



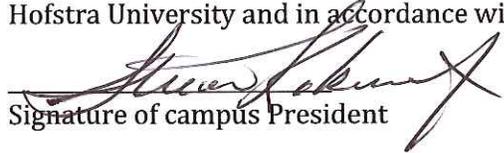
**START-UP NY
Campus Plan for Designation of Tax-Free Area(s) Memorandum**

Re: Hofstra University Campus Plan for Designation of Tax-Free Area(s) ("Campus Plan")

Date: September 26, 2017

For campus Office of the President:

The arrangement documented in the attached Campus Plan is aligned to the academic mission of Hofstra University and in accordance with all policies, procedures, and guidelines.



Signature of campus President

Stuart Rabinowitz

Print Name



To: Howard Zemsky, President & CEO Empire State Development and
Commissioner, NYS Department of Economic Development

From: President Stuart Rabinowitz, Hofstra University

Re: Hofstra University's Campus Plan for Designation of Tax-Free Area(s)

Date: September 26, 2017

I, President Rabinowitz of Hofstra University hereby certify the following:

- a.) we comply with the Hofstra University START-UP NY Conflict of Interest Policy and the Hofstra University Conflict and Commitment Policy, and attached copies of the policies and/or guidelines herewith; and
- b.) we are aware of the non-governmental use limitations associated with state issued tax exempt bonds and if our proposed Tax-Free NY Area was financed with tax exempt bonds, we will: 1.) make potential businesses aware of these limitations when marketing property; and 2.) take appropriate steps to ensure that non-governmental use of property funded with tax-exempt bonds will not jeopardize the tax-exempt status of state issued bonds; and
- c.) the information contained in the enclosed application is accurate and complete.


PRESIDENT'S SIGNATURE

9/26/17
DATE



Attachments/Enclosures:

- 1.) Campus map shaded to indicate building containing proposed tax-free space
- 2.) Floor Plans of Space with Square Footage
- 3.) Excel spreadsheet of property to be designated
- 4.) Applicable conflict of interest policies



START-UP NY CAMPUS PLAN FOR DESIGNATION OF TAX-FREE AREA(S)

Campus Name: Hofstra University
Campus Contact Name: Mark J. Lesko
Campus Contact Title: Vice President for Economic Development
Campus Contact E-mail: Mark.J.Lesko@Hofstra.edu
Campus Contact Phone: (516) 463-7486

THE TAX-FREE NY AREA PLAN SHALL BE DEVELOPED BY THE CAMPUS TEAM AND PROVIDE THE FOLLOWING REQUIRED INFORMATION:

1) Specification or identification of space or land proposed for designation as a Tax-Free NY Area identifying the following:

Campus Address:

Hofstra University
144 Hofstra University
Hempstead, NY 11549-1440

Address of Proposed Tax-Free NY Area:

Joan and Donald E. Axinn Library
Room 246, "ideaHUB"
123 Hofstra University
Hempstead, NY 11549-1440

Oak Street Center
255 Hofstra University
Hempstead, NY 11549-2550

Description of Physical Characteristics of Proposed Tax-Free NY Area:

Hofstra University requests that 3,062 square feet of vacant space on campus be designated as START-UP NY space.

In September 2015, Hofstra University's Center for Entrepreneurship began virtually incubating startup companies on campus and, in March 2016, Hofstra University opened its business incubator in the Joan and Donald E. Axinn Library called the "ideaHUB," a collaborative environment for students and startup companies administered by the Center for Entrepreneurship.

The ideaHUB will have 441 square feet of START-UP NY designated office space for smaller startup companies with fewer than five employees. The ideaHUB has event space, a lounge, a kitchenette, and a prototyping facility.

In January 2017, the University opened the newly renovated Oak Street Center on Hofstra University's campus. The Oak Street Center has convenient parking for companies, their employees, and visitors and is easily accessible to the rest of Hofstra's campus. The Oak Street Center houses the Scott Skodnek Business Development Center, which provides services to regional entrepreneurs, and the Continuing Education Department, which administers adult and youth education programs.

Hofstra University will have a total of 2,621 square feet at the Oak Street Center in three separate modular units on campus land that will be designated as START-UP NY space: one 12 by 56 modular unit (672 square feet), one 24 by 56 modular unit (1,344 square feet), and one 11 by 55 modular unit (605).

2) The total square footage of the space and/or acreage of land proposed for designation as a Tax-Free NY Area is:

3,062 square feet

3) Provide a description of the type of business or businesses that may locate in the area identified in #1.

Hofstra University will target technology-based businesses to contribute to Long Island's innovation-based economy. The sectors of these businesses may include:

- Information technology, including cybersecurity, social/mobile/digital technologies, software companies, and big data companies.
- Clean energy.
- Biotechnology.
- Engineering/Advanced Materials.
- Food technology.
- Digital film technologies.

4) Provide a description of the campus academic mission, and explain how the businesses identified in #3 will align or further the academic mission of the university or college.

Hofstra University is a private institution whose primary mission is to provide a quality education to its students in an environment that encourages, nurtures, and supports learning through the free and open exchange of ideas, for the betterment

of humankind. Hofstra University is fully committed to academic freedom and to the transmission, advancement, and preservation of knowledge for its own academic community and for the community at large. Hofstra University offers undergraduate and graduate programs taught by a research-active and professionally engaged faculty. Academic excellence guides everything the University undertakes.

The mission of the Center for Entrepreneurship, which will administer the START-UP NY program, is to provide Hofstra University's students, faculty, staff and alumni with the skills and training necessary to become accomplished entrepreneurs and to establish Hofstra University as a leader in Long Island's entrepreneurial ecosystem.

The Center for Entrepreneurship will integrate the technology businesses participating into the START-UP NY program into its programming to both enhance the entrepreneurial offerings for students and the Hofstra community and also contribute to Long Island's economic development.

The Center for Entrepreneurship provides experiential learning opportunities for all students at Hofstra and also administers events and competitions that are also open to community members.

