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Conflict of Interest Policy for Board of Trustees, Officers, Former Officers, and Key Employees


I. Scope.

The following statement of policy applies to each member of the Board of Trustees, Officers, Former Officers, and to Key Employees of Ringling College of Art and Design, Inc. It is intended to serve as guidance for all persons employed by the institution in positions of significant responsibility and authority, including, but not limited to, the following: Senior Officers of the institution and all deans and directors.

II. Fiduciary Responsibilities.

Board members, Officers, Former Officers and Key Employees of Ringling College of Art and Design, Inc. serve the public trust and have an obligation to fulfill their responsibilities in a manner consistent with that trust. All decisions of the Board of Trustees, Officers, Former Officers, Key Employees and members of the administration and faculty are to be made solely on the basis of a desire to advance the best interests of the institution and the public good. The integrity of Ringling College of Art and Design, Inc. is to be protected at all times.

Men and women of substance often are involved in the affairs of other institutions and organizations. Effective governing boards, administrations, and faculties 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 member of the Board of Trustees, Officers, Former Officers, Key Employees and the senior administration have the responsibility to ensure the Board of Trustees is made aware of situations that involve personal, familial, or business relationships that could be troublesome. Thus, the board requires each member of the Board of Trustees, Officers, Former Officers, and Key Employees annually (a) to be familiar with the terms of this policy; (b) to disclose to the Board Chair before the conflict arises any possible personal, familial, or business relationships that reasonably might give rise to a conflict involving Ringling College of Art and Design, Inc.; and (c) to acknowledge by his or her signature on the "Disclosure Of Conflict Of Interest Form For Ringling College Of Art and Design" that he or she is in accordance with the letter and spirit of this policy.

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III. Disclosure.

All members of the Board of Trustees, Officers, Former Officers and Key Employees are requested to list on this form business relationships with substantial benefit which:


- (a) they and members of their family maintain with organizations that do business with Ringling College of Art and Design, Inc., or
- (b) that potentially could be construed to affect their independent, unbiased judgment in light of their decision-making authority and responsibility.

Conflicts that may arise while business matters are discussed in Trustee meetings should be disclosed. Trustees, Officers, Former Officers and Key Employees should consider whether a reasonable observer with knowledge of all of the relevant facts would conclude that the Trustee, Officer, Former Officer or Key Employee had an actual or apparent conflict of interest in the decision made.

If a Trustee, Officer, Former Officer or Key Employee is uncertain whether to list a particular relationship or identify a particular conflict that arises; the Board Chair should be consulted. The Chair may elect to seek the judgment of the Executive Committee (or the Committee on Trusteeship) before informing and consulting with the entire Board within 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 institution's best interests would be served by disclosure. Such disclosure will be made only after informing those concerned.

IV. Restraint on Participation.

Trustees 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 with such entity or person unless the Board or administration requests information or interpretation for special reasons. Should a conflict of interest matter require an Executive Committee or Board of Trustees vote to resolve, those with such conflict shall not be present at the time that the discussion relating to the conflict is occurring or at the time of the vote. Any invitation or removal of a Trustee Member, Trustee Committee Member or Officer will be recorded in the minutes of the meeting


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and be documented on the “Disclosure of Conflict of Interest Form for Ringling College of Art and Design” at the time that it occurs.

Definitions

The following definitions are provided to help Trustees, Officers, Former Officers and Key Employees decide whether a relationship should be listed on the disclosure:

- **Business Relationship:** One in which a Trustee, Officer, Former Officer, Key Employee or a member of his or her family as defined below serves as an officer, director, employee, partner, trustee, or controlling stockholder of an organization that does substantial business with Ringling College of Art and Design, Inc.
- **Key Employee:** For purposes of Form 990, an employee of an organization (other than an officer, director, or trustee) who meets all three of the following tests applied in the following order:
 1. **\$150,000 Test.** Receives reportable compensation from the organization and all related organizations in excess of \$150,000 for the calendar year ending with or within the organization’s tax year.
 2. **Responsibility Test.** The employee:
 - a. has responsibilities, powers or influence over the organization as a whole similar to those of officers, directors, or trustees;
 - b. manages a discrete segment or activity of the organization that represents 10% or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or
 - c. has or shares authority to control or determine 10% or more of the organization’s capital expenditures, operating budget, or compensation for employees.
 3. **Top 20 Test.** Is one of the 20 employees that satisfy the \$150,000 Test and Responsibility Test with the highest reportable compensation from the organization and related organizations for the calendar year ending with or within the organization’s tax year.

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- Family Member: A spouse, parent, sibling (whole or half blood), child (natural or adopted), ancestor, grandchild, great-grandchild or a spouse of a sibling, child, grandchild or great-grandchild of the Trustee, Officer, Former Officer or Key Employee.
- Substantial Benefit: When a Trustee, Officer, Former Officer, Key Employee or a member of their family
 - (a) is the actual or beneficial owner of more than 5 percent of the voting stock or controlling interest of an organization that does substantial business with the college or
 - (b) has other direct or indirect dealings with such an organization from which the Trustee, Officer, Former Officer, Key Employee or a member of their family benefits directly, indirectly, or potentially from cash or property receipts totaling \$10,000 or more annually.