

**MICHIGAN MATHEMATICS AND SCIENCE CENTERS NETWORK
POLICY REGARDING CONFLICTS OF INTEREST
AND DUALITIES OF INTEREST**

This Conflict of Interest Policy is adopted by the Michigan Mathematics and Science Centers Network ("the Network") on August 3, 2007, with reference to the following facts:

- A. The Network's Board of Directors shall follow a policy of avoiding conflicts of interest or the appearance of a conflict of interest on the part of the Directors, officers, committee members and staff of the Network in the conduct of the Network's activities with other persons or organizations, and in compensation of the Network's Directors, officers, committee members and staff.
- B. The Network believes that service to the Network should not be rendered impossible solely because of conflicts of interest which will occur, but recognizes that guidance needs to be provided about how conflicts shall be handled, full disclosure of a conflict of interest should be made, and decisions are reached when a conflict is involved.
- C. The Network wants to distinguish between conflicts of interest and dualities of interest.

THEREFORE, the Network adopts the following policy:

Duty of Loyalty

Directors, officers, committee members and staff of the Network owe it the duty of loyalty. This duty requires that they:

- Not participate in a transaction, which they know to be a Network opportunity, in which the Network might desire to participate if it were aware of it, without first timely disclosing it to the Board of Directors in sufficient detail to permit it to be evaluated.
- Maintain confidentiality and not disclose information about the Network that is not known to be public information.
- Completely disclose conflicts of interest with the Network, abstain from participating in the consideration of or action upon any transaction involving such a conflict of interest, and otherwise facilitate informed and disinterested review of any such transactions by the Board of Directors and staff. A conflict of interest exists when a person having input into a decision has a financial interest, or appears to have a financial interest, either directly or indirectly, in that decision.

- Completely disclose dualities of interest with the Network, refrain from participating in the consideration of or action upon any transaction inviting such a duality of interest to the extent directed by the disinterested Directors, and otherwise facilitate informed and disinterested review of any such transactions by the Board of Directors and staff. A duality of interest exists when a person has an affiliation or other conflicting loyalties in any relationship, but has no personal financial interest, that may influence or suggest influence on that person’s decision-making ability.

In general, the best interests of the Network must prevail over a Director’s, officer’s, committee or staff member’s personal interests, and a Network position may not be used for personal financial advantage, which includes financial advantage to members of one’s immediate family and both direct and indirect advantage. “Immediate family” shall include spouse and children.

Financial Interests in Business Relationships

1. Each Director, officer, committee member and staff shall disclose any financial interest (defined below) between that person and any organization with which the Board or a committee, on behalf of the Network, is considering a continuing or proposed contract, transaction, or other business relationship. The disclosure must be made when the proposal first comes before the Board or committee for discussion or action.
2. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:
 - a. An ownership or investment interest in any entity with which the Network has or proposes to have a transaction or arrangement, or
 - b. A compensation arrangement with any entity or individual with which the Network has or proposes to have a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Network has or proposes to have a transaction or arrangement.

Compensation includes direct and indirect remuneration.

3. After disclosure of the financial interest and all material facts, and after relevant discussion with the interested person, he or she shall leave the Directors or committee meeting while the disinterested Directors or committee members deliberate and take action on the proposal.
 - a. The disinterested Directors or committee shall determine whether the Network can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a financial interest between the Network and a Director, officer, committee member or staff. The Chair of the Board or committee shall, if appropriate, appoint a disinterested

person or committee to investigate alternatives to the proposed transaction or arrangement.

- b. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a financial interest with a Director, officer, committee member or staff, the Directors or committee shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in the Network's best interest and for its own benefit and whether the transaction is fair and reasonable to the Network and shall then decide whether to enter into the transaction or arrangement in conformity with such determination.
4. Any Director, officer or staff member having an actual or potential duality of interest with respect to any matter or transaction under consideration by the Network shall disclose that situation but will not be prohibited from discussing the matter or voting on the matter unless a majority of the disinterested Directors elect otherwise.
5. The minutes of the Board or committee meeting shall contain the names of the Directors, officers, committee members and staff who disclosed or otherwise were found to have a financial interest; the nature of the financial interest; the names of the persons who were present for discussions and votes relating to the transaction or arrangement; the content of the discussion, including any alternatives to the proposed transaction or arrangement; and a record of any votes taken in connection with the transaction or arrangement.

Compensation

1. Each Director, officer, committee member and staff who receives compensation, directly or indirectly, from the Network for services shall not vote on matters pertaining to that person's compensation.
2. Directors, officers, committee members or staff who receive compensation, directly or indirectly, from the Network, either individually or collectively, may provide information to the Board of Directors or any committee regarding compensation.

Violations of Policy

1. If the Directors have reasonable cause to believe that a Director, officer, committee member or staff has failed to disclose a conflict of interest, duality of interest, or financial interest in a business relationship, they shall inform the person of the basis of such belief and afford the person an opportunity to explain the apparent failure to disclose.
2. If, after hearing the response of the person and making such investigation as may be warranted in the circumstances, the Directors determine that the person has in fact failed to disclose a conflict of interest, duality of interest, or financial interest, the Board shall take appropriate disciplinary and corrective action which may be up to and including dismissal as a Director, officer, committee member or employment as staff.

Annual Statements

Each Director, officer, committee member, and staff member shall annually file a conflict of interest/duality of interest statement with the Network disclosing any actual or potential conflict or duality of interest situations. This list shall include current Board participation in any for-profit or not-for-profit entities with which the Network has contracts.

Each Director, officer, committee member and staff annually shall sign a statement, which affirms that such person:

1. Has received a copy of this conflict of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy, and
4. Understands that the Network is a charitable organization and that in order to maintain its federal tax exemption must engage only in activities that accomplish one or more of its tax-exempt purposes.

Certification

I certify that the above is a true and correct copy of the Policy Regarding Conflicts of Interest and Dualities of Interest adopted by the Board of Directors of the Michigan Mathematics and Science Centers Network on August 3, 2007.

By: _____ Date: August _____, 2007
Libby Trenkle
Its: Chair of the Board