Conflict of Interest Policy

I. Reason for Statement
Gordon College as a nonprofit, tax-exempt organization depends on charitable contributions from the public. Maintenance of its tax-exempt status is important both for its continued financial stability and for the receipt of contributions and public support. Therefore, the IRS as well as state corporate and tax officials, view the operations of Gordon College as a public trust which is subject to scrutiny by and accountability to such governmental authorities as well as to members of the public.

Consequently, there exists between Gordon College and its board, officers, and management employees a fiduciary duty which carries with it a broad and unbending duty of loyalty and fidelity. The trustees, officers, and management employees have the responsibility of administering the affairs of the College honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the College. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the College or knowledge gained therefrom for their personal benefit. The interests of the organization must have the first priority in all decisions and actions.

II. Persons Concerned
This statement is directed not only to directors and officers, but to all employees who can influence the actions of the College. For example, this would include all who make purchasing decisions, all other persons who might be described as "management personnel," and all who have proprietary information concerning the College.

III. Areas in Which Conflict May Arise
Conflicts of interest may arise in the relations of trustees, officers, and management employees with any of the following third parties:

1. Persons and firms supplying goods and services to the College.
2. Persons and firms from whom the College leases property and equipment.
3. Persons and firms with whom the College 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 College.
6. Agencies, organizations, and associations which affect the operations of the College.
7. Family members, friends, and other employees.
IV. Nature of Conflicting Interest
A material conflicting interest may be defined as an interest, direct or indirect, with any persons and firms mentioned in Section III above. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with the College.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) in any third party dealing with the College.
3. Receiving remuneration for services with respect to individual transactions involving the College.
4. Using the College’s time, personnel, equipment, supplies, or good will for other than college-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing with the College. (Receipt of any gift is disapproved except gifts of nominal value which could not be refused without discourtesy. No personal gift of money should ever be accepted.)
6. Obtaining an interest in real estate, securities, or other property that the College might consider buying or leasing.
7. Expend ing staff time during the College’s normal business hours for personal affairs or other organizations, civic or otherwise, to the detriment of work performance for the College.

V. Interpretation of This Statement of Policy
The areas of conflicting interest listed above in Section III, and the relations in those areas which may give rise to conflict, as listed in Section IV, are not exhaustive. Conceivably, conflicts might arise in other areas or through other relations. It is assumed that the trustees, officers, and management employees will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 4 exists does not mean necessarily 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 that it is necessarily adverse to the interests of the College.

However, it is the policy of the College that the existence of any of the interests described in Section IV shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of board, officers, and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

Disclosure Policy and Procedure
Disclosure should be made according to the College’s standards. Transactions with related parties may be undertaken only if all of the following are observed:

1. A material transaction is fully disclosed in the audited financial statements of the College;
2. The related party is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and
4. The Board has acted upon and demonstrated that the transaction is in the best interest of the College.

Disclosure in the organization should be made to the president (or if she or he is the one with the conflict, then to the board chair), who shall determine whether a conflict exists and is material, and if the matters are material, bring them to the attention of the Board.

Disclosure involving trustees should be made to the board chair, who shall bring these matters, if material, to the Board.

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

SCM 9/17/07
Approved by Gordon College Board of Trustees – September 21, 2007
CERTIFICATION

I have carefully read the foregoing Statement of Policy concerning Conflicts of Interest. In signing this certificate, I have considered not only the literal expression of the policy, but also its intents. I hereby certify that, except as hereinafter stated, I do not, to the best of my knowledge: (1) have any of the relations described in Section IV with any person or firm of the classes listed in Section III; and (2) I have no interests conflicting with the interests of this organization, nor do I have any relationship that may appear conflicting.

THE EXCEPTIONS ARE:

If any situation should arise in the future which I believe may involve me in a conflict of interest, I will promptly and fully disclose the circumstances to the President or the Chair of the Board, directly or through my immediate superior.

_____________________________
(Signature)

_____________________________
(Date)

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