

Conflict of Interest Policy

COIN-OR Foundation

April 20, 2006

Article I Purpose and Principles

The mission of the COIN-OR Foundation (the Foundation) is to create and disseminate knowledge related to all aspects of computational operations research to a community of students, educators, and practitioners in the field, and to the general public. To accomplish this mission, the Foundation requires the support of the community as a whole, as users and contributors of software and other intellectual content, and as members and patrons of the Foundation. To earn and keep this support, the Foundation must be, and be seen to be, a body that offers benefits to all members of the community in equal measure.

The purpose of this policy is to protect the integrity of the Foundation's decision-making process, to enable our constituencies to have confidence in said process, and to protect the integrity and reputations of its members. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organisations.

The standard of behaviour for members of the Foundation is that they maintain the highest level of integrity, remaining scrupulously aware of and forthcoming about any conflicts of interest between the Foundation and personal, professional, and business interests. This includes potential and actual conflicts of interest, as well as perceptions of conflicts of interest. Conflicts of interest include, but are not limited to, instances of financial or other personal gains resulting from transactions into which the Foundation may enter. When such a conflict, or the appearance of such a conflict, arises involving members of the governing boards of the Foundation, it is their duty to disclose all material facts, as outlined below. Only by insisting on this high standard of integrity in the decision-making process can the Foundation successfully carry out its mission.

Article II Definitions

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| Decision Authority | The Strategic Leadership Board (SLB) or the Technical Leadership Council (TLC) or any decision-making body with authority delegated from either the SLB or the TLC. |
| Interested Party | Any person who is a member or a principal officer of a Decision Authority. |
| Affected Party | Any Interested Party with an actual or potential conflict of interest as contemplated in this policy. |

Article III Procedures

1. Duty to Disclose

Upon election or appointment, any Interested Party must make a full, written disclosure of interests, relationships, and holdings that could potentially result in a conflict of interest. This written disclosure shall be made using the Background Information and Confidential Conflict of Interest Disclosure Form contained in Appendix A of this Policy. This written disclosure will be kept on file and will be updated annually. Where there is no change in the reported information, the short form of Appendix B may be used.

With respect to a specific, contemplated transaction involving the Foundation, if an actual or possible conflict of interest involving any Interested Party exists, the Affected Party must disclose the existence of such conflict, including all material facts, to the Decision Authority considering the proposed transaction or arrangement.

2. Procedures for Addressing the Potential Conflict of Interest

1. The Affected Party may make a presentation at a meeting of the Decision Authority. After the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
2. The Decision Authority shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the Decision Authority shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Decision Authority shall determine by a majority vote of the disinterested members whether the transaction or

arrangement is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

3. Violations of the Conflict of Interest Policy

1. If a Decision Authority has reasonable cause to believe an Interested Party has failed to disclose an actual or possible conflict of interest, it shall inform the Interested Party of the basis for such belief and afford the Interested Party an opportunity to explain the alleged failure to disclose.
2. If, after hearing the Interested Party's response and after making further investigation as warranted by the circumstances, the Decision Authority determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV Records of Proceedings

The minutes of all meetings of Decision Authorities shall contain:

- the names of Interested Parties who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the conflict, any action taken to determine whether a conflict of interest was actually present, and the Decision Authority's conclusion as to whether a conflict of interest in fact existed; and
- 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 proceedings.

Article V Compensation

A voting member of any Decision Authority who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation. However, no voting member of any Decision Authority whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI Annual Statements

Each Interested Party shall annually sign a statement which affirms such person:

- has received a copy of the Conflict of Interest Policy;
- has read and understands the Policy;
- has agreed to comply with the Policy; and
- understands the Foundation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

One of the reporting forms provided in Appendices A and B shall be used to satisfy this requirement.

Article VII Periodic Reviews

To ensure the Foundation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Foundation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, in impermissible private benefit, or in an excess benefit transaction.

Article VIII Use of Outside Experts

When conducting the periodic reviews required by §VII, the Foundation may, but need not, use outside advisors. If outside advisors are used, their use shall not relieve any Decision Authority of its responsibility for ensuring periodic reviews are conducted.

A. Background Information and Confidential Conflict of Interest Disclosure Form

As specified in the Conflict of Interest Policy of the COIN-OR Foundation (‘the Foundation’) this form must be completed upon election or appointment by any individual (‘you’) serving as a principal officer or member of the Strategic Leadership Board (‘SLB’), Technical Leadership Council (‘TLC’), or any decision-making body with authority delegated from either the SLB or the TLC (all of the above, collectively, comprise ‘Foundation service’). In particular, individual COIN-OR projects are *not* decision-making bodies with authority delegated from the SLB or TLC and activity undertaken in the course of participation in a project is not relevant to this form.