From the 2015-2016 to 2016-2017 academic years, the Center for Entrepreneurship has experienced the following increase in engagement:

- Applicants to competitions increased from 102 to 242.
- Attendance at events increased from 505 to 1235.
- Visits to ideaHUB increased from 1023 to 4216.

To date, the Center for Entrepreneurship's metrics include 344 applicants to competitions; \$119,500 in prize money distributed; 264 mentor sessions; 81 prototypes tested; and 66 events held.

The Center for Entrepreneurship's programming includes:

- The Hofstra-Digital Remedy Venture Tech Challenge, a business plan competition with prizes valued at \$100,000 annually that helps students turn innovative ideas into a business by working through the early stages of venture creation.
- The Center for Entrepreneurship's Entrepreneur-in-Residence program provides students with valuable mentorship and training from experienced CEOs and investors and assists students with ideation, customer validation, development of a business model, and formation of the product pitch.
- Pitch competitions and workshops on various topics related to entrepreneurship.

- Experiential learning opportunities that complement the undergraduate and graduate business curriculum.
- An Entrepreneurship and Intellectual Property Law Practicum, which provides pro-bono legal services to student startups and local entrepreneurs.
- Hofstra's new student-run record label, which affords students from the Lawrence Herbert School of Communication, Hofstra College of Liberal Arts and Sciences, Frank G. Zarb School of Business, and the Fred DeMatteis School of Engineering and Applied Science the opportunity to run a record label, which involves signing an artist, developing and releasing music, and interacting with Executives-in-Residence from the music industry.
- InnovateHER Competition: The Center for Entrepreneurship was a local host of the Small Business Administration's InnovateHER Competition in 2015 and 2017. InnovateHER seeks entrepreneurs who are developing products and services that demonstrate a measurable impact on the lives of women and families.
- Startup Weekend: The Center for Entrepreneurship was selected by Techstars to host Startup Weekend, an event at Hofstra that teaches entrepreneurs from all over the world how to start a company.

The Center for Entrepreneurship works closely with the Scott Skodnek Business Development Center (BDC). The BDC administers the Entrepreneurial Assistance Program (EAP) that offers workshops that provide "nuts and bolts" skills for successful business development, creation of a business plan and Minority and Women-Owned Business Enterprise Certification. EAP has been funded by New York State Empire State Development Corporation since 1991. EAP has contributed to microenterprise development by assisting over 1,316 micro-entrepreneurs with training, technical and financial assistance to start and expand their businesses on Long Island. Over 411 businesses were started, 1,010 jobs were created, sales increased by \$29.8M, \$18.6M was secured for financing, and 35 MWBE applications have been developed. The target market for the EAP program is minority group members, women, veterans, displaced workers, dislocated workers, individuals with special needs, and entrepreneurs in adjacent economically disadvantaged communities. The EAP also schedules workshops in collaboration with Nassau Literacy and the Central American Refugee Center, both located in underserved areas of Nassau County. The program allows New Americans to gain knowledge of business development.

There will be many opportunities for technology companies to engage with students participating in the Center for Entrepreneurship's programs, including:

- Serving as mentors to students,
- Judging business plan competitions, and
- Hosting workshops for students.

The Center for Entrepreneurship is part of the technology transfer process to enhance commercialization efforts at Hofstra University.

In addition, the technology sectors identified for the START-UP NY program will complement Hofstra University's academic programs and provide opportunities for collaboration between students, faculty, and START-UP companies such as expansion of co-op and internship programs. These academic programs include:

- **Zucker School of Medicine at Hofstra/Northwell:** In March 2008, Hofstra University and Northwell Health (formerly North Shore-LIJ Health System) entered into a formal agreement that established the School of Medicine, the first allopathic medical school in Nassau County and the first new medical school in the New York metropolitan area in more than 35 years. On August 1, 2011, the School welcomed its inaugural class. The School of Medicine is built upon a strong partnership between the clinical and graduate medical education programs of Northwell Health, and the robust research and academic programs of Hofstra University and the Feinstein Institute for Medical Research. The School also opened the doors to its expansion building in 2015, which increased the size of the main education site. The first class of the Medical School graduated in May 2015 and there were 6,000 applicants for 100 spots in the class that started in September 2015.
- **Fred DeMatteis School of Engineering and Applied Sciences (SEAS):** In 2012, Hofstra created an independent school for the disciplines of engineering and computer science. SEAS has seen enrollment increase from 325 students in 2012 to over 747 students in 2016. The school's co-op program provides the opportunity for employment of engineering and computer science students in a company for eight months, in a full time, paid position, in a field related to the students' major. During their junior year, students take a semester off from their academics and couple it with a summer to acquire real world experience. SEAS has state-of-the-art laboratories, including the Bioengineering Laboratory, the Robotics Laboratory, and the Big Data Laboratory, which contains a server cluster built from 21 individual servers and is utilized to teach students skills in industries including cloud computing, healthcare informatics, finance, data integration, and data analytics. Entrepreneurship is an integral focus of the programs at SEAS and students are able to create prototypes and experiment with projects at early stages in their careers. In addition, the Center for Innovation in SEAS has sophisticated equipment and works with local businesses to support prototype development without taking any intellectual property stake.

- **Frank G. Zarb School of Business:** Among the course offerings in the Frank G. Zarb School of Business includes an undergraduate major and minor in Entrepreneurship, an undergraduate major and minor in Supply Chain Management, and an MBA concentration in Quality Management. The Center for Entrepreneurship advises the Hofstra Business Consulting Group (HBCG), which has provided consulting to regional businesses since 1988. Executives-in-Residence at the Business School are also available to provide advice and have extensive experience in finance, management, advertising, healthcare, marketing, technology, retail, entrepreneurship, analytics, education and tax, among others.

5) Provide a description of how participation by these types of businesses in the START-UP NY Program will generate positive community and economic benefits:

i. Community Benefits

Hofstra University will seek to recruit companies that include community outreach and community benefits as part of their strategy.

