

Rhode Island School of Design Trustee Conflict of Interest Policy

The proper governance of Rhode Island School of Design, a Rhode Island nonprofit corporation organized as a college of art and design ("RISD"), depends on the service of trustees who give their time and contribute their skills and judgment for the benefit of the community through the work of RISD. The varied interests and backgrounds of the trustees may occasionally result in situations involving a duality of interest or possible conflict of interest.

The following policy with regard to duality and conflict of interest was therefore adopted effective August 17, 1994.

1. **Policy.** It shall be the policy of RISD that all trustees shall avoid any conflict between their respective individual interests and the interests of RISD while acting in their respective capacities. Further, it shall be the policy of RISD that any trustee who has an outside interest in or relationship involved in any transaction, business, or professional relationship with RISD shall refrain from attempting to exert any influence, either direct or indirect, upon the trustees or employees of RISD regarding any such transaction or relationship.

2. **Disclosure.** At least once annually, each trustee shall disclose in writing on a form provided by the President any company, firm, or institution with which he or she is connected and any other outside interest he or she may have which is or may become involved in any dealings with RISD. Copies of such written disclosures will be furnished to the Chairman and to the President and filed with the Secretary.

3. **Reporting.** Annually, the President shall report to the Audit Committee of the Board of Trustees concerning all transactions and all business or professional relationships of RISD with any of the companies, firms, or institutions or involving any of the interests, disclosed as above provided, amounting more than \$10,000 per year (in the aggregate, for each trustee). The President may at any time report to the Audit Committee concerning any such transaction or relationship regardless of the amount involved. The Audit Committee shall examine such reports and may initiate such action by way of further inquiry or otherwise as the committee deems appropriate.

4. **Conduct.** Whenever, at a meeting of any body or committee of the trustees, a matter involving any duality or conflict of interest on the part of any trustee is discussed or proposed for action, such duality or conflict shall be disclosed to other trustees present, and the trustee having such duality or conflict shall not vote or use his or her personal influence on the matter, and he or she shall not be counted in determining the quorum for the meeting. The minutes of the meeting shall reflect that such disclosure was made, the abstention from voting, and the quorum count. The foregoing requirements, however, shall not be construed to prohibit a trustee having a duality or conflict of interest from briefly stating his or her position in the matter nor from answering pertinent questions, since his or her knowledge may be of great assistance.