

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: 19

DATE:
December 15, 2011

RECOMMENDATION

ACTION REQUESTED

To amend the Board of Regents Code of Ethics.

STAFF SUMMARY

The Code of Ethics governing the Board of Regents was formally amended on September 20, 2011. The attached are additional, minor revisions, to the recently adopted Code of Ethics.

FISCAL IMPLICATIONS

None.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.

University Executive Officer

Vicki Reaume

Vice President and Secretary to the Board of Regents

Date

EASTERN MICHIGAN UNIVERSITY
Code of Ethics for Members of the Board of Regents

UNIVERSITY POLICY STATEMENT:

Each member of the Board of Regents shall individually execute a statement articulating a Code of Ethics (“Code”) governing expected trustee standards and codes of behavior. Execution of this document shall occur upon the initial appointment to the Board, and thereafter at the first meeting at the start of each fiscal year.

UNIVERSITY PRACTICE:

By consensus, members of the Board developed a Code of Ethics in February 1988, clarifying and attesting to obligations and responsibilities relative to the governance of Eastern Michigan University. Sound administrative practice dictates that policies be reviewed at least every five years. This revised Code of Ethics has been reviewed by the current Board of Regents in September 2011. By signing this document, each Regent commits individually and collectively to the highest possible standards of conduct.

RESPONSIBILITY FOR IMPLEMENTATION:

It is the responsibility of the Vice President and Secretary to the Board of Regents to make these statements available at the appointed time, and to collect and keep them on file. It is the responsibility of each Regent to execute a Code of Ethics document annually at the start of each fiscal year.

SCOPE OF POLICY COVERAGE:

This policy governs each member of the Board of Regents of Eastern Michigan University.

PREAMBLE:

We, the members of the Board of Regents of Eastern Michigan University, recognize the importance of articulating standards. By adopting this statement, we acknowledge that trusteeship requires a code of behavior not usually expected of other members of the greater EMU community. By willingly and enthusiastically accepting the privilege of serving the public interest and this institution, we also accept the obligations and responsibilities that accompany our trusteeships.

The Board of Regents accepts and commits itself to the responsibility for governing Eastern Michigan University, and to determine the University’s mission and strategic direction. We will consider the interests of all of its constituents in decision making, including students, administration, faculty, staff and other stakeholders. We, the Regents of Eastern Michigan University, each pledge to become familiar with and committed to the major responsibilities of the governing board: to appoint the president, to support the president, to monitor the president’s

performance, to clarify the mission, to approve long-range plans, to approve the educational program, to ensure financial solvency, to preserve institutional independence, to enhance the public image, to interpret the community to the institution and to assess our performance.

This Code of Ethics is intended to clarify our individual responsibilities, which we acknowledge to be distinct from, but complimentary to, those of the Board as a corporate entity. It shall remind new and incumbent members of their obligations, and to encourage periodic review of ourselves and our Board's performance.

We, the Regents of Eastern Michigan University, each pledge to adhere to the following Code of Ethics:

ARTICLE 1: GOVERNANCE RESPONSIBILITIES:

1. Public Trust.

The Board is ultimately responsible for the governance of the University. In carrying out this constitutionally conferred public trust, Regents must be accountable in the areas of financial disclosure, gifts, expenses and any potential conflicts of interest. Regents are expected to carry out their governance responsibilities in an honest, ethical and diligent manner. Regents shall not use the authority, title or prestige of their office to solicit or otherwise obtain private financial, social or political benefit that in any manner is inconsistent with —the public interest. In serving the people of Michigan, Regents shall adhere to the highest ethical standards. In carrying out their governance responsibilities, Regents understand their role as a policy making body and avoid participation in administration of policy and day-to-day operations of the University.

2. Welfare of Eastern Michigan University.

Regents bring diverse backgrounds and expertise valuable to the governance of a comprehensive, 4-year public university. In carrying out their duties, however, Regents must keep the welfare of the entire University paramount over any parochial interests. Regents should refrain from actions and involvements that might prove embarrassing to the institution.

3. Duty of Care.

Consistent with their responsibilities as members of the Governing Board, Regents will discharge their duties, including any duties as a member of a committee, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, ~~and~~ ~~and~~ in a manner the Regent reasonably believes is in the best interest of the University, and with the level of decorum appropriate to the office of Regent. Regents will adhere to all laws, regulations and policies that apply to the University. Written and verbal communications will be made with the courtesy and respect expected of Board members.

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4. Resource Commitment.

In undertaking the duties of the position, a Regent shall make the commitment of time and other personal resources necessary to carry out the Regent's governance

responsibilities. Out of respect for their extraordinary commitment of time, Board members will give their undivided attention to the business before it and avoid interruption to the extent possible. Failure of a Regent to participate in regular meetings of the Board or a committee on which the Regent serves shall be cause for the Board to recommend removal of the Regent to the Governor of the State of Michigan. Regents will also support the institution's fundraising efforts through personal giving in accordance with one's means and be willing to share in the solicitation of others by implementing fundraising strategies through personal relationships with others.

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5. Due Diligence.

Each Regent shall undertake with due diligence a critical analysis of the risks and benefits of any matter coming before the Board for action. Regents shall promote a culture of constructive debate about major information necessary to carry out the Regents' duty of care to act in the best interest of the University.

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6. Legal Authority.

Except as otherwise provided by law or bylaw, each Regent shall have no authority to act outside of Board meetings. Regents shall avoid acting as a spokesperson for the entire Board unless specifically authorized to do so by the Chairman of the Board of Regents. The Board of Regents will speak with a unified, cohesive and singular voice whenever offering comments or opinions to the media or any other public forums or outlets.