Hofstra will evaluate potential START-UP NY candidates based upon their plans for:

- Outreach to underserved communities to recruit for open positions within the company.
- Testing their products or services in the local communities.
- Having a “triple-bottom line” approach that addresses issues in underserved communities as part of its strategy.

Hofstra University will also seek to support the development of minority and women-owned businesses as part of the START-UP NY program and provide services through the Scott Skodnek Business Development Center to assist with MWBE certification through New York State.

ii. Economic Benefits

Hofstra University’s economic goals for the START-UP NY program are to assist resident companies with their growth strategies, creating new job opportunities for both students and Long Islanders. Hofstra University’s support services will enhance the probability of success of the START-UP NY companies located at the ideaHUB, positively contributing to Long Island’s innovation-based economy.

The Center for Entrepreneurship was designed to serve as a new economic engine for Long Island, cultivating original, inventive thinking and systematic follow-up to fuel successful ideas-based economic development. The Center for

Entrepreneurship will collaborate with the START-UP NY participants to assist them with their early stage businesses to help them grow. The alignment of the START-UP NY program with the Center for Entrepreneurship will also result in increased opportunities for internships and future job opportunities for students at Hofstra University.

The START-UP NY companies will have access to the other programs at Hofstra University for entrepreneurs to stimulate job growth and private investment, including the Scott Skodnek Business Development Center and the Center for Innovation.

The START-UP NY site at Hofstra University will attract new technology-based, high-growth companies to the area that will contribute to the economic revitalization of Long Island.

6) Provide a description of the process the Sponsor (campus) will follow to select participating businesses. The description should identify the membership of any group or committee that may make recommendations, the final decision-maker, and the criteria that will be used to make decisions. This group or committee must include representation from faculty governance.

i. Selection Committee

The proposed Hofstra START-UP NY Selection Committee will include the following representatives from the University or their designees:

- The Provost and Senior Vice President for Academic Affairs
- The Chair of the University Senate Planning and Budget Committee
- The Senior Vice President for Legal Affairs and General Counsel
- The Senior Vice President for Financial Affairs and Treasurer
- The Vice President for University Relations
- The Vice President for Facilities and Operations
- The Vice President for Economic Development
- The Dean of the Frank G. Zarb School of Business
- The Dean of the Fred DeMatteis School of Engineering and Applied Science

ii. Approval Process

The Center for Entrepreneurship will receive applications, meet with the entrepreneur to screen for eligibility, and obtain a draft application and electronic presentation for the entrepreneur, which must describe the company's product/technology, market, revenue model, management team, financial and growth projections and alignment with Hofstra University's academic mission.

This electronic presentation and the draft application will be given to the Selection Committee for review. The Selection Committee may decide to meet with the applicant or ask for experts to review the application to assist with an evaluation. The Selection Committee will then assess the applicants based upon the Selection Criteria below. Hofstra University will rely on New York State Empire State Development to determine eligibility.

Depending on industry of the business, faculty or administrators with relevant expertise may be asked to join the Selection Committee.

The President will make the final approval upon recommendation from the Selection Committee and then the company will start the New York State Empire State Development START-UP NY application and Hofstra will fill out the sponsor application.

The Center for Entrepreneurship will work with partners on Long Island to market the program and receive referrals, including local community members, leaders, and government officials, incubators, Industrial Development Agencies, the regional office of New York State Empire State Development, and economic development organizations such as the Long Island Association.

iii. Selection Criteria

The criteria to select a business in Hofstra University's START-UP NY program will include:

General Criteria

- Is the business in a technology-based industry sector?

Academic Alignment

- Does the business align with the academic mission of Hofstra University?
- Will the business complement existing academic programs?
- Does the business align with the mission of the Center for Entrepreneurship?
- Will the business engage in the programming of the Center for Entrepreneurship, such as providing mentorship to student entrepreneurs?
- Will the business provide experiential learning opportunities, such as internships, to students and graduates?
- Will there be opportunities for faculty to get involved in the company, from a research and development perspective?

