

# 10.090 Ethics and Conflict of Interest

Board Minutes 7-21-06, Amended 2-6-09, Amended 1-27-11, 6-26-12; 7-28-20.

Each member of the University of Missouri Board of Curators (hereinafter "Board") has a fiduciary obligation and responsibility with respect to service on the Board, which is ultimately responsible and accountable for governing the University pursuant to Article IX, Section 9(a) of the Missouri Constitution of 1945 and applicable statutes. Each member of the Board is expected to serve the public trust and to exercise duties and responsibilities solely in the interest of the public, the University and the Board and not in the member's own interest, the interest of the member's spouse, parents, siblings or children or in the interest of any business with which any of the foregoing are associated.

To implement the foregoing general principles, the Board has adopted the following:

## 1. **Prohibited Transactions**

1. No member of the Board shall vote on, attempt to influence the vote of other members of the Board or attempt to influence the decision of the University with regard to any matter under consideration by the Board or by the University in which said action will result in a material financial gain or personal gain for said Board member, the member's spouse, parents, siblings or children or any business with which any of the foregoing are associated.
2. No member of the Board shall act or refrain from acting, in connection with duties and responsibilities as a member of the Board, by reason of the payment, offer to pay, promise to pay, or receipt of anything of actual pecuniary value by said Board member, by the member's spouse, parent, siblings or children or any business with which any of the foregoing are associated.
3. No member of the Board shall use in any manner whatsoever or disclose to others confidential information obtained in connection with duties and responsibilities as a member of the Board with the intent to result in material financial gain or personal gain for said Board member, for the member's spouse, parents, siblings or children or any business with which any of the foregoing are associated.
4. Consistent with Section 320.115 of the Collected Rules and Regulations of the University of Missouri, no member of the Board shall be employed by the University, either full-time or part-time, during service as a member of the Board or for two (2) years after the cessation of such service. Further, no member of the Board shall enter into any contract to provide goods or services under contract with the University during service as a member of the Board or for two (2) years after the cessation of such service; provided, however, that such prohibition shall not apply if the goods or services are donated to the University or if the contract is entered into in conformity with the University's rules and regulations pertaining to acquisition of goods or services, the University's competitive bidding processes, if applicable, and after compliance with all applicable conflict of interest statutes and policies.

5. Consistent with the provisions of Article VII, Section 6 of the Missouri Constitution of 1945, Section 172.310, RSMo 2000 and Section 320.040 of the Collected Rules and Regulations of the University of Missouri, no person who is related by blood or marriage to any member of the Board shall, during said Board member's service as a member of the Board, be appointed to any position in the University as officer, member of any faculty or employee and no member of the Board of Curators, during the time such curator is a member of the Board of Curators, shall participate in, advocate for or influence in any way the hiring or appointment of any person as an employee at any level of the University or any affiliated entity who is related by blood or marriage to any current member of the Board of Curators within the fourth degree by consanguinity or affinity.

## 2. Full Disclosure

1. Each member of the Board shall complete and shall submit annually to the Secretary of the Board on or before August 15 of each year, the University of Missouri Board of Curators' Conflict of Interest Disclosure Form, for the purpose of disclosing to the Board and to the public said Board member's financial interests and the financial interests of the member's spouse, parents, siblings or children, including the identity of any business with which any of the foregoing are associated. Each member of the Board of Curators shall file with the Secretary of the Board of Curators a copy of the required filing which they make with the State of Missouri Ethics Commission entitled Personal Financial Disclosure Statement. Additionally, all current members of the Board, as of August 15, 2006, and in the future new Board members, upon initial appointment to the Board of Curators, shall file with the Secretary of the Board of Curators a listing containing the name of the member's spouse, parents, siblings and children together with their current place of employment and the name of any business in which the person has an ownership interest in excess of ten percent. A Board member shall promptly update this listing when warranted by a change in circumstances.
2. If a member of the Board reasonably believes that the member or another Board member has a conflict of interest, a potential conflict of interest or reasonably believes that the general public might perceive that a conflict of interest exists with regard to any matter that is under consideration by the Board, the member shall report such conflict of interest, potential conflict of interest or perceived conflict of interest to the Chair of the Board at the earliest opportunity and, if possible, prior to any discussion, deliberation or vote by the Board on that matter. Unless the member of the Board voluntarily agrees to abstain from all such discussions and voting on the matter, the Chair of the Board shall determine whether an actual or perceived conflict of interest exists and, if so, shall request that such member of the Board refrain from all such discussions and voting on the matter. If the Chair of the Board is the Board member whose financial or personal interest is at issue, the Vice Chair of the Board shall determine whether an actual or perceived conflict of interest exists and, if so, shall request that the Chair of the Board refrain from all such discussions and voting on the matter. In all cases the Board is the final authority on conflict of interest issues. The Board member whose financial or personal interest is the subject of any vote shall not be eligible to vote thereon.
3. If a member of the Board becomes aware that the University is about to engage in a permitted transaction, as defined below, with the Board member, the member's spouse, parents, siblings or children or with any business with which any of the foregoing are associated, the Board member shall inform the

