

**BOARD OF TRUSTEES and**  
**SENIOR STAFF**

**CONFLICT OF INTEREST POLICY**

**SECTION 1. PURPOSE.**

Montserrat College of Art is central to the development of the arts in Beverly. Its purpose is to achieve excellence in each of its Divisions – College, Gallery, and Studios. As a not-for-profit organization, the College and its Divisions are organized and operated exclusively for charitable and educational purposes. This element of its operations creates the concept of public trust and, as a result of this public trust, the College and its Divisions must operate with the highest ethical standards.

Each Trustee, Officer and management employee of Montserrat College of Art has a fiduciary responsibility to conduct business affairs in a manner consistent with the concept that each decision is made in the best interest of the College. As such, individuals must avoid conflicts of interest, or even the appearance of conflicts of interest, in discharging their responsibilities.

**SECTION 2. PERSONS CONCERNED.**

This statement is directed not only to Trustees and Officers, but to all management employees who can influence the actions of Montserrat College of Art. By way of example, this policy would include any person who makes purchasing decisions, any person who might be described as “management personnel,” and any person who has proprietary information concerning Montserrat College of Art.

**SECTION 3. AREAS IN WHICH CONFLICT MAY ARISE.**

A conflict of interest may arise in any situation where a person, having official responsibilities for Montserrat College of Art, including any of its Divisions, is empowered to make a decision and/or take an action on behalf of Montserrat College of Art and who, as a result of that power, can benefit personally, directly or indirectly, either in fact or in appearance from said decision or action.

Conflicts of interests could include, but are not limited to:

- Having an investment or outside interest in any individual or organization which supplies to or purchases from Montserrat College of Art.
- Engaging in outside employment with, or acting as a consultant to, any business enterprise which supplies to or purchases from Montserrat College of Art.
- Using confidential, proprietary information of Montserrat College of Art for personal gain or in discharging any responsibilities for personal gain or in a volunteer capacity.
- Receiving personal benefits exceeding \$50.00 in value, including gifts, favors, services or hospitality, either solicited or accepted from any organization or individual which supplies to or purchases from Montserrat College of Art.
- Appropriating for personal gain a business opportunity which may be of interest to Montserrat College of Art where knowledge of such opportunity is obtained in the course of the individual fulfilling his/her fiduciary responsibilities.

#### **SECTION 4. INTERPRETATION OF THIS STATEMENT OF POLICY.**

The areas of conflicting interest listed in Section 3 are not exhaustive. Conflicts may arise in other areas or through other relations. It is assumed that the Trustees, Officers, and management employees will recognize such areas and relations by analogy.

The fact that one of the areas of potential conflicting interest exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of Montserrat College of Art.

It is the policy of Montserrat College of Art that the existence of a conflicting interest described in Section 3 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the Trustees, Officers, and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

#### **SECTION 5. DISCLOSURE POLICY AND PROCEDURE.**

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict is excluded from the discussion and approval of such transaction;  
and
3. The Trustees have determined that the transaction is in the best interest of the organization.

Conflicting interests involving Trustees, officers, or management employees of Montserrat College of Art should be disclosed annually on the attached form, and to the Chairman of the Board of Trustees. The Chairman shall bring such matters to the attention of the Board of Trustees and the Committee on Trustees for review and determination as to whether any conflicts have emerged, and whether such conflicts are within permissible limits.

The Trustees shall determine whether a conflict exists and, in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to Montserrat College of Art. The decision of the Trustees on these matters will rest in their sole discretion, and their concern must be the welfare of Montserrat College of Art and the advancement of its purpose.

Forms will be retained in duplicate, stored in the President's Office and in the Business Office.