



Board of Trustee Conflict of Interest Policy

History:

Approved by the Colorado School of Mines Board of Trustees: October 29, 2010

1.0 BACKGROUND AND PURPOSE

Members of the Board of Trustees (“Trustees”) of the Colorado School of Mines (“School”) serve the public trust and have a clear obligation to fulfill their responsibilities in a manner consistent with this fact. A Trustee has the fiduciary responsibility to discharge his or her duties in good faith, with due care and in the best interests of the School.

The School’s Trustees commonly have a wide range of professional and personal associations with and interests in other entities. At times, these external activities and interests might create an apparent or actual conflict of interest situation. Although most such potential conflicts may be deemed inconsequential or manageable, the Trustees and the School must be sensitive to conflict situations as they arise and be prepared to effectively address these to assure that the Trustees are able to perform their duties to the School with the utmost integrity, exercising their good faith judgment in the best interest of the School.

The purpose of this Conflict of Interest Policy is to provide guidance to the Trustees in identifying, disclosing and managing or resolving apparent or actual conflicts that threaten to impede a Trustee’s ability to fulfill his or her fiduciary responsibilities to the School and act in the best interest of the School.

2.0 DEFINITIONS

2.1 Conflict of Interest: A “conflict of interest” refers to situations in which financial or other personal considerations may conflict or have the appearance of conflicting with the Trustee’s professional judgment in exercising his or her duties or responsibilities as a member of the School’s governing board. The mere appearance of a conflict may be as serious and potentially damaging as an actual conflict because such situations can undermine public trust and confidence in the School and its governing Board.

2.2 Trustee: A voting member of the School’s governing board appointed by the Governor or a non-voting member elected by the faculty or student body.

3.0 POLICY

Individual members of the Board of Trustees owe a duty of care and a duty of loyalty to the School in the conduct of their role on the School’s governing board.



Board of Trustee Conflict of Interest Policy

History:

Approved by the Colorado School of Mines Board of Trustees: October 29, 2010

Trustees must perform their duties lawfully and rationally, in good faith and in a manner they reasonably believe to be in the best interest of the School.

In addition to their fiduciary duties as members of the School's governing board, Trustees must be aware of and ensure their compliance with applicable State law governing ethical conduct and conflicts of interest, including, but not limited to the statutory requirements codified in *Code of Ethics*, C.R.S., §§ 24-18-101, *et seq.*, and *Proscribed Acts Related to Contracts and Claims*, C.R.S., §§ 24-18-201, *et seq.*

Accordingly, it is the policy of the School that Trustees shall act in a manner consistent with their responsibilities and duties to the School, and avoid circumstances that: (1) may lead to a Trustee advancing an initiative or taking action that may be incompatible with the Trustee's fiduciary duty to the School; or (2) that may permit a Trustee to utilize his or her association with the School to derive personal gain, or gain to family, friends or associates. When a Trustee becomes aware of a situation that may compromise or appear to compromise his or her independence or impartiality in matters of School Board business, or that otherwise impedes the Trustee's ability to fulfill his or her fiduciary duties and serve the best interest of the School, the Trustee should disclose such situations pursuant to the procedure outlined in Part 4.0 herein below so that any actual or potential conflicts can be promptly addressed as appropriate and necessary.

4.0 PROCEDURES

Any potential or actual conflict of interest can best be handled through full disclosure of any such interest, together with restraint on participation in any vote or Board action in which the subject interest is or may be involved. Accordingly, the following procedures on conflict of interest will be followed.

- 4.1 Timely full disclosure of any potential or actual conflict of interest on the part of any Trustee should be made to the Chair of the Board on a timely basis. The Chair shall confer with other members of the Board about addressing any reported instances of conflicts of interest and seek the advice and counsel of the School's General Counsel as necessary. The Trustees have the authority to oversee and make decisions about any potential or actual Trustee conflicts, including whether a Trustee should disclose his or her interest to the Board and recuse him or herself consistent with this policy. It is the responsibility of the Board's Secretary to make and retain a written record of any such disclosure.



Board of Trustee Conflict of Interest Policy

History:

Approved by the Colorado School of Mines Board of Trustees: October 29, 2010

- 4.2 The foregoing requirements should not be construed as preventing the conflicted Trustee from addressing other Board members' pertinent requests for information or interpretation.

5.0 REVIEW

This Conflict of Interest Policy will be reviewed annually by the Trustees at their first meeting of any calendar year to ensure their continued awareness of and compliance with the policy and procedures contained herein. All new Trustees will be advised of the policy upon assuming the duties of his or her position on the Board.