other members of the Board at the earliest opportunity and, if possible, prior to the execution of the permitted transaction. The disclosure required in this paragraph shall be required whether or not the Board is expected to be involved in discussing or approving the permitted transaction.

### 3. **Prohibition Against Acceptance of Gifts**

Members of the Board of Curators of the University of Missouri shall avoid accepting gifts for personal use, directly or indirectly, from prohibited sources, except as permitted in Section 10.090 C.2. below.

1. For the purposes of this policy, the following definitions shall apply:
  1. **Gift** -- Gift shall mean any tangible or intangible item or items having a monetary value in excess of \$75.
  2. **Prohibited Source** -- Prohibited source shall mean any person or entity, public or private, outside the University, with interests, financial or otherwise, that may be substantially affected by the recommendations, decisions, performance or non-performance of the official duties of the Board member.
2. Exceptions -- The following shall not be considered a violation of this policy:
  1. Gifts that are available to the Board member on the same conditions as for the general public;
  2. Educational materials utilized in the performance of the Board member's official duties;
  3. Awards or honoraria administered by or through the University;
  4. Gifts from the Board member's relatives, by blood or marriage; and
  5. Any item of food, refreshment, entertainment or other benefit provided to the Board member while attending a meeting, conference or convention, as long as such item is provided on the same conditions as for other attendees and could not be considered as lavish.

### 4. **Permitted Transactions**

1. Contingent upon compliance with the requirements of this Board Policy on Ethics and Conflict of Interest, it shall not be inappropriate for a Board member, the member's spouse, parents, siblings or children or for any business with which any of the foregoing are associated to enter into a contract with the University if the goods or services are donated to the University or if the contract is entered into in conformity with the University's rules and regulations pertaining to acquisition of goods or services, the University's competitive bidding processes, if applicable, and after compliance with all applicable conflict of interest statutes and policies.

### 5. **Definitions**

1. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "business with which any of the foregoing are associated" shall include the following:
2. Any sole proprietorship owned by the Board member, the Board member's spouse, parents, siblings or children;
3. Any partnership or joint venture in which the Board member, the Board member's spouse, parents, siblings or children is/are a partner, other than as a limited partner of a limited partnership, and any corporation or limited partnership in which the Board member, the Board member's spouse, parents, siblings or children is/are an officer or director or of which either the Board member, the Board member's spouse, parents, siblings or children, whether singularly or collectively, owns in excess of ten percent of the outstanding shares of any class of stock or partnership units; or
4. Any trust in which the Board member is a trustee or settlor or in which the Board member, the Board member's spouse, parents, siblings or children,

whether singularly or collectively, is a beneficiary or holder of a reversionary interest of ten percent or more of the corpus of the trust.

5. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "conflict of interest" shall mean any act, action or situation that could lead to a violation of any of the matters set forth above entitled "PROHIBITED TRANSACTIONS" and shall further include an existing or potential financial interest of the Board member, the member's spouse, parents, siblings or children, in any matter pending before the Board or under consideration by the University.
  6. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "spouse, parents, siblings or children," whether in the singular or the plural or the conjunctive or the disjunctive, shall mean any current spouse, regardless of residence or degree of support by the Board member; and shall mean any and all parents, stepparents, foster parents, siblings, stepsiblings, foster siblings, children, stepchildren or foster children residing in the Board member's household or who receive in excess of fifty percent of their support from the Board member.
  7. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "material financial gain" shall mean a financial gain of more than a nominal amount and which is distinguishable from the anticipated realizable financial gain of the public at large or of a special class of the public at large. For example, a curator will not be considered to have the potential for material financial gain by participating in a decision on whether or not there should be a change in tuition and/or fees at the University of Missouri for all similarly situated students even if such curator, his or her spouse, parents, siblings or children will be affected by such increase.
6. **Conflict of Interest Disclosure Form**
    1. [Conflict of Interest Disclosure Form](#) (PDF)
  7. **Family Disclosure Form**
    1. [Family Disclosure Form](#) (PDF)