

Ferris State University

BUSINESS POLICY

TO: All Members of the University Community 2020:02

DATE: January 24, 2020

Business Policy **CONFLICT OF INTEREST POLICY** (Board Approved November 30, 2001) (Supersedes 2019:12)

I. Policy

It is the policy of the University that all officers and employees of the University comply with the constitution and laws of the State of Michigan pertaining to conflict of interest.

The officers and employees of the University (other than the President and the Trustees) are subject to the provisions of Act 317 of the Michigan Public Acts of 1968, as amended. *Statutory Reference: MCL 15.321 et seq.* (1968 PA 317, as amended)

No related person, as defined below shall be a party, directly or indirectly, to any contract between himself or herself and the University (other than an employee's contract of employment by the University), nor directly or indirectly interested, as defined below, in any contract with the University, unless the contract meets all of the following requirements.

II. Requirements

1. The employee involved promptly discloses any pecuniary interest in the contract to the Board, and the details of such disclosure are included in the minutes.
2. Unless the employee will directly benefit from the contract in an amount less than \$250.00 and less than 5% of the public cost of the contract and the employee files a sworn affidavit to that effect with the Board or the contract is for emergency repairs or services, the disclosure required by subsection (1) shall be made in one of the following ways:
 - a. If the amount of the direct benefit to the employee is \$5,000.00 or less, the employee may promptly disclose in writing to the Board Chair the employee's pecuniary interest in the contract at least seven (7) days prior to the public formal session at which the Board will vote on the

contract. A written disclosure made under this subsection (a) shall be made public in the same manner as the public notice of the formal session is given.

- b. If the amount of the direct benefit to the employee is over \$5,000.00, or if the amount of the direct benefit to the employee is \$5,000.00 or less but the employee has not complied with the disclosure requirements of subsection (a), the employee shall disclose the pecuniary interest at a public formal session of the Board. Any vote on the contract shall be taken at a public formal session of the Board held at least seven (7) days after the public formal session at which disclosure is made under this subsection (b).
3. The contract is approved by a vote of not less than two-thirds (2/3) of the Board of Trustees then in office in open session.
 4. The minutes include the following information:
 - a. The name of each party involved in the contract.
 - b. The terms of the contract, including the following:
 - i. the duration;
 - ii. financial consideration between parties;
 - iii. facilities or services of the University included in the contract; the nature and degree of assignment of employees of the University for fulfillment of the contract.
 - c. The nature of any pecuniary interest of the employee.

III. Definition of Related Person

The term “related person” means (a) an employee of the University (other than the President or a Trustee), or (b) a parent, spouse, sibling or child of an employee if the employee is directly or indirectly involved in soliciting, negotiating, authorizing, performing, or enforcing the contract, (c) any firm of which a related person is a partner, member, or employee; or (d) any private corporation in which a related person is a stockholder owning more than one percent (1%) of the total outstanding stock of any class where such stock is not listed on a stock exchange or stock with a present total market value in excess of Twenty-five thousand Dollars (\$25,000) where such stock is listed on a stock exchange, or of which he/she is a director, officer or employee; or (e) any trust of which a related person is a beneficiary or trustee.

IV. Reporting and Investigating of Possible Conflict of Interest

Persons having information concerning possible conflicts of interest MUST report such information to the Vice President for Administration and Finance. The Office of the Vice President for Administration and Finance and the General Counsel Office shall have the authority to investigate the circumstances surrounding any alleged conflict of interest, and if upon such investigation a conflict appears to be present, the Vice President for Administration and Finance shall report the same to the President and requests that Board action need to be taken (as outlined in the Requirements). If they are deemed not a conflict, all positive responses are still reported to the Board of Trustees as an informational item only.

V. Annual Letter Regarding Conflict of Interest

The Vice President for Administration and Finance shall advise members of the University Community of the terms of the policy by means of an annual memorandum.

Jim Bachmeier
Vice President for Administration and Finance

Contact: VP for Administration & Finance

FERRIS STATE UNIVERSITY

Conflict of Interest Questionnaire

Print Employee Name: _____

Position/Title: _____

YES	NO
-----	----

Are you an officer, director, partner, member, or employee of any firm or corporation with whom Ferris State University has business dealings?

YES	NO
-----	----

Do you or does a member of your family* have a financial interest in, or receive any remuneration or income from, any business organization or firm with which Ferris State University has business dealings, or are you the beneficiary of a trust that receives such remuneration or income?

YES	NO
-----	----

Did you or any member of your family* receive, during the past twelve months, any gifts, loans, or benefits from any source from which Ferris State University has business dealings, or are you the beneficiary of a trust that receives such gifts, loans, or benefits. By way of example, please disclose any situations where you accepted a gift or free tickets for a collegiate or professional athletic game, from a current or prospective vendor or where you were a guest of a current vendor or a prospective vendor for an outing or event where the combined value of the ticket(s) was \$50 or more for any one event (gala, golf outing, banquet, fundraiser, trip or similar events).

**Family* includes spouse, child, stepchild, parent, sister, brother, grandchild, grandparent, parent of spouse, aunt, uncle, niece, nephew, sister-in-law, brother-in-law, step-grandparent, or any other person with whom an employee is presently making their home.

If the answer to any of the above questions is YES, provide a complete written description and attach it to this questionnaire.

This questionnaire, along with any attachments, must be completed, signed and returned.

**To: Laurie Millen: lauriemillen@ferris.edu
Office of the Vice President for Administration and Finance; PRK 157**

I certify that the information contained in this document is true and complete to the best of my knowledge.

Signature

Date