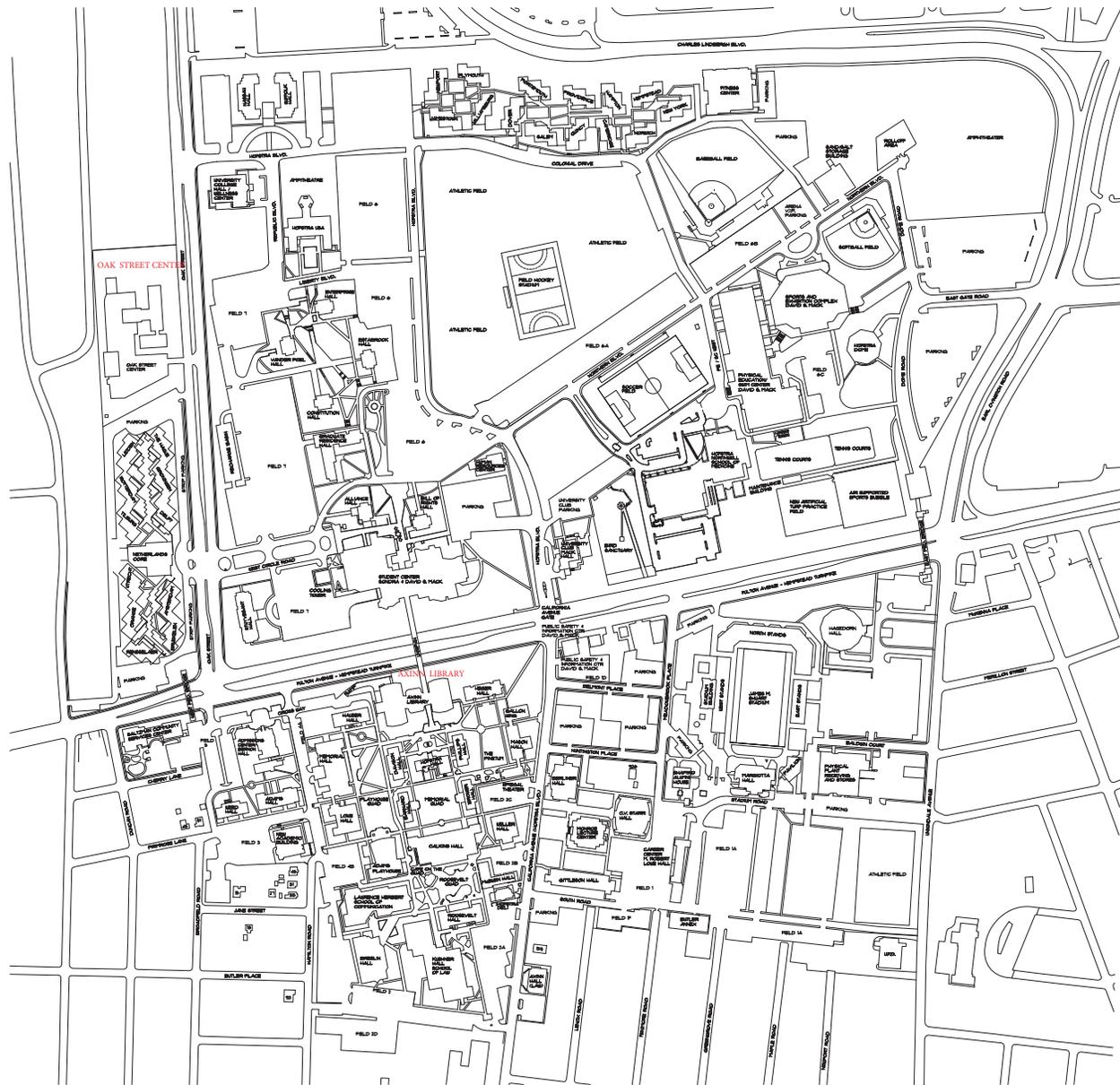
Economic Benefit

- Does the business provide a realistic roadmap for creating new jobs?

- Does the technology address an un-met market need?
- Is the technology likely to attract private investment?
- Does the business have a viable long-term growth strategy?
- Will the University receive a financial benefit from the terms of the Use Agreement?

CommunityBenefit

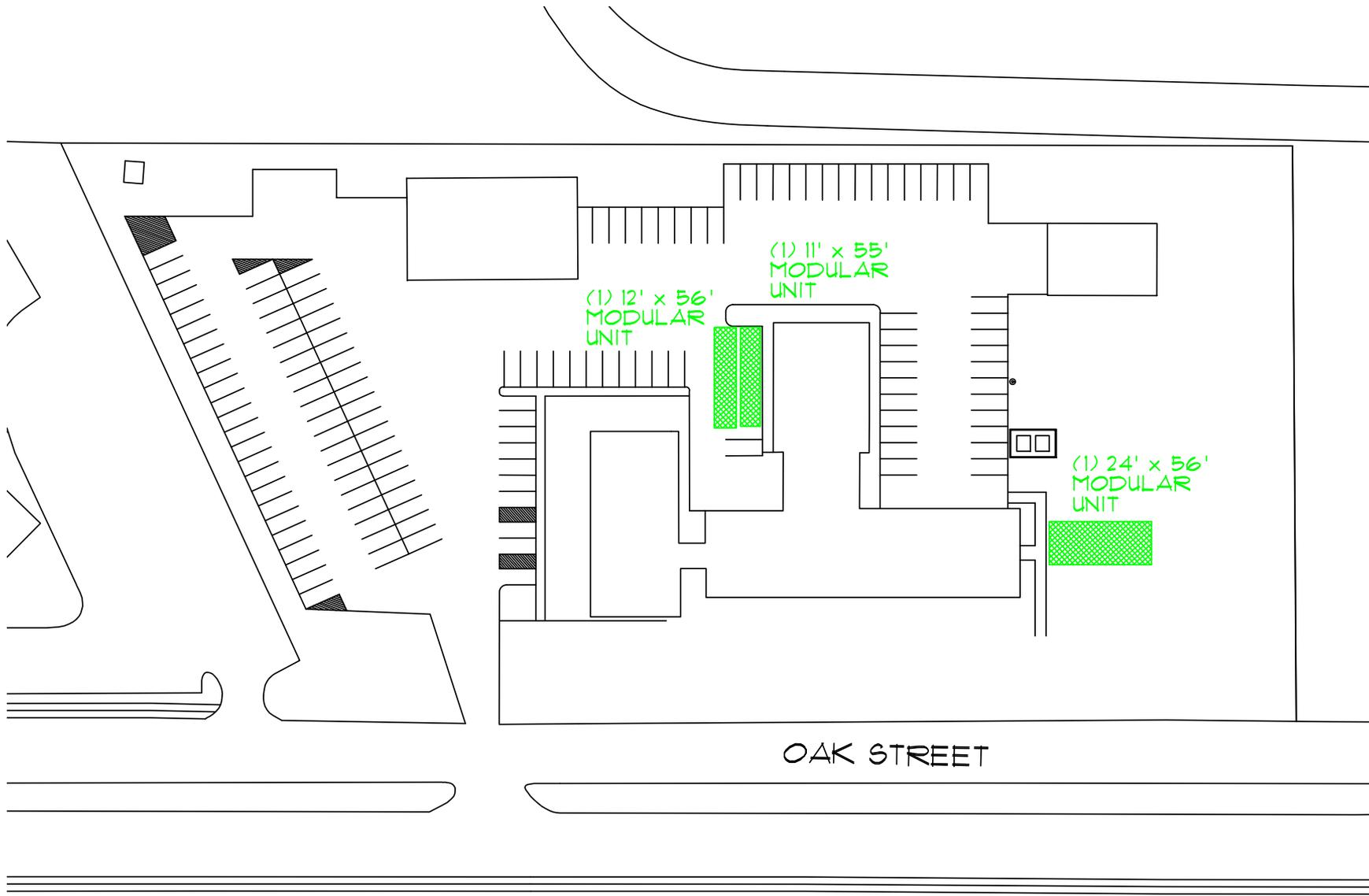
- Will the business recruit employees from the local workforce?
- Does business plan to target underserved communities?
- Does the business have a plan to scale on Long Island?



