# SYRACUSE UNIVERSITY CONFLICT OF INTEREST QUESTIONNAIRE 2016

## PURPOSE:

Pursuant to New York law, the University's Bylaws, and the requirement to disclose certain information in the University's annual information return (Form 990, as issued by the Internal Revenue Service), each University Officer and Trustee (which term shall include Life Trustees for purposes of this form) is obligated to perform the responsibilities of his or her position solely on the basis of what is in the best interests of the University. This includes, but is not limited to, being wholly free from the influence of personal considerations or relationships and from any other factors that might, or would reasonably appear to, prevent him or her from acting solely on the basis of what is in the best interests of the University.

*For further information about the University's conflict of interest expectations and requirements, please refer to Article XI of the University's Bylaws. For further information about the reporting requirements of Internal Revenue Service (IRS) Form 990, see www.irs.gov/charities and view the Instructions for Form 990.*

For the purpose of helping to ensure compliance with the foregoing requirements, each Officer and Trustee must (a) complete this Questionnaire upon assuming his or her position as such and annually thereafter, and (b) promptly advise the Chancellor of any changes to the information provided in his or her last completed Questionnaire by submitting a new Questionnaire containing the new or additional information. The duty to disclose conflicts of interest as provided in the University's Bylaws is a continuing duty, and each Trustee is required to disclose any conflict of interest with respect to a transaction even if the conflict of interest did not exist when the transaction was originally approved on behalf of the University. Completed Questionnaires shall be retained by the University Secretary in the Office of the Board of Trustees. The Chancellor, the Trustee Audit Committee, the University Secretary, and the Chair of the Board of Trustees shall have access to the Questionnaires. Please note that all conflicts must be disclosed even if they have been disclosed in previous Questionnaires.

While this Questionnaire serves to ensure compliance with New York law and the University's Bylaws, it also is the mechanism to provide the information necessary for any reporting or disclosure required on IRS Form 990. Unfortunately, the conflict of interest requirements of Article XI of the University's Bylaws and IRS Form 990 are not identical. For example, IRS Form 990 uses different definitions than does Bylaw Article XI. Furthermore, although both Bylaw Article XI and IRS Form 990 deal with similar conflict of interest concepts, they specify different transactions and matters. Therefore, we divided this Questionnaire into two separate parts. This may result in some overlap and repetition in the disclosures for each area. However, it ensures that we comply with all of the requirements of both Bylaw Article XI and IRS Form 990.



Please proceed to the next page

## PLEASE COMPLETE THE FOLLOWING QUESTIONNAIRE:

## I. BYLAWS DEFINITIONS FOR TRUSTEES AND OFFICERS

Please use the following definitions when answering **Part II** of this questionnaire. These definitions are consistent with those set forth in the New York Nonprofit Revitalization Act of 2013, and all amendments thereto.

**Affiliate:** Affiliate means, with respect to the University, any entity controlled by, or in control of, the University.

**Financial Interest:** Financial Interest means a significant (*i.e.*, non-*de minimis* or ordinary course) direct or indirect interest (including an interest through a business, investment, or a Relative) constituting (i) any legal or beneficial interest in any entity, (ii) any compensation arrangement with any entity or (iii) any potential investment interest in any entity.

**Key Employee**: Key Employee means any person who is in a position to exercise substantial influence over the affairs of the University, as referenced in 26 U.S.C. § 4958(f) (1) (A) and further specified in 26 C.F.R. § 53.4958-3(c), (d) and (e), or succeeding provisions to the extent such provisions are applicable.

**Related Party:** Related Party means (i) any Director, Trustee, Officer, or Key Employee of the University or any Affiliate of the University, or any other person who exercises the powers of Directors, Officers or Key Employees over the affairs of the University or any Affiliate of the University, (ii) any Relative of any person described in (i) above, or (iii) any entity in which any individual described in (i) or (ii) above has 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest greater than 5%.

**Related Party Transaction:** Related Party Transaction means any transaction, agreement or arrangement with respect to which the Audit Committee (or an Independent Committee so authorized by the Board) determines that (i) a Related Party has a Financial Interest and (ii) in which the University or any Affiliate is a party or participant.

**Relative:** Relative means an individual's: (i) spouse, ancestors, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great-grandchildren, (ii) domestic partners as defined in Section 2904-a of the New York State Public Health Law, or (iii) the spouse or domestic partner of an individual's brothers, sisters, children, grandchildren, and great-grandchildren.

## II. BYLAWS QUESTIONS FOR TRUSTEES AND OFFICERS

1. **Direct Related Party Transactions**. Do you, or does a Relative, have or reasonably expect to have a Financial Interest in any transaction, agreement or arrangement in which the University or a University Affiliate is a party or participant (whether existing or contemplated)?