You must complete the first two sections of the form, §1, Background Information, and §2, Confidential Conflict of Interest Disclosure. Your answers in §2 will determine whether you need to complete section §3, Explanation. Please complete all necessary sections, sign and date this form below, and return the form to the Secretary of the Foundation. Retain a copy for your records.

The Foundation’s Conflict of Interest Policy requires that this information be updated annually. The Foundation recommends that any changes in the information reported, or any new information that needs to be reported, should be reported promptly by written or electronic communication to the Secretary of the Foundation. *If there has been no change in the information reported on this form since your last filing*, you may file the short form contained in Appendix B.

Your signature below indicates

- That you have received a copy of the Foundation’s Conflict of Interest Policy, that you have read and understood the Policy, and that you agree to comply with the Policy.
- That you understand the Foundation is a charitable organisation and must engage primarily in activities that accomplish one or more of its tax-exempt purposes in order to maintain its federal tax exemption.
- That the information provided on this form comprises a full disclosure of your interests, relationships, and holdings that could potentially result in a conflict of interest.

Your Signature

Date

1. Background Information

Instructions Please provide the information requested below regarding relevant organisational affiliations, public statements and positions, research support, and additional information (if any). Information is relevant if it is related to—and might reasonably be of interest to others concerning—your knowledge, experience, and personal perspectives regarding the subject matter and issues to be addressed by your Foundation service. If some or all of the requested information is contained in your curriculum vitæ, you may if you prefer simply attach your CV to this form, supplemented by additional responses or comments below as necessary.

1.1. Organisational Affiliations

Report your relevant business relationships (as an employee, owner, officer, director, consultant, *etc.*) and your relevant remunerated or volunteer non-business relationships (*e.g.*, professional organisations, trade associations, public interest or civic groups, *etc.*).

1.2. Research Support

Report relevant information regarding both public and private sources of your research support (other than your present employer), including sources of funding, equipment, facilities, *etc.*

1.3. Public Statements and Positions

List your relevant articles, testimony, speeches, *etc.*, by date, title, and publication (if any) in which they appeared, or provide relevant representative examples if numerous. Provide a brief description of relevant positions of any organisations or groups with which you are closely identified or associated.

1.4. Additional Information

If there are relevant aspects of your background or present circumstances not addressed above that might reasonably be construed by others as affecting your judgement with respect to your Foundation service and therefore might constitute an actual or potential source of bias, please describe them briefly.

2. Confidential Conflict of Interest Disclosure

Instructions It is essential that the work of the Foundation not be compromised by any significant conflict of interest. For this purpose, the term ‘conflict of interest’ means any financial or other interest that conflicts with your Foundation service because it (1) could significantly impair your objectivity or (2) could create an unfair competitive advantage for any person or organisation. Most Foundation service addresses scientific, technical, and policy issues that are sufficiently broad in scope that they do not implicate specific financial interests or conflict of interest concerns. However, where Foundation service addresses more specific issues having significant financial implications, careful consideration must be given to possible conflict of interest issues.

If you have a conflict of interest in regard to a decision that arises during your Foundation service, you must abide by the procedures of §III.2 of the Foundation’s Conflict of Interest Policy.

The term ‘conflict of interest’ means something more than personal bias. There must be an interest, ordinarily financial, that could be directly affected by your work for the Foundation. Conflict of interest requirements are objective and prophylactic. They are not an assessment of your actual behaviour or character or your ability to act objectively despite the conflicting interest. Conflict of interest requirements are objective standards designed to prevent certain specific, potentially compromising situations from arising, and thereby to protect you, the Foundation, and the public interest. Neither you, or the Foundation, should be placed in a situation where others could reasonably question, and perhaps discount or dismiss, your Foundation service simply because of the existence of conflicting interests.

The term ‘conflict of interest’ applies only to current interests. It does not apply to past interests that have expired and cannot reasonably affect current behaviour. Nor does it apply to possible interests that may arise in the future but do not currently exist, because such future interests are inherently speculative and uncertain. For example, a pending formal or informal application for a particular job is a current interest, but the mere possibility that you might apply for such a job in the future is not a current interest.