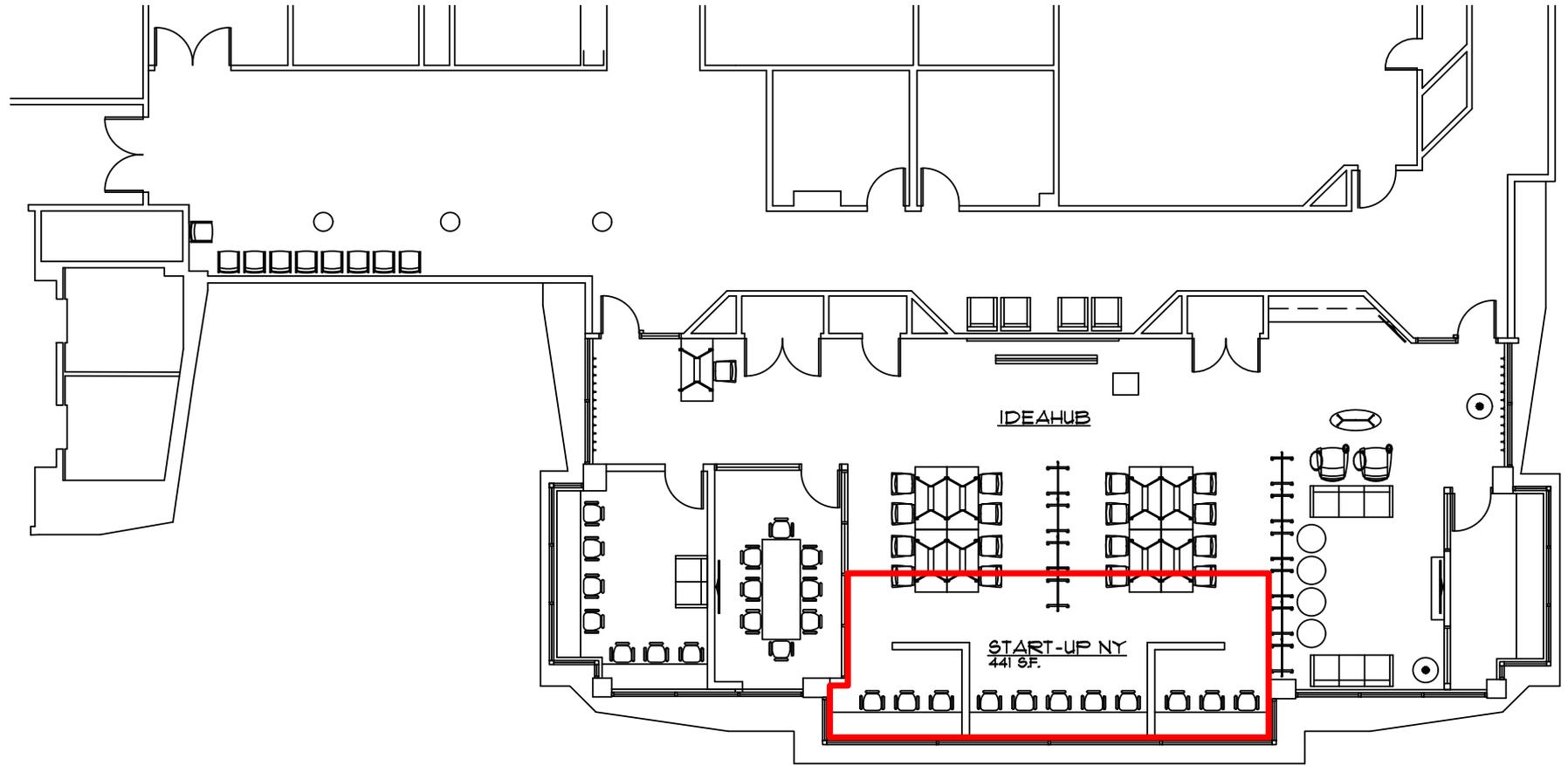
HOFSTRA UNIVERSITY CAMPUS MAP

SCALE: 1"=200'

NOVEMBER 21, 2016



OAK STREET



HOFSTRA UNIVERSITY
IDEAHUB
AXINN LIBRARY

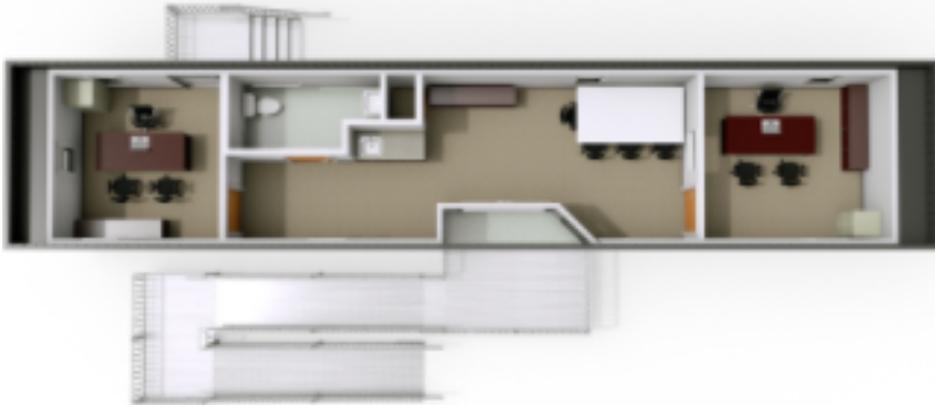
24 by 56 Modular Unit



- Three private offices
- One common room
- Insulated walls, ceilings, and floor
- EPDM rubber roofing
- Plenum wall for reduced noise
- Designer-style siding with matching trim and mansard-style roof
- Vertical sliding windows
- Single or double lockable front doors
- Recessed front entry porch
- (1) 36"x80" private entrance exterior door
- 4' recessed fluorescent lighting
- Vinyl-covered gypsum wallboard
- Commercial-grade carpeting
- Electric heating and AC with thermostat
- Adjustable heat/air diffusers in ceiling
- Electric water heater
- Coffee bar with steel sink, counter and storage cabinet
- Storage closet