7. Use of the Eastern Michigan University Name.

Regents have a public association with Eastern Michigan University, but are also private citizens. Thus, care must be taken to appropriately differentiate between the two roles. Regents will not use the name of Eastern Michigan University in such a manner to suggest institutional or Board endorsement, or support of a non-Eastern Michigan University enterprise.

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8. Confidentiality of Eastern Michigan University Information.

Regents will not disclose, divulge or make accessible any confidential information belonging to Eastern Michigan University, or obtained through affiliation with Eastern Michigan University. Such confidential information may not be divulged to any persons, including relatives, friends or business/professional associates, other than to persons who have a legitimate need for such information, and with appropriate authorization. Good judgment and care must be exercised at all times to avoid unauthorized or improper disclosures of confidential information.

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ARTICLE 2: CONFLICT(S) OF INTEREST:

1. Conflict of Interest Policy.

A conflict of interest exists whenever a Regent, a Regent's family member, and/or a business associated with a Regent or Regent's family member has an

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— actual or potential financial interest, or any other interest in a matter
— pending with the University that may impair independence of judgment or objectivity in the discharge of the Regent's public governance responsibilities.

— In conducting or participating in any transaction, full disclosure of any real or perceived conflict with personal interests, and removal from further participation in such matters is expected; this includes any discussion, debate or voting upon said matter. Said disclosure will be duly disclosed and noted in the minutes of the next Board meeting following disclosure of any conflict of interest.

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— **Family Member** is defined as a Regent's spouse, parent, sibling, child, domestic partner or any person residing in the Regent's household.

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Business Associated with a Regent is defined as any organization, corporation, partnership, proprietorship or other entity *if* either the Regent or Regent's Family Member:

- (a) Receives or received any present/past compensation, or has any contractual right to future income;
- (b) Served or serves as an officer, director, partner or employee;
- (c) Held or currently holds any financial interest.

2. Personal Benefit or Gain.

— Regents shall not use the authority, title, prestige or any other attribute of the office for personal benefit or gain for themselves or any family member. Regents will exhibit personal integrity, honesty and responsibility in all actions and may not use Eastern Michigan University Board membership to obtain financial gain, or for personal, business or family benefit.

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3. Favored Treatment.

— Regents shall not use the authority, title, prestige or any other attribute of the office to obtain consideration, treatment or favor for any person beyond that which is generally available. This section applies to, but is not limited to, efforts to influence administrative decisions with respect to an individual's admission, employment, discipline and similar matters. This section does *not* prohibit routine letters of recommendation or requests for information about the status of an individual's admission, employment, discipline and similar matters.

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4. Gifts, Favors and Gratuities.

— Regents shall not knowingly accept any gift, favor or gratuity from any person or entity, including another Regent, that might affect or have the appearance of affecting a Regent's judgment in the impartial performance of the duties of the office. This section shall not be construed to apply to a Regent's incidental benefit from another Regent's gift of money, property or services to the University, or to any benefit commonly available to Regents by virtue of the office. Nor shall this section be construed to prohibit acceptance of benefits from the University in connection with donations to the University. Nor does this

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—section prohibit complimentary tickets to University events furnished in
—accordance with generally accepted guidelines for attendance of University-
—related functions.

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ARTICLE 3: EXPENSES:

Regents serve without compensation, but they are entitled to reimbursement for expenses incurred while representing the University in an official capacity in accordance with guidelines on file in the Board Office. Expenses of Board members shall be reviewed bi-annually by the Chief Financial Officer of the University and the Chairman of the Board of Regents.

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ARTICLE 4: COMPLIANCE:

1. Reporting of Violations.

Anyone who believes that he or she has information indicating that an appointed Regent has violated the Code of Ethics shall make a written disclosure of the facts and circumstances to the Chair of the Board. If the alleged violation involves the Chair, the disclosure shall be made to the Vice Chair of the Board. If the alleged violation(s) of the Code of Ethics involves both the Chair and Vice-Chair, the matter will be submitted to the University's General Counsel, or his or her designee, who will present the matter for review by the entire Board of Regents.

2. Review of Allegations.

The allegation will be reviewed by the appropriate members of the Board and General Counsel, or his or her designee, to determine whether removal proceedings should be initiated against the Regent for a material violation of the Code of Ethics.

3. Hearing.

An appointed Regent accused of a material violation of the Code of Ethics shall —be afforded a due process contested case hearing in accordance with all relevant —laws, codes and procedures enacted by the State of Michigan and the University's —bylaws.

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4. Removal.

If a contested case hearing results in a finding that an appointed Regent materially violated the Code of Ethics, the Board may initiate proceedings to recommend the removal of the Regent from the Board, in accordance with the University's bylaws. If the Regent is removed, the position shall be considered vacant, and the vacancy shall be filled as provided by law.

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5. Certification.

Upon appointment and annually thereafter, Regents shall be provided with the Code of Ethics, and shall certify in writing that they have read the Code of Ethics and will comply with all of its provisions. Documentation will be submitted to the Vice President and Secretary to the Board of Regents, and kept on file within the Board Office.

ARTICLE 5: CANDIDACY FOR PUBLIC OFFICE:

Any Regent shall resign from the Board if elective to a partisan public office or any office that is incompatible to being a member of the Board of Regents.

ARTICLE 6: ANNUAL REVIEW OF CODE OF ETHICS:

At the beginning of each fiscal year, the Board, with the assistance of the General Counsel, shall publicly review the requirements and procedures of this policy.

We, the Regents of Eastern Michigan University, thus commit ourselves individually and collectively to the highest possible standards of conduct. We acknowledge that each of us shares a profound obligation to exercise our best possible judgment as we face the often perplexing matters affecting the health and vitality of this institution which we hold in trust for future generations.

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