☐ No ☐ Yes

**IF YES,** please state whether this Financial Interest has been previously disclosed and provide details in the space below:

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2. **Indirect Related Party Transactions – Control Positions**. Are you, or is a Relative, an Officer, Director, Member, Partner, or Trustee of, or do you or a Relative otherwise exercise control over, any organization that has or reasonably expects to have a Financial Interest in any transaction, agreement or arrangement in which the University or a University Affiliate is a party or participant (whether existing or contemplated)?

☐ No ☐ Yes

**IF YES,** please state whether this control position and Financial Interest have been previously disclosed and provide details in the space below:

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3. **Indirect Related Party Transactions – Ownership Interests**. Are you, or is a Relative, a shareholder having 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership greater than 5% in an organization that has or reasonably expects to have a Financial Interest in any transaction, agreement or arrangement in which the University or a University Affiliate is a party or participant (whether existing or contemplated)?

☐ No ☐ Yes

**IF YES,** please state whether this ownership interest and Financial Interest have been previously disclosed and provide details in the space below:

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4. **Indirect Related Party Transactions – Creditor Relationships**. Are you, or is a Relative, a creditor having $100,000 or more at risk with an organization that has or reasonably expects to have a Financial Interest in any transaction, agreement or arrangement in which the University or a University Affiliate is a party or participant (whether existing or contemplated)?

☐ No ☐ Yes

**IF YES,** please state whether this interest in such Transaction has been previously disclosed and provide details in the space below:

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5. **Employment Relationship.** Do you, or does a Relative, have, or reasonably expect to have, an employment or similar relationship with the University or a University Affiliate (other than a relationship as a University Trustee or Officer)?

☐ No ☐ Yes

**IF YES,** please state whether this relationship has been previously disclosed and provide details in the space below:

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6. **Other Involvement.** Is there any other circumstance in which you are directly or indirectly involved that might impair, or reasonably appear to impair, your independent unbiased judgment in the discharge of your responsibilities to the University? Examples would include any situation in which you, a Relative, or an organization described in questions 2, 3 or 4 above (a) are involved, or expects to be involved, in which the interests of you, the Relative, or the organization are adverse to those of the University, (b) has diverted, or expects to divert, from the University, whether for gain or otherwise, any opportunity in which the University has an actual or present recognizable expectancy, (c) has acquired, or expects to acquire, in opposition to the University any real, personal, or intangible property in which the University has an interest or which is reasonably useful to the University's purpose, or (d) has appropriated, or expects to appropriate, the benefit of an opportunity intended for or extended to the University.

☐ No ☐ Yes

**IF YES,** please state whether this information has been previously disclosed and provide details in the space below:

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## III. FORM 990 DEFINITIONS

Please use the following definitions when answering **Part IV** of this questionnaire. These definitions are from IRS Form 990.

**Business Relationship:** Business relationships between two persons: (a) where one person is employed by the other in a sole proprietorship or by an organization with which the other is associated as an Officer, Director, Trustee, or Key Employee (ODTKE) or greater-than-35% owner; (b) where one person is transacting business with the other (other than in the ordinary course of either party's business on the same terms as are generally offered to the public), directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of $10,000 in the aggregate during the organization's tax year; indirect transactions are transactions with an organization with which the one person is associated as an ODTKE or greater-than-35% owner; or (c) the two persons are each a Director, Trustee, Officer or greater-than-10% owner in the same business or investment entity. Ownership is measured by stock ownership (either voting power or value) of a corporation, profits or capital interest in a partnership or LLC, membership interest in a non-profit organization, or beneficial interest in a trust. Ownership includes indirect ownership (*e.g.*, ownership in an entity that has ownership in the entity in question, or ownership through multiple tiers of entities).

**Business Transactions:** Business transactions include, but are not limited to: (a) contracts of sale, lease, license, and performance of services, whether initiated during the University's tax year or ongoing from a prior year; and (b) joint ventures, whether new or ongoing, in which either the profits or capital interest of the University and of the Interested Person each exceeds 10%.

**Family Member or Family Relationship**: An individual's spouse, ancestors, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren and great-grandchildren.

**Grant:** Grants include scholarships, fellowships, research grants, stipends, internships, cash assistance, prizes, awards, goods, services, use of facilities, the gift portion of a part-sale/part-gift transaction, and similar items.

**Independent:** Independent means that all three of the following circumstances applied at all times during the University's tax year: (a) you were not compensated as an Officer or other employee of the University or of a related organization; (b) you did not receive total compensation or other payments exceeding $10,000 during the University's tax year from the University or from related organizations as an independent contractor, other than reimbursement of expenses under an accountable plan or reasonable compensation for services provided in the capacity as a member of the governing body; and (c) neither you nor any Family Member was involved in a transaction with the University (whether directly or indirectly through affiliation with another organization) that is required to be reported as a Business Transaction in the University's (or related organization's) tax return.