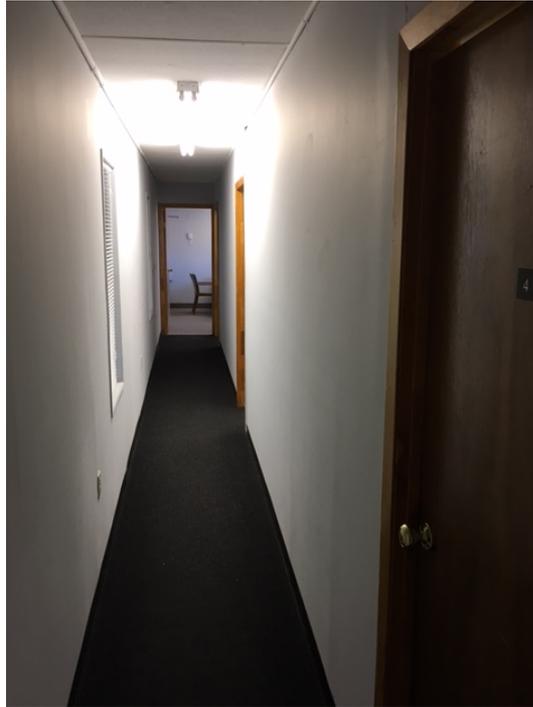


12 by 56 Modular Unit



- Two large private offices and a common area
- Insulated walls, ceiling and floor
- EPDM rubber roofing
- Plenum wall for reduced noise
- Designer-style siding with matching trim and mansard-style roof
- Vertical sliding windows
- Single or double lockable front doors
- Recessed front porch entry
- (1) 36" x 80" private entrance exterior door
- 4' recessed fluorescent lighting
- Vinyl-covered gypsum wallboard
- Commercial-grade carpeting
- Electric heating and AC with thermostat
- Adjustable heat/air diffusers in ceiling
- Electric water heater
- Coffee bar with steel sink, counter, and storage cabinet
- Storage cabinet
- Storage closet

11 by 55 Modular Unit



- Five separate offices: two larger offices on the ends and three smaller offices



Sponsor	Location	UniqueID	16V Incubator	Owner	PropertyType*	StreetAddress	City	ZipCode	ParcelID	Building	SpaceType**	SqFt	Acres	Description	onCampus	Within1mileOfCampus	More than 1 mile off campus (requires waiver)	Latitude	Longitude	Note	County
Hofstra University	Hempstead, NY	1	No	Hofstra University	1	123 Hofstra University	Hempstead	11549-1440		Donald E. Axinn Library	C	441	N/A	"IdeaHub" incubator	Yes	N/A	No	40.7146060	-73.6009310		Nassau County
Hofstra University	Hempstead, NY	1	No	Hofstra University	1	225 Hofstra University	Hempstead	11549-2550		Oak Street Center	D	2621	N/A	Three separate modular units adjacent to the Oak Street Center	Yes	N/A	No	40.7177410	-73.6057810		Nassau County

* 1= on campus
2= 1 mile off campus
3= State Asset

** A=entire building
B=floor within building
C=Room within building
D=land on campus
E=land off campus
F=entire building off campus
G=partial building off campus
H=state asset

Hofstra University START-UP NY Conflict of Interest Policy

Hofstra University (the "University") participates in New York State's START-UP NY program, which offers tax incentives for new and expanding businesses in New York State that are associated with a sponsoring university or college. As a sponsoring university, the University must adopt a conflict of interest policy pursuant to New York Economic Development Law § 439 and 5 NYCRR § 220.20 that (1) prohibits persons from participating in any activity related to the University's START-UP NY program that would cause those persons to experience a conflict of interest and (2) requires the reporting of all actual or potential conflicts of interests the University becomes aware of in the course of administering the University's START-UP NY program.

This Conflict of Interest Policy applies to officials of the University, as defined below, and also applies to members of any panel or committee that recommends businesses for acceptance in the University's START-UP NY program, including persons unaffiliated with the University who serve as members of such panel or committee. Officials of the University are also subject to the University's Conflict of Interest and Commitment policy. The definitions in this policy are drawn largely from the New York Economic Development Law § 439 and 5 NYCRR § 220.2.0. Hofstra University employees are also subject to Hofstra University's Conflict of Interest and Commitment Policy.

Members of the Selection Committee and University officials who have interaction with the START-UP NY program must sign this Conflict of Interest Policy annually and send them to the Center for Entrepreneurship by January 1st of each year. The Center for Entrepreneurship will forward the Conflict of Interest policies to the Provost for review, and the Provost will forward any disclosures of actual or potential conflicts of interest to the New York State Commissioner of Economic Development by January 31st of each year.

A. Conflict of Interest Policy

1. As a general principle, service as an official of the University shall not be used as a means for private benefit or inurement for the official, a relative thereof, or any entity in which the official, or relative thereof, has a business interest.
2. No official who is a vendor or employee of a vendor of goods or services to the University, or who has a business interest in such vendor, or whose relative has a business interest in such vendor, shall vote on, or participate in the administration by the university or college, as the case may be, of any transaction with such vendor; and
3. Upon becoming aware of an actual or potential conflict of interest, an official shall advise the University, as the case may be, of his or her or a relative's business interest in any such existing or proposed vendor with the university or college.

