Conflict of Interest and Disclosure Policy

Introduction
A general rule of thumb is that any time a Board member or association officer, family member, or business associate stands to gain financially (either directly or indirectly) from a specific transaction involving the association, it is a potential conflict and should be treated as such by the affected individual(s) and the Board itself. Transactions that involve money or other tangible assets are the most serious but tend to be (or should be) the easiest to resolve.

Conflict of Interest Defined
A potential conflict of interest is a situation that involves a personal, familial, or business relationship between a Board member or association officer and the institution that can cause the association to be legally (or otherwise) vulnerable to criticism, embarrassment, or litigation in the opinion of responsible stakeholders. Real and perceived conflicts of interest involve ethical or moral values, but they are distinguishable and much more visible because of two factors, one or both of which may be present.

1. They usually involve money or profit or otherwise bear on the fiduciary responsibility of the Board to ensure no Board members or association officers use (or are perceived to use) their institutional affiliations for personal financial gain, except as association policy may explicitly allow.
2. They usually involve one or more aspects of the association's programs, real property, personnel, or auxiliary enterprises.

Scope
The following statement of policy applies to each member of the Board and to all officers of the Independent Colleges of Washington (ICW). It is intended to serve as guidance for all persons employed by the association in positions of significant responsibility and authority and all members serving on the Board of Directors.

Fiduciary Responsibilities
Board members, officers, and employees of ICW serve the public trust and have a clear obligation to fulfill their responsibilities in a manner consistent with this fact. All decisions of the Board and officers of the association are to be made solely on the basis of a desire to advance the best interests of the association and the public good. The integrity of ICW must be protected at all times.

Effective boards will include individuals who have relationships and affiliations that may raise questions about perceived conflicts of interest. Although many such potential conflicts are and will be deemed inconsequential, every individual Board member and officer of the association has the responsibility to ensure the entire Board is made aware of situations that involve personal, familial, or business relationships that could be troublesome.

Thus, the Board requires each Board member and association officer annually (a) to be familiar with the terms of this policy; (b) to disclose to the Board chair any possible personal, familial, or business relationships that reasonably might give rise to a conflict involving the association; and (c) to acknowledge by his or her signature that he or she is in accordance with the letter and spirit of this policy.
Disclosure

All Board members and officers are requested to list on this form 1) those substantive relationships (a) they or members of their family maintain with organizations that do business with the association, or (b) that potentially could be construed to affect their independent, unbiased judgment in light of their decision-making authority and responsibility; and 2) any business or family relationship with other officer, director, or key employee.

If a Board member or officer is uncertain whether to list a particular relationship, the Board chair and association legal counsel should be consulted. They may elect to seek the judgment of the Executive Committee before informing and consulting with the entire Board with an executive session. Information shared or gathered as a result of such consultations (including information provided on this form) shall be confidential except when the association's best interests would be served by disclosure. Such disclosure will be made only after informing those concerned.

Definitions

The following definitions are provided to help Board members and officers decide whether a relationship should be listed on the disclosure:

Business relationship:
- a) In a sole proprietorship or by an organization, in which the other person is a current or former trustee, director, officer, key employee, or person with greater than 35% ownership.
- b) One person transacting business with the other (other than in the ordinary course of either party’s business on the same terms as are generally offered to the public), directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of $10,000 in the aggregate during the organization’s tax year. (Indirect transactions are the transactions with an organization with which the one person is associated as a trustee, director, officer, key employee or greater than 35% owner); or the two persons are each a director, trustee, officer, or greater than 10% owner in the same business or investment entity.
- c) Business relationship for this purpose excludes relationships in the ordinary course of business (that is, on terms generally offered to the public) and privileged relationships between attorney and client, medical professional and patient, or clergy and communicant.

Family relationships that need to be disclosed are: spouse, children (includes adopted), grandchildren, other lineal descendants, sisters, brothers, parents, grandparents or other ancestors, or any spouse of the foregoing.

Transactions can include joint ventures in which either the profits or capital interest of the organization and you exceed 10%. Contributions or membership dues paid to the organization, grants, or loans are not considered for this purpose.