Please proceed to the next page

**Interested Person:** Interested person means, with respect to a Business Transaction, you (a current Officer, Director, Trustee or Key Employee), or: (a) any Family Member; (b) an entity more than 35% owned, directly or indirectly, individually or collectively, by you and/or your Family Members; (c) an entity (other than a tax-exempt organization under Section 501(c) of the Internal Revenue Code) of which you were serving at the time of the transaction as an Officer, Director, Trustee, Key Employee, partner or member with an ownership interest in excess of 5% (including ownership by a Family Member) if the entity is treated as a partnership, or a shareholder with an ownership interest in excess of 5% (including ownership by a Family Member) if the entity is a professional corporation; or (d) any management company of which you were within the past five years an Officer, Director, Trustee, Key Employee or direct or indirect 35% owner.

**Related Person:** Related Person means: (a) a Family Member; (b) a corporation, partnership, trust or estate in which you own more than 35% of the combined voting power, profits interest or beneficial interest (35% Controlled Entity); or (c) an employee (or child of an employee) of a person that contributed at least $5,000 to the University during the applicable July 1 – June 30 tax year (Substantial Contributor) or of a 35% Controlled Entity of a Substantial Contributor, but only if the employee (or child) received the grant or assistance by the direction or advice of the Substantial Contributor or 35% Controlled Entity, or pursuant to a program funded by the Substantial Contributor that was intended primarily to benefit such employees (or their children).

## IV. IRS FORM 990 QUESTIONS

Note: All Form 990 questions in this Part IV should be answered with respect to the University's tax year that started on July 1, 2015 and ends on June 30, 2016.

1. **Business Transaction**. Were you, or another Interested Person, involved in a Business Transaction with the University, for which payments were made during the University's tax year?

☐ No ☐ Yes

**If Yes,** provide the following information; attach additional sheets if necessary.

| Name | Relationship Between Person and the University | Amount of Transaction | Description of Transaction |
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2. **Grant or Assistance**. Did you or any Related Person receive any Grant or other assistance from the University?

☐ No ☐ Yes

**If Yes,** provide the following information; attach additional sheets if necessary.

| Name | Relationship Between Individual and the University | Amount of Grant/Other Assistance |
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3. **Independence**. Are you Independent? Note: You do not lack independence merely because you are a donor to the University, regardless of the amount of your contribution.

☐ No ☐ Yes

***Please note that most Trustees will answer Yes to this question.***
**If NO,** please provide the details in the space below:

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4. **Family Relationship**. Did you have a Family Relationship with another of the University's Officers, Directors, Trustees or Key Employees at any time during the University's tax year?

☐ No ☐ Yes

**If Yes,** please provide the following information:

| Name | Family Relationship Between You and the Officer, Director, Trustee or Key Employee |
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5. **Business Relationship**. Did you have a Business Relationship with another of the University's Officers, Directors, Trustees or Key Employees at any time during the University's tax year? Note: Business Relationships for these purposes exclude relationships arising from the ordinary course of business (*i.e.,* on terms generally offered to the public), and privileged relationships between attorney and client, medical and professional and patient, or clergy and communicant.

☐ No ☐ Yes

**If YES,** please provide the following information:

| Name | Business Relationship Between You and the Officer, Director, Trustee or Key Employee |
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6. **Investment Relationships.** Did you, during the University's tax year, have a family or business relationship with any individual or entity which Syracuse University has retained to provide it with investment management services; or any fund or entity in which Syracuse University has investments?

☐ No ☐ Yes

**If YES,** provide the requested information; attach additional sheets if necessary

| Name | Family or Business Relationship Between you and the Individual, Fund or Entity |
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 **Please sign and date this questionnaire on page 11**

## V. ACKNOWLEDGEMENT

I acknowledge that I have conducted a reasonable investigation of the facts and circumstances regarding any potential conflicts of interest involving me or my Family Members. I also acknowledge that, to the extent I am a Trustee, I have read the University's policy on Trustee conflicts of interest as set forth in Article XI of the University's Bylaws. I understand that transactions and arrangements between the University and me or between the University and my Family Member(s) may be required to be reported in the University's Form 990, *Return of Organization Exempt from Income Tax*, which is a public document. I understand and agree that my duty to disclose conflicts of interest is a continuing duty, and that I will promptly advise the Chancellor in writing of any changes to the information provided in this Questionnaire by submitting a new Questionnaire containing the new or additional information. By dating and signing below, I affirm that my responses above are true and complete.

Date:_____ Print Name: _____

Signature: _____

**PLEASE BE SURE YOU HAVE ANSWERED ALL QUESTIONS IN BOTH SECTIONS. PLEASE SIGN AND DATE THIS FORM AND RETURN IN THE ENCLOSED ENVELOPE BY APRIL 8, 2016.**

# Thank you