

CONFLICT OF INTEREST POLICY FOR THE BOARD OF TRUSTEES, ADMINISTRATIVE OFFICERS, DEPARTMENT DIRECTORS AND CHAIRPERSONS OF GETTYSBURG COLLEGE

1. Scope

The following statement of policy applies to each member of the Board of Trustees (the “Board”) and each Administrative Officer, Department Director and Chairperson of Gettysburg College (the “College”). Its purpose is to ensure that any potential or actual conflict of interest involving a Trustee, Administrative Officer, Department Director or Chairperson is disclosed to the Board prior to consideration of a proposed transaction involving the College. The Trustees, Administrative Officers, Department Directors, and Chairpersons are expected to comply with the spirit of full disclosure and not to rely upon a strict interpretation of the language of the policy to limit disclosure.

2. Definitions

The following definitions are provided to help the Trustees, Administrative Officers, Department Directors and Chairpersons decide whether a relationship should be listed on the Disclosure Statement:

a. Conflict of Interest

A “conflict of interest” shall mean any or all situations that involve personal, familial or business relationships between the College and you or a Family Member that may appear to present, or potentially or actually does represent a conflict between your own personal, familial or business interests and your duties and interests as a Trustee or Administrative Officer, Department Director or Chairperson of Gettysburg College.

b. Administrative Officer

An “administrative officer” shall include those individuals identified in the By-Laws of Gettysburg College as administrative officers of the College, as well as such other administrative officers as may be appointed by the President of the College to assist in the effective administration of the College.

c. Department Director and Chairperson

A “department director” and “chairperson” (collectively referred to as “Director”) shall include those individuals as identified in the Human Resources system as Director, Department Chairperson, Dean, or Program Coordinator, as well as such other employee as may be designated by the Co-Directors of Human Resources whose responsibilities include direct oversight of an institutional budget.

d. Business Relationship

Employment and contractual relationships, and common ownership of a business where any officers, directors, or trustees, individually or together, possess more than a 35% ownership interest in common. Ownership means voting power in a corporation, profits interest in a partnership, or beneficial interest in a trust. Only direct relationships must be reported (e.g., one director is employed by another in a sole proprietorship or partnership, or one director serves the other as attorney or accountant in a sole proprietorship or partnership).

e. Family Relationships

An individual’s spouse, ancestors, children, grandchildren, great-grandchildren, siblings (whether by whole or half blood), and the spouses of children, grandchildren, great-grandchildren, and siblings.

3. Fiduciary Responsibilities

The Trustees, Administrative Officers, and Directors serve the College and have a clear obligation to fulfill their responsibilities in a manner consistent with this fact. All decisions of the Trustees, Administrative Officers, and Directors are to be made solely on the basis of a desire to promote the best interests of the College and to place such interests above their own personal, familial or business interests in executing their duties as Trustees, Administrative Officers, or Directors. The College’s integrity must be protected and advanced at all times.

Men and women of substance inevitably are involved in the affairs of other institutions and organizations. An effective board and administration cannot consist of individuals entirely free from at least perceived conflicts of interest. Although most such potential conflicts are and will be deemed to be inconsequential, everyone has the responsibility to ensure that the Board of Trustees (“Board”) is made aware of situations that involve personal, familial, or business relationships that constitute a real or perceived conflict of interest involving the College. Thus, the Board requires each Trustee, Administrative Officer, and Director annually (1) to review this policy; (2) to disclose any possible personal, familial, or business relationships that reasonably could give to a conflict involving

the College; and (3) to acknowledge by his or her signature that he or she is in accordance with the letter and spirit of this policy.

4. Disclosure

Each Trustee, Administrative Officer, and Director is required to list on the Annual Statement of Disclosure (“Disclosure Statement”) any substantive relationships that he or she maintains (or which Family Members maintain) with organizations that do business with the College or otherwise could be construed to potentially affect his or her independent, unbiased judgment in light of his or her decisions-making authority or responsibility. If a Trustee, Administrative Officer, or Director is uncertain as to the appropriateness of listing a particular relationship, the Compliance Officer, should be consulted. They, in turn, may elect to consult with the President, Chair of the Board, legal counsel, the executive committee, or the Board in executive session. All Disclosure Statements shall be available to all Trustees, and shall be reviewed by the Compliance Officer and the Audit Committee. Such information, including information provided on the Disclosure Statements, shall otherwise be held in confidence except when, after consultation with the Trustee, Administrative Officer, or Director, the College’s best interests would be served by disclosure.

5. Restraint on Participation

Trustees, Administrative Officers, or Directors who have a conflict of interest in a proposed transaction shall refrain from participating in consideration of the transaction, unless for special reasons the Board requests information or interpretation. Trustees with a conflict of interest shall not vote, nor be present at the time of vote, on such transactions.

Further, to avoid the appearance of impropriety and to provide for greater transparency, the College has adopted the following additional restrictions on Business Relationships between the College and (i) a Trustee, (ii) a Family Member of a Trustee, (iii) members of the President’s Council, (iv) a Family Member of a member of the President’s Council, or (v) any organization with whom any of the foregoing persons have a Business Relationship (collectively a “Disqualified Party”). These restrictions shall also apply to any person or organization for a period of two years after such person or organization is no longer a Disqualified Party.

As a general policy, the College shall not enter into a Business Relationship with a Disqualified Party, and no Disqualified Party shall solicit a Business Relationship from the College if it would create a potential Conflict of Interest.

The restrictions set forth in this Section 5 shall not apply to (i) ordinary course transactions between the College and the Disqualified Party such as payment of tuition, purchases in the bookstore, or charitable gifts; (ii) incidental transactions between the College and the Disqualified Party where the value of the transaction is less than \$5,000.00 annually; (iii) employment by the College of a Family Member of a member of the President’s Council; or (iv) employment by the College of a Family Member of a Trustee as long as the compensation paid to such Family Member is less than \$15,000.00 annually.

In addition, the College will, on a case by case basis, consider other exceptions to this general policy, but only in the following circumstances:

1. Where the Executive Committee determines there are exigent circumstances ; or
2. Where there is a determination by the Executive Committee that there is no reasonable alternative to transacting business with a Disqualified Party, coupled with a determination by the Executive Committee that the transaction is fair, reasonable, and in the best interests of the College; or
3. In the event of an after the fact discovery of a transaction otherwise prohibited by this policy, and there has been full disclosure to, and discussion by, the Executive Committee, the Executive Committee may ratify the transaction if it determines the transaction is fair, reasonable and in the best interests of the College.

In appropriate circumstances, either the Chair or Vice Chair of the Board may appoint an ad hoc committee to review and make a recommendation with respect to any proposed transaction with a Disqualified Party. All decisions made pursuant to this Section shall be adequately documented in the Executive Committee minutes and reported to the Board at its next meeting.

Questions about this Section should be directed to the Chair of the Board.