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**Related Entities Oversight Guidelines**

These guidelines are intended to aid University officials in their compliance efforts under the University’s [Formation, Dissolution, and Oversight of Related Entities Policy](https://policies.syr.edu/policies/administrative-and-financial/formation-dissolution-oversight-related-entities/) (the “Policy”). The Policy requires active oversight of Related Entities, including regular reviews of Related Entities to, among other things, ensure the entities are continuing to serve important University interests, and not creating unacceptable risks.

The Office of University Counsel maintains a list of all known and active Related Entities and the University officer or senior leader responsible for each.

 Every year, University officers and senior leaders with oversight responsibility for Related Entities must conduct an annual review (“Annual Review”) of each entity that falls within their area of responsibility. Every three years, these same University officials must assess each entity relationship to determine whether the University should continue or discontinue the affiliation (“Affiliation Assessment”). These two types of reviews are described in detail below.

The responsible officer or senior leader should promptly report to University Counsel, Chief Compliance Officer, and the Chief Financial Officer any material issues that arise in between reporting periods. Materials issues include, without limitation, significant business engagements (in excess of $50,000); any and all real estate transactions; changes in governance structure; threatened or filed litigation; or other risks.

1. **Annual Review**

For the annual review, University officials must complete the Annual Report form for each entity they oversee. The Annual Report calls for the following information, with some fields being specifically related to whether the entity is external or internal:

* Entity name, purpose, location, and year established;
* Name of University official(s) responsible for oversight;
* Description of affiliation to the University, including any University resources that are being utilized by the entity (space; personnel; funds; name/brand);
* A summary of the activities of the entity over the prior calendar year;
* Description (and copy) of any new contracts or agreements that arose between the entity and the University in the preceding year;
* A summary of any observed risks, liabilities, or operational concerns involving the entity during the prior year.

The Annual Report form is due to the Chief Compliance Officer no later than August 1 each year, and should cover the preceding calendar year. The Chief Compliance Officer will review all reports no later than October 1, and will report any compliance concerns to responsible senior leaders and the Board of Trustees at or before the November Board meetings.

1. **Affiliation Assessment**

The Affiliation Assessment will conclude whether the entities are still serving their intended purposes, and whether the University should continue each affiliation. The responsible parties will submit a written report summarizing their findings to the Office of University Counsel, Chief Compliance Officer, and the Office of the Chief Financial Officer.

The Affiliation Assessment report should include the following elements for each entity covered in the report, though some elements depend on whether the entity is external or internal:

* Entity name and summary, including its purpose, year established, and activities undertaken in the preceding three years;
* Copies of pertinent governing documents, such as articles of incorporation, bylaws or operating agreements, ethics and conflicts policies, code of conduct, whistleblower policy, records retention policy/procedure [external only];
* Current listing of all board members/ directors, partners, and identification of any University employees on the board [external only];
* A description of the benefits provided to the University by the entity;
* A description of the University resources (personnel, property, funds, other) used by the entity;
* An explanation of how the entity is funded, and whether it is financially viable;
* Copies of prior year’s financial statements and relevant tax documents (*e.g.*, 990, 990T, 1120) [external only];
* A description of the entity’s audit process [external only];
* Descriptions and copies of any contractual agreements that exist between the entity and the University;
* List and brief description of insurance policies carried by the entity [external only];
* A summary of any risks, liabilities, or operational issues encountered by the entity during the reporting period, or otherwise inherent in the activities of the entity; and
* A conclusion as to whether the entity continues to serve its intended purpose, and whether the University should continue the relationship.

In a year when an Affiliation Assessment is due, no Annual Report is due. The Annual Assessment report is due to the Chief Compliance Officer no later than August 1 each year, and should cover the preceding three calendar years. Within 60 calendar days of receiving the Annual Assessment report, the Chief Compliance Officer, Senior Vice President and General Counsel, and Senior Vice President and Chief Financial Officer will inform the Chancellor of any operational or compliance concerns involving the Related Entities covered in the report, and will propose either a corrective action plan, or a pathway for ending the relevant affiliation.

1. **Training and Risk Mitigation**

On an annual basis, the Chief Compliance Officer will provide training to University officials with oversight responsibility for specific Related Entities. The training will cover the Policy, these oversight guidelines, and how to avoid conflicts of interest and related governance and/or operational matters.