B. Definitions

1. An official of the University has a "business interest" in an entity if the individual:

- a. Owns or controls 10% or more of the stock of the entity (or 1% in the case of an entity the stock of which is regularly traded on an established securities exchange); or;
 - b. Serves as an officer, director or partner of the entity;
2. An "official" of the University shall mean a University Trustee, an employee at the level of dean and above, as well as any other employee with decision-making authority over the START-UP NY Program.
3. "Selection Committee Member" means any person who serves on the University's START-UP NY Selection Committee that recommends businesses for acceptance into the University's START-UP NY program.
4. A "relative" of an official of the University shall mean any person living in the same household as the individual and any person who is a direct descendant of that individual's grandparents or the spouse of such descendant; and

C. Disclosing Conflicts of Interest

In addition to signing this statement annually, Selection Committee Members and University Officials who have interactions with the START-UP NY program have a duty to disclose on an ongoing basis any current, proposed, or pending situations that may constitute a Conflict of Interest related to the University's START-UP NY program, including (but not limited to) the Business Interest of an Official, Selection Committee Member, or Relative thereof, in an existing or proposed vendor of the University that is a participant in the University's START-UP NY program. Such disclosures should be made to the Executive Dean of the Center for Entrepreneurship.

If an Official, Selection Committee Member, or relative of such individual has a business interest in a business entity the University is sponsoring or considering sponsoring to participate in the START-UP NY program, or if the Official or Selection Committee Member would experience a Conflict of Interest through his or her participation in any University business pertaining to any business entity the University is sponsoring or considering sponsoring to participate in the START-UP NY program, such individual must fully recuse himself or herself from all business related to the business entity applying to or participating in the START-UP NY program.

D. Record Keeping and Reporting

The Center for Entrepreneurship will maintain a written record of all Conflict of Interest disclosures made under this policy, and will report such disclosures, on a calendar year basis, by January 1st of each year, to the University's President and to the University's Provost. The University's Provost will forward such reports to the New York State Commissioner of Economic Development, who will make public such reports.

Hofstra University START-UP NY Conflict of Interest Policy

E. Oversight and Administration

The Center for Entrepreneurship may make changes to this policy from time to time, as they deem appropriate. The Provost will oversee the implementation of, and compliance with, this policy.

Hofstra University START-UP NY Conflict of Interest Policy

HOFSTRA UNIVERSITY START-UP NY DISCLOSURE STATEMENT

Name: _____

Address: _____

Job Title and Department: _____

Direct Supervisor: _____

Director: _____ Vice President: _____

1. I confirm that I have received and read and will comply with both the spirit and the letter of the Hofstra University START-UP NY Conflict of Interest Policy.
2. I confirm that as of today's date, there are no disclosures required to be made by me in accordance with the procedures set forth in the Policy, except _____ (provide details in an attached statement or indicate "none").
3. I confirm that I will avoid participating in any START-UP NY decisions in which, by any reasonable standard, it could be said that I, or a relative, have any personal, financial, or other stake in the decision or where other outside influences of any type could influence my independent judgment.
4. Where there is a question regarding any action involving me, or a relative, that could reasonably be construed as a conflict of interest under the policy, I will raise the question in advance with the Center for Entrepreneurship.

Signature _____

Date _____

Hofstra University

Conflict of Interest and Commitment Policy

1. **Statement of Policy.** The University, including its trustees, officers and employees, have a clear obligation and commitment to conduct all affairs of the University in accordance with the highest standards of integrity and ethics, and in compliance with applicable federal and state laws and with the standards set forth below related to conflict of interest and commitment to the best interests of the University.

All employees of the University must avoid conflicts of interest or any appearance of conflicts between their own personal interests and the interests of the University. All employees are obligated to avoid any situation in which an actual or potential conflict of interest could arise. Any situation or activity involving a potential conflict of interest must be disclosed in advance in accordance with the policy and procedures set forth below.

2. **Scope of Policy.** This policy applies to all officers and employees of the University, including full and part-time employees (hereafter "Employees"), including students who are employed by the University.
3. **No Compensation Except as Employee.** No Employee or any affiliate of such Employee, as defined in paragraph (a) below, may serve as a paid consultant or enter into a paid employment or contractual relationship with the University, or otherwise provide services to the University for payment, except in his or her capacity as an Employee of the University.
 1. **Definition of Affiliate.** An affiliate is defined to include (i) an organization of which an Employee is an officer, director, trustee, partner, Employee or agent and from which an Employee would materially benefit directly or indirectly if such organization were to provide goods or services to the University; (ii) an organization in which the Employee is either an actual or beneficial owner of more than five (5%) percent of the voting stock or controlling interest of such an organization; (iii) an organization with which the Employee has any other direct or indirect dealings from which he or she knowingly or materially benefits, e.g., through receipt directly or indirectly of cash or other property for services rendered; (iv) any spouse, parent, child, sibling or in-law of a Employee or an in-law of any such spouse, parent, child or sibling; or (v) any parent, child or sibling of an Employee's spouse or an in-law of any such parent, child or sibling.
 2. An Employee must disclose in advance (see Section 6 below) any proposed business relationship between the University and the Employee or an affiliate of such Employee, such as those described in paragraph (a) above, and obtain written approval before the Employee or the Employee's affiliate is permitted to do business with the University in any capacity. In any instance in which such written approval is obtained, the Employee shall not participate on behalf of the University in any transaction involving the University.
4. **Conflict of Interest in Employment and Business Practices.** University Employees must not allow a personal or outside interest to interfere with their duties and responsibilities to the University. Even the appearance of a conflict of interest should be avoided. Any

situation or activity which could give rise to an actual or apparent conflict of interest should be disclosed in advance in accordance with Section 6 below.