Independent: You are independent if the following three circumstances applied at all times during ICW’s tax year (July 1 – June 30):
- a) You are not compensated as an officer or other employee of the organization or related organization, and
b) You did not receive total compensation or other payments exceeding $10,000 during ICW’s tax year from ICW or from related organizations as an independent contractor, other than reimbursement of expenses as a member of the governing body, and  
c) Neither you nor any family member was involved in a transaction with ICW (whether directly or indirectly through an affiliation with another organization) that is required to be reported as a business transaction (see definition above) in ICW’s tax return.

Substantive relationship benefit: When a Board member or member of the Board member’s family is:
   a) The actual or beneficial owner of more than five percent of the voting stock or controlling interest of an organization that does substantial business with ICW or
   b) Has other director or indirect dealings with such an organization from which the Board member or a member of the Board member’s family benefits directly, indirectly, or potentially from cash or property receipts totaling $10,000 or more annually.

Gifts or Entertainment: Acceptance of gifts or entertainment by a Board member, officer or employee of ICW from persons and/or organizations seeking or doing business with ICW shall be deemed significant if such gift or entertainment is intended to influence performance of association duties.

Restraint on Participation
Board members or officers who have declared a conflict of interest, or who have been found to have a conflict of interest, shall refrain from participating in consideration of proposed transactions unless the Board or association requests information or interpretation for special reasons. Should a conflict of interest matter require an Executive Committee or Board vote to resolve, those concerned shall recuse themselves from the vote.

Approved by: ICW Board of Directors
Date: October 16, 2007
October, 26, 2010
Board Adopted Revisions: April 4, 2016

Excerpted from: Association of Governing Boards of Universities & Colleges,
(Modelled after NAICU policy)
Conflict-of-Interest Disclosures

Name:________________________________________________ ( ) Officer   ( ) Director    ( ) Key Employee

The IRS requires boards to report relationships between Board members, and relationships with ICW’s vendors. Please respond to each question. Definitions, a Board list, and a vendor list are attached.

Relationships with Other Board Members

1. Do you have a business or family relationship with any other officer, director, trustee, or key employee of ICW.  (See attached definitions and list of Board members) Attach separate listing if more space is required.
   ( ) No   ( ) Yes   Name: ___________________ Relationship: ___________________

2. Have you or any of your family members had any business transactions (see definitions) with ICW, either directly or indirectly through an organization with which you or your family member is a Board member, trustee, director, or owner? Please note family and business relationship.
   ( ) No   ( ) Yes   Relationship_______________________Transactions: ___________________
   Amount of Transaction: ________  % of Ownership: ____________

3. Are any of your family members employed by ICW?
   ( ) No  ( ) Yes   Name:______________________________

4. Did you or your family member receive any grants (scholarships, internships, prizes, etc.) or other assistance (goods or services, use of facilities, etc.) from ICW during the year regardless of amount?
   ( ) No  ( ) Yes  Name _____________________Relationship with Organization:________
   Amount of assistance: ____________

5. Are you “independent” (see definitions) from ICW?
   ( ) Yes   ( ) No    Describe why ______________________________________________________

Relationship with ICW Vendors

Please list any individuals or organizations with which your relationship would be construed as substantive according to the attached definition. Give a brief description why you feel this might be a substantive relationship. If there are none, please check the box so indicating at the end of the questions.

Name of organization/individual: _____________________________________________________________

Name of organization/individual: _____________________________________________________________

Name of organization/individual: _____________________________________________________________

( )  To the best of my knowledge, neither I nor any member of my family has a substantive relationship with any organization conducting business with ICW.

Signed: __________________________________________ Date: ________________________________
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Attachments on next page(s):

Current Board List
Current ICW Vendor List
2016 – 2017 Independent Colleges of Washington Board of Directors

John Bassett
President
Heritage University

Terry Jones
Market President South Sound
Commercial Banking, U.S. Bank

Julie Prince, CLU
Wealth Management Advisor
Northwestern Mutual Financial Network

DeLona Lang Bell
President and CEO
Independent Colleges of Washington

Carolyn Kelly
Retired President and CEO
The Seattle Times

Rodney Proctor
President
Gladstone Enterprises

Violet A. Boyer
President and Founder
CMBell Company

Thomas W. Krise
President
Pacific Lutheran University

Lyle Quasim
Trustee
University of Puget Sound

Pat Callans
SVP, Human Resources and Risk Management
Costco Wholesale Corporation

Rhona Kwiram
Shareholder
Clark Nuber

Laura Rehrmann
Retired President
Group Health Foundation

Isaiah Crawford
President
University of Puget Sound

Laura Lawton-Forsyth
President
Lawton Printing, Inc.

