reformatting, and changes in position titles
2.2	Chief Academic Officer (October 17, 2012)	Update: protocol/form/off campus travel exception
2.3	Institutional Effectiveness Office (January 30, 2014)	Update: employee titles
2.4	Senior Leadership Team (July 15, 2014)	Update: off-campus travel regulations
2.5	Senior Leadership Team (March 10, 2015)	Update: Academic advising, employment, registration, review procedures
2.6	Senior Leadership Team (April 4, 2017)	Update: <ul style="list-style-type: none"> <li>• Removal of "Annual" from disclosure form.</li> <li>• Addition of "An employee may not make the final decision to employ or regarding the terms and conditions of employment for an individual who is a member of the employee's family or a business associate of the employee."</li> <li>• Change in Disclosure Forms to separate Financial or Non-Financial Conflict of Interests.</li> </ul>
2.7	Institutional Effectiveness Office (August 23, 2018)	Update: <ul style="list-style-type: none"> <li>• Removed a URL and reference to Vendor Relations Policy, which the Senior Leadership Team eliminated in August 2014.</li> </ul>

# Mount Vernon Nazarene University

## Financial and Non-Financial Conflict of Interest Disclosure Form

*Please complete the appropriate section*

I have read and understand the Conflict of Interest Protocol ("Protocol"); I agree to comply with the Protocol; I understand that MVNU is a non-profit organization that, to maintain its federal tax exemption, must engage primarily in activities that accomplish one or more of its tax-exempt purposes; and I acknowledge that I am obligated to make certain disclosures. Below is a full disclosure of any financial or non-financial conflict of interest, as defined in the Protocol. I shall immediately update and amend this form, if any material changes occur. (Add additional sheets if necessary.)

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### Section 1

**No Financial Conflict:** At this time, I declare that I have no financial conflict of interest.

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Signature:

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Printed Name:

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Date:

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### Section 2

**Financial Conflict (or potential conflict) of Interest:** At this time, I declare that I have (may have) a financial conflict of interest, as described below.

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Signature

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Printed Name

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Date

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Brief Explanation

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Entity Involved

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Description of Entity

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Entity Ownership Interest or Involvement

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Value of Goods/Services Involved

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**Section 3**

**No Non-Financial Conflict:** At this time, I declare that I have no non-financial conflict of interest.

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Signature:

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Printed Name:

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Date:

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**Section 4**

**Non-Financial Conflict (or potential conflict) of Interest:** At this time, I declare that I have (may have) a non-financial conflict of interest, as described below.

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Signature

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Printed Name

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Date

---

Brief Explanation

---

Entity Involved

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Description of Entity

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Entity Ownership Interest or Involvement

---

Value of Goods/Services Involved

## **Mount Vernon Nazarene University**

### **Report from Informal Review**

The following records the resolution of an alleged conflict of interest at an informal meeting.

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Brief description of the concern

I agree that no actual or potential conflict of interest existed or it was eliminated/mitigated at the time of this informal meeting.

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Complainant Signature

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Printed Name

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Date

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Signature of Person with alleged conflict

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Printed Name

---

Date

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Director of Human Resources Signature

---

Printed Name

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Date

**Mount Vernon Nazarene University**  
**Report from Formal Review**

The following records the resolution of an alleged conflict of interest at a formal meeting.

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Brief description of the concern

I agree that no actual or potential conflict of interest existed or it was eliminated/mitigated at the time of this informal meeting.

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Complainant Signature

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Printed Name

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Date

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Signature of Person with alleged conflict

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Printed Name

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Date

---

Director of Human Resources Signature

---

Printed Name

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Date