While it is not possible to provide an all-inclusive list of examples of situations giving rise to a conflict of interest or the appearance of a conflict of interest, the following is a list of situations which, unless disclosed and approved in advance, present conflicts of interest in violation of University policy:

1. Doing business with the University through an affiliate, as defined in Section 3(a) above;
2. Conducting business on behalf of the University with an affiliate, as defined in Section 3(a) above;
3. Having a private business relationship with any person or entity doing business with the University;
4. Assisting anyone seeking to do business with the University by providing confidential University information to such person or entity ;
5. Having a personal business relationship with a competitor of the University;
6. Accepting cash gifts of any amount from any person or entity doing business with the University;
7. Accepting non-cash gifts of any type, including materials, services or entertainment, at no cost or at unreasonably discounted prices, from persons or entities doing business with the University, particularly in situations in which a reasonable person would infer that the intention of such gift was to influence your decisions and actions on behalf of the University. (An occasional lunch or dinner is not prohibited by this paragraph, nor is the receipt of an occasional holiday (or other) gift or attendance at a charitable event as a guest. Acceptance of a personal gift having more than a nominal value is prohibited by this paragraph (g));
8. Engaging in the unauthorized use or dissemination of confidential, privileged or proprietary information obtained as a result of your employment at the University, and/or using or disseminating such information for personal benefit or for the benefit of some other person or entity, absent the University's consent to such use or dissemination;
9. Soliciting personal gifts or special favors from any person or entity doing business, or seeking to do business, with the University;
10. Supervising or evaluating the work of a relative or of any person defined as an affiliate pursuant to Section 3(a) above;
11. Participating in any decision that involves either a direct benefit or detriment to a person defined as an affiliate in Section 3(a) above;
12. Conditioning any actual or potential business relationship with the University on a charitable gift or contribution to the University;
13. Involvement in any other situation or activity in which an actual or the potential for a conflict of interest exists.

The purpose of the above examples is to ensure that the Employee discloses and discusses in advance any questionable situation that may arise. The failure to disclose any questionable situation suggests that a conflict of interest exists. Accordingly, the Employee should bring to his or her Supervisor's attention any situation that may

potentially create a conflict of interest or the appearance of one in accordance with Section 6 below.

5. **Commitment to University.** Every Employee owes a duty of loyalty and trust to the University and shall be alert to the possibility that outside obligations, financial interests or other employment can affect the Employee's commitment to the University. Any involvement by a University Employee in personal business ventures shall be conducted solely outside the University work environment and not during times when he or she is required or expected to perform the duties and responsibilities of his or her University employment. An Employee may not use University resources, including but not limited to office equipment, supplies or support staff in furtherance of any personal business venture.

The University is generally supportive of the professional, charitable and philanthropic outside interests of its Employees. Thus, an Employee's outside interests falling into these categories may be supported by the University in appropriate circumstances. In all instances, however, the Employee is required to obtain permission before pursuing such professional, charitable or philanthropic activities within the University work environment.

6. **Disclosure Responsibilities.** It is the responsibility of every Employee to discuss with his or her supervisor any situation or activity that might result in a conflict of interest or a violation of this policy before participating in that situation or activity. An Employee must refrain from participating in any questionable activity unless and until the Employee is expressly permitted to do so by his or her Supervisor.

Any Supervisor to whom a disclosure is made shall determine whether the questionable situation or activity presents a potential conflict of interest. Unless the Supervisor is able to determine that no such potential conflict of interest exists, the Supervisor shall require the Employee to disclose the activity in writing, and the disclosure and entire situation shall be reviewed with the appropriate Director before determining whether the Employee should be permitted to participate in the particular situation. The Director, in turn, shall not permit any Employee to participate in any questionable activity unless and until the Director has reviewed, discussed and disclosed the activity to the appropriate Vice President. The Vice President may determine that the proposed activity or situation may continue provided that the Vice President determines that sufficient safeguards exist to protect fully the University's interests. Such a determination shall be set forth in writing.

Any Director or Vice President may seek a determination from the University's General Counsel as to whether a potential conflict of interest is presented. Even if a potential conflict of interest is presented, the Vice President may determine that the activity or situation may continue because the Vice President has determined, and General Counsel agrees, that there are sufficient safeguards in place to ensure that the University's interests are fully protected.

An Employee who disagrees with a determination made pursuant to this Policy may seek review by the President, whose decision shall be final.

7. Non-Compliance With This Policy. Any failure to comply with this policy, including the failure to disclose possible conflicts of interest or the refusal to cease activities that are determined to be in conflict with the University's best interests, may be grounds for disciplinary action and may lead to termination.
8. Annual Disclosure and Compliance Affirmation Statement. Employees shall be required to file on an annual basis a Disclosure and Compliance Statement disclosing their personal interest, direct or indirect, in any University transaction during the previous year and affirming that (i) the Employee has read the University's Conflict of Interest and Commitment Policy, (ii) the Employee will avoid participating in any University decision in which the Employee or any affiliate could be said to have any personal financial or other stake in the decision or where other outside influences could influence the Employee's independent judgment. Copies of all Disclosure and Compliance Statements shall be kept as a matter of record in the Human Resources Department.
9. Any questions concerning this Policy may be addressed to the University's Office of General Counsel.

ADDENDUM TO CONFLICT OF INTEREST AND COMMITMENT POLICY (THE POLICY)

In addition to the University's general rules governing conflict of interest and commitment as set forth in the Policy, there are additional, more detailed rules and standards applicable to employees who interact with vendors who provide goods or services to our students, including lenders or any other entity seeking to provide goods or services to our students. To avoid any appearance of conflict of interest, in such situations no employee is permitted to accept any item of value, including any meal or other form of entertainment opportunity (i.e., such as tickets), or any personal gift of any nature or type.

If any gift is sent to a general University office (i.e., holiday gift baskets), the gift must be placed in a common area and made available to all. Non-food items (writing pads, pens, or other token items), must also be placed in a common area. Any other type of gift having more than nominal value must be returned to the vendor.

Employees are also prohibited from receiving any compensation or reimbursement of expenses for serving as a member of or participating on an advisory board of a lending institution or any other institution providing services to University students. An employee invited to serve on an advisory board may only do so after receiving permission of the University pursuant to this policy. Pursuant to applicable laws pertaining to financial aid, the University does not permit employees or agents of any such institution to staff its financial aid office at any time, nor allow any institution to use the University's name, emblem, mascot, logo, or any other words, pictures or symbols associated with the University, to imply endorsement of private educational loans offered by a lending institution.

[Last revised 3/2/10]