Ahmadou Seck
Asst. to EVP, Original Programming
Pivot TV, Participant Media

Elizabeth A. Cowles
Chairman
Cowles Company

Jerry Lee
Executive Director
MG2 Foundation

Steven T. Seward
Attorney at Law
Ascent Law Partners, LLP

Deborah B. Cushing
Executive Director
InvestED

Leigh Ann Lucero
Attorney, Interactive Entertainment Business
Microsoft Corporation

Stephen V. Sundborg, S.J.
President
Seattle University

Jennifer Divine
Partner
Miller Nash Graham & Dunn LLP

Beck A. Taylor
President
Whitworth University

Dina Fifadra
TMO Director of Sales
Samsung Telecommunications America

Thayne M. McCulloh
President
 Gonzaga University

Ronald R. Thomas
President
University of Puget Sound

José E. Gaitán
Managing Member
The Gaitán Group, PLLC

Daniel J. Martin
President
Seattle Pacific University

Jim Yearby
Vice President, Human Resources
United Way of King County

Liz Gorman
Independent Consultant
CSR/Sustainability Strategy & Comm.

Ian Metz
Program Manager, Amazon

Richard E. Bangert II
ICW Board Emeritus

Rick Gross
VP – Finance, Supply Chain Management
Boeing Commercial Airplanes
The Boeing Company

Kathleen M. Murray
President
Whitman College

Kenneth J. Goodchild
ICW Board Emeritus

Roy F. Heynderickx
President
Saint Martin’s University

Shelby O’Quinn
Spokane County Commissioner

Ben Phillips
Dev Lead for New Business Engineering
Redfin

Trent M. House
Trent M. House Government Affairs

07/01/2016
Current ICW Vendor List

501 Commons
Seattle, WA
AAA
Seattle, WA
Advise PC Services
West Orange, NJ
Alaska Airlines
Seattle, WA
Amazon
Seattle, WA
AWB Benefit Services
Seattle
Barone Crystal
Seattle, WA
Blueacre
Seattle, WA
Bon Appetit
Seattle, WA
Brown and Brown Insurance
Tacoma, WA
Civicom, Inc.
Greenwich, CT
Classic Design Awards
Morton Grove, IL
Comcast
Seattle, WA
COSTCO Wholesale
Issaquah, WA
Charles Schwab
Seattle, WA
Dell
Round Rock, TX
Delta Dental
Spokane, WA
Forterra, Inc.
Seattle, WA
Garde Capital
Seattle, WA
Great American Insurance
Chicago, IL
Hanover Insurance Group, The
Worcester, MA
Horizon Air
Seattle, WA
Impark
Seattle, WA
K&L Gates (formerly Preston Gates & Ellis)
Seattle, WA
Kibble & Prentice
Tacoma, WA
Kusak Cut Glass
Seattle, WA
Lawton Printing
Spokane, WA
LobbyGov
Seattle, WA
Microsoft
Redmond, WA
Mike Nakamura Photography
Fall City, WA
Mile 25
Poulsbo, WA
Miller Nash Graham & Dunn LLP
Seattle, WA
Office Depot
Seattle, WA
Peterson Sullivan, LLP
Seattle, WA
Principal Financial Group
Des Moines, IA
Premera Blue Cross
Seattle, WA
Precision Roller
Phoenix, AZ
PSPrint
Oakland, CA
Puget Sound Business Journal
Seattle, WA
RICOH
Bellevue, WA
Sammamish Data Systems
Redmond, WA
St. Paul Insurance
Hartford, CT
Sodexo
Seattle, WA
Spectrum Pension
Tacoma, WA
Tableau
Seattle, WA
The Standard
Portland, OR
TIAA - CREF
Atlanta, GA
Toyota Financial Services
Seattle, WA
US Bank
Seattle, WA
Urban Renaissance Group
Plaza 600 Building, Seattle, WA
Verizon Wireless
Bellevue, WA
Zippy Dogs
Seattle, WA
Zoo Printing
City of Industry, CA

Updated 3/28/2016