The term ‘conflict of interest’ applies not only to your personal interests but also to the interests of others with whom you have substantial common financial or other interests if these interests are relevant to your Foundation service. Thus, in assessing your potential conflicts of interest, consideration must be given not only to your interests but also to the interests of your spouse and minor children, your employer, your business partners, and others with whom you have substantial common financial interests. Consideration must also be given to the interests of those for whom you are acting in a fiduciary or similar capacity (*e.g.*, being an officer or director of a corporation, whether profit or nonprofit, or serving as a trustee).

The overriding objective of the conflict of interest inquiry in each case is to identify whether there are interests that conflict with your Foundation service because they could impair your objectivity or could create an unfair competitive advantage for any person or organisation. The fundamental question in each case is “Do you, or others with whom you have substantial

common financial or other interests, have identifiable interests that could be directly affected by your Foundation service?” The questions set forth below are designed to elicit information from you concerning possible conflicts of interest that are relevant to your Foundation service.

2.1. Financial Interests

1. Taking into account stocks, bonds, and other financial instruments and investments including partnerships (but excluding broadly diversified mutual funds and any investment or financial interests valued at less than \$10,000), do you or, to the best of your knowledge others with whom you have substantial common financial interests, have financial investments that could be affected, either directly or by a direct effect on the business enterprise or activities underlying the investments, by decisions you might participate in as a part of your Foundation service?
2. Taking into account real estate and other tangible property interests, as well as intellectual property (patents, copyrights, *etc.*) interests, do you or, to the best of your knowledge others with whom you have substantial common financial interests, have property interests that could be directly affected by decisions you might participate in as a part of your Foundation service?
3. Could your employment or self-employment (or the employment or self-employment of your spouse), or the financial interests of your employer or clients (or the financial interests of your spouse’s employer or clients) be directly affected by decisions you might participate in as a part of your Foundation service?
4. Taking into account research funding and other research support (*e.g.*, equipment, facilities, industry partnerships, research assistants and other research personnel, *etc.*), could your current research funding and support (or that of your close research colleagues and collaborators) be directly affected by decisions you might participate in as a part of your Foundation service?
5. Could your Foundation service create a specific financial or commercial competitive advantage for you or others with whom you have substantial common financial interests?

If the answer to all of the above questions under Financial Interests is either “no” or “not applicable,” check here ___ (NO).

If the answer to any of the above questions under Financial Interests is “yes,” check here ___ (YES), and briefly describe the circumstances in §3

2.2. Other Interests

1. Is the central purpose of the Foundation service for which this disclosure form is being prepared a critical review and evaluation of your own work or that of your employer?
2. Do you have any existing professional obligations (*e.g.*, as an officer of a scientific or engineering society) that effectively require you to publicly defend a previously established position on an issue that is relevant to your Foundation service?
3. To the best of your knowledge, will your Foundation service enable you to obtain access to a competitor's or potential competitor's confidential proprietary information?

If the answer to all of the above questions under Other Interests is either "no" or "not applicable," check here ___ (NO).

If the answer to any of the above questions under Other Interests is "yes," check here ___ (YES), and briefly describe the circumstances in §3.

3. Explanation of “Yes” Responses

Please provide a brief explanation of circumstances that led to a ‘yes’ answer in §2.1 or §2.2.

B. Background Information and Confidential Conflict of Interest Disclosure Form (Short)

As specified in the Conflict of Interest Policy of the COIN-OR Foundation ('the Foundation') any individual ('you') serving as a principal officer or member of the Strategic Leadership Board ('SLB'), Technical Leadership Council ('TLC'), or any decision-making body with authority delegated from either the SLB or the TLC (all of the above, collectively, comprise 'Foundation service') must file an annual update to their Background Information and Confidential Conflict of Interest Disclosure Form.

You may use this short form *only if there is no change from the information provided in your most recent filing of the full Background Information and Confidential Conflict of Interest Disclosure Form contained in Appendix A*. Please sign and date this form below, and return the form to the Secretary of the Foundation. Retain a copy for your records.

Your signature below indicates

- That you have received a copy of the Foundation's Conflict of Interest Policy, that you have read and understood the Policy, and that you agree to comply with the Policy.
- That you understand the Foundation is a charitable organisation and must engage primarily in activities that accomplish one or more of its tax-exempt purposes in order to maintain its federal tax exemption.
- That there has been no change from the information provided in your most recent filing of the full Background Information and Confidential Conflict of Interest Disclosure Form, and that the information filed in that form comprises a full disclosure of your interests, relationships, and holdings that could potentially result in a conflict of interest.

Your Signature

Date