

## CONFLICT OF INTEREST POLICY

### I. General

Members of the Board of Trustees of the Community College of Philadelphia (the "College") owe a fiduciary duty of care and loyalty to the College to make all decisions in good faith and in a manner they reasonably believe to be in the best interests of the College, free from any self interest or conflicting interest. Consistent with and in furtherance of that duty, it is the policy of the Board of Trustees of the College to require each member of the Board of Trustees and each officer of the College to disclose at least annually any situation that presents a financial or other conflict of interest between any such Board member or officer (or an associate of such person) and the College.

### II. Board Approval of Interested Transactions

Occasions may arise when a Trustee or officer of the College (or an Associate of such person) has a financial interest in a contract or transaction upon which action is to be taken or withheld by the Board or a committee thereof. It is the policy of the College and of its Board that:

A. Any material facts as to any such financial interest shall be disclosed by the interested Trustee or officer to the Board or its committee. Such disclosure shall be made in the normal course in the annual conflict-of-interest disclosure statement signed by such person and, in addition, when the matter at issue comes up for action by the Board or such committee.

B. A Trustee or officer having such financial interest in any matter shall not vote or otherwise participate with respect to the matter (except that he or she may respond to questions about it); however, such Trustee or officer may be counted in determining the quorum for the meeting at which the matter is considered. The Trustee shall not be present when the final discussion is held and the vote is taken. The minutes of the meeting shall reflect such disclosure and abstention.

C. Any such contract or transaction between the College and any such Trustee or officer (or between the College and any Associate of such person) shall not be void or voidable solely based on such interest if: (1) such interest is, in fact, disclosed to the Board and the Board in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested directors even though the disinterested directors are less than a quorum; and (2) the contract or transaction is fair as to the College at the time it is authorized, approved or ratified by the Board.

In determining whether the contract or transaction was “fair”, in the absence of emergency or other countervailing circumstances, the Board shall determine that the product or service offered pursuant to such contract or transaction was made available to the College on terms reasonably comparable to those that would have been available from an uninterested source of equal quality. In determining fairness, the Board is entitled to rely on reports of management and the Board's determination of fairness shall be binding. The above procedure shall not apply to any contract or transaction of De Minimis Value.

### **III. Certain Definitions**

“Associate” means a spouse or relative of a person who resides in the same household or any other member of such person’s Immediate Family. Associate also means a corporation or other entity in which the person in question or associate of such person is an officer, director, member or partner or owns 10% or more of the equity or voting securities.

“Confidential Information” means any non-public information about the College, including without limitation, any information about the College's finances, business plans, students, faculty, employees, etc.

“De Minimis Value” shall mean any contract or transaction, the aggregate consideration for which does not exceed \$5,000 singularly or in the aggregate over a one year period.

“Immediate Family” means spouse, children, step-children, grandchildren, mother, mother-in-law, father, father-in-law, grandparents, brothers and sisters.

“Self-interest or conflict of interest” shall include (i) any situation where any Trustee or officer of the College (or Associate of such person) is, or is contemplated to be, a party to an agreement, contract or other transaction (including an employment contract) with the College or (ii) any other situation involving the College where a Trustee or officer (or Associate of such person) has an interest adverse to, or otherwise in conflict with, the College.

### **IV. Confidential Information**

Confidential Information about the College which has not been disclosed publicly cannot be used for the personal benefit of any Trustee or officer (or Associate of any such person), or disclosed to anyone unless authorized by the Board or by applicable law.

## V. Disclosure

A. Annual Disclosure. All Trustees and officers of the College must complete and file with the President of the College an Annual Conflict of Interest Disclosure Statement relative to the interests and activities covered by this Policy Statement and any subsequent amendments. All new Trustees and officers of the College shall do so within 30 days of the initiation of their duties as Trustee or officer.

B. Time Disclosure. The Annual Statement is to be completed and returned no later than June 30 of each year.

C. Periodic Disclosure. In addition to the Annual Statement, each Trustee and officer must report promptly to the Chairperson of the Board any relationship or interest which might involve or appear to involve a conflict of interest. All questions of judgment should be resolved in favor of disclosure.

COMMUNITY COLLEGE OF PHILADELPHIA

ANNUAL CONFLICT OF INTEREST DISCLOSURE STATEMENT

THE UNDERSIGNED, in compliance with the Conflict of Interest Policy adopted by the Board of Trustees of the Community College of Philadelphia (the "College"), does hereby deliver this Annual Disclosure Statement to the College.

I. Are you a party, or contemplated to be a party, to any agreement, contract or other transaction (including an employment agreement) with the College?

Yes       No

If yes, please explain

---

---

---

---

II. Is any corporation or other entity in which you or an Associate of yours have an interest a party, or contemplated to be a party, to an agreement, contract or other transaction (including an employment agreement) with the College?

Yes       No

If yes, please explain

---

---

---

---

III. Is any Associate of yours a party, or contemplated to be a party, to an agreement, contract or other transaction (including an employment agreement) with the College?

Yes       No      If yes, please explain.

---

---

---

---

IV. List any other situation involving the College where you or an Associate of yours has an Interest adverse to or otherwise in conflict with the College.

---

---

---

---

None

PLEASE USE THE DEFINITIONS BELOW IN COMPLETING THIS STATEMENT

To the best of my knowledge, after due inquiry, I am in compliance with the College's Conflict of Interest Policy.

Date: \_\_\_\_\_

\_\_\_\_\_  
Name of Trustee or Officer

\_\_\_\_\_  
Signature

### Definitions

“Associate” means a spouse or relative of yours who resides in your household or any other member of your immediate family. Associate also means a corporation or other entity in which you or your associate is an officer, director, member or partner or owns 10% or more of the equity or voting securities.

“Immediate Family” means your spouse, children, step-children, grandchildren, mother, mother-in-law, father, father-in-law, grandparents, brothers and sisters.

“Interest” means with respect to a corporation or other entity being an officer, director, member or partner or owning 10% or more of the equity or voting securities.