

Board of Regents Policy #1

Revision Approved by the Board of Regents, ~~August 24, 2016~~ <Date TBD>

Draft #1

Board of Regents Conflict of Interest Policy

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1.0 Policy and Purpose

The members of the Board of Regents, as well as all Washington State University faculty and staff, hold positions of public trust and should adhere to the highest ethical standards in carrying out their duties to the University. These standards include maintaining objectivity and independent judgment to ensure all actions are taken in the best interests of the University, and avoiding activities that could impair the public's trust in the institution.

Purpose

This policy protects the interests of the University by providing guidance to the Regents in recognizing and handling conflicts of interest and meeting their obligations under the Washington State Ethics in Public Service Act (Ethics Act). The Ethics Act prohibits state officers and employees from having an interest, financial or otherwise, direct or indirect, or engaging in a business or transaction or professional activity, or incurring an obligation of any nature, that is in conflict with the state officer's or employee's duties. ([RCW 42.52.020: University Ethics Policy \(EP45\)](#)) In addition to these statutory obligations, members of the Board of Regents have fiduciary responsibilities to the University, which require them to avoid actual, potential, or apparent conflicts of interest and exercise their authority solely on the basis of promoting the best interests of the institution and the public good.

2.0 Definition of Conflict of Interest

A conflict of interest is a personal interest, financial, familial, professional, or otherwise, that might impair or reasonably appear to an objective, outside observer to impair a Regent's independent, unbiased judgment in the discharge of ~~his or her~~ their responsibilities to the University.

For purposes of this policy, the Student Regent ~~shall is~~ not be deemed to have a conflict of interest for purposes of participation in or voting on matters of general interest to Washington State University students. Likewise, the Faculty Regent is not deemed to have a conflict of interest for purposes of participation in or voting on matters of general interest to Washington State University faculty.

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3.0 Requirements and Procedures

The following requirements and procedures apply:

- Each Regent ~~will file~~ annually files a personal financial affairs disclosure, as required by the *Washington Public Disclosure Act*, RCW Chapter [42.17A.700](#).
- Within thirty days of appointment to the Board of Regents, and each year annually, each Regent ~~will sign~~ s a statement certifying they have read, understand, and will comply with this Conflict of Interest Policy and that they have filed the required annual personal financial affairs disclosure with the Public Disclosure Commission. The completed statements are retained in the Office of the President for the applicable retention period.
- **For financial transactions involving the University:** If the Board of Regents is called upon to consider a transaction in which a Regent owns a beneficial interest, as defined in [RCW 42.52.010](#), the Regent ~~shall disclose~~ s the precise nature of his or her interest to the Chair of the Board of Regents and ~~shall refrain~~ s from participating in the Board's consideration of the transaction. ([RCW 42.52.030](#))
- **For building contracts, improvements, or building supplies:** No Regent ~~shall may~~ have a financial interest, either directly or indirectly, in any contract for any building or improvement at the University, or for furnishing supplies for any building or improvement. ([RCW 28B.30.140](#))
- **For certain personnel matters:** The Student Regent is prohibited from participating in or voting on matters related to the hiring, discipline, or tenure of faculty members and personnel. The Faculty Regent is prohibited from participating in or voting on matters related to the hiring, discipline, or tenure of specific faculty members. (RCW 28B.30.100(5))
- **For other matters:** All Regents ~~should are to~~ be sensitive to matters that could involve an actual, apparent, or potential conflict of interest. If a Regent becomes aware of any personal, financial, familial, or professional relationship that could give rise to a conflict of interest with respect to a particular matter, the Regent ~~shall is to~~ promptly disclose the relationship to the Chair of the Board of Regents (or Vice Chair, if the Chair is unavailable or is the Regent with the possible conflict). In turn, legal counsel may be consulted. The Chair (or Vice Chair, if applicable) makes the final decision regarding whether a conflict of interest exists. A recess may be taken if needed to address an issue arising during a Regents meeting.
- **Recusal:** Regents should err on the side of caution and ~~shall~~ recuse themselves from participating in, influencing, or voting on matters when a conflict of interest exists. The Regent's recusal (or the decision not to recuse and the basis for that decision) ~~shall be is~~ be is noted on the record. In the event of recusal, the Regent's presence ~~will is not be~~ counted when determining whether there is a quorum for action on that matter.

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3.0 Requirements and Procedures (cont.)

- **Exception:** Except when prohibited by law, in the event that a conflict of interest arises but recusal would, in the judgment of the Chair (or Vice Chair, if applicable) cause significant harm to the institution, the Chair (or Vice Chair, if applicable), after consultation with legal counsel, may authorize limited participation under carefully defined conditions. An explanation of the conflict, the justification for allowing participation, and the conditions of participation ~~shall be~~ are noted on the record.

4.0 Assistance

Questions ~~or complaints~~ regarding this policy, or concerns about possible conflicts of interest, should be directed to the Chair of the Board of Regents, the University's ~~Chief Audit Executive~~ Ethics Compliance Advisor, or the Senior Assistant Attorney General. ~~'s Office.~~