

Board Policy 0102: Conflict of Interest and Disclosure of Certain Interests

EXPLANATION AND DEFINITIONS

The purpose of this declaration is threefold. Firstly, it is a means to administer the Conflict of Interest Policy adopted by The Claremont Colleges, Inc. (TCC) Board of Directors. Secondly, it solicits information about any transactions or relationships that might give rise to conflicts of interest; this is required by TCC auditors. Thirdly, it obtains information about family and business relationships between directors, officers, and employees required to complete the Form 990 that must be annually filed by TCC with the Internal Revenue Service. In completing this declaration you should be aware of the following definitions.

- “Relative” means your spouse/domestic partner and any ancestor, descendant, brother, sister, brother-in-law, sister-in-law, daughter-in-law, son-in-law, mother-in-law, father-in-law, and spouses/domestic partners of such individuals.
- “Family” means you and your relatives.
- An “entity” may be an individual, firm, corporation, or other private or public agency, or a subsidiary or affiliate of one of these.
- A “transaction” includes a loan, deposit, lease, rental, transfer of assets, purchase of goods or services, gifts from trustee-related foundations or corporations, or other business dealings whether or not money payment is involved.
- For purposes of answering question #4, a “business relationship” between two persons includes any of the following:
 1. One person is employed by the other in a sole proprietorship or by an organization with which the other is associated as a trustee, director, officer, employee, or greater-than-35% owner.
 2. One person is 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 transactions with an organization with which the one person is associated as a trustee, director, officer, employee, or greater-than-35% owner.)
 3. The two persons are each a director, trustee, officer, or greater-than-10% owner in the same business or investment entity.

Ownership is measured by stock ownership (either voting power or value) of a corporation, profits or capital interest in a partnership or limited liability company, membership interest in a nonprofit organization, or beneficial interest in a trust. Ownership includes indirect ownership (for example, ownership in an entity that has ownership in the entity in question). There may be ownership through multiple tiers of entities.

A “business relationship” does not include a relationship between an attorney and client, a medical professional (including psychologist) and patient, or a priest/clergy and penitent/communicant.