



## LP 1.5

**Effective:**  
12/17/2021

**Revised:**

**Policy Owner:**  
Board of Trustees

**Policy Administrator:**  
Secretary to the  
Board of Trustees

**Affected Parties:**  
Trustees

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# Board of Trustee Conflict of Interest

## 1 Policy Summary

In carrying out its public trust, the Lander University Board of Trustees has adopted this policy to enhance public confidence in its board on matters related to actual, potential, or perceived conflicts of interest.

## 2 Fiduciary Responsibilities

- 2.1 Members of the Lander University Board of Trustees will act in a manner consistent with their fiduciary responsibilities to Lander University.
- 2.2 Trustees will place the university's interests ahead of their private interests.
- 2.3 Trustees will exercise their powers and duties in the best interests of the board and the university and for the public good.

## 3 Conflict of Interest

- 3.1 A conflict of interest exists when a trustee's financial interests or other opportunities for personal benefit may compromise, or reasonably appear to compromise, the trustee's independence of judgment in fulfilling their board duties.
- 3.2 Trustees will endeavor to remain free from the influence of, or the appearance of, any conflicting interest in fulfilling their board duties.
- 3.3 Trustees will exercise care that no detriment to the university results from any conflicts between their personal interests and those of the university.
- 3.4 Trustees will attempt to refrain from accepting duties, incurring obligations, or engaging in activities that would be incompatible with, or in conflict with, their board duties.

## 4 Contracts

- 4.1 No trustee shall have a pecuniary interest, whether direct or indirect, in any contract with the university that would induce or have the potential to induce action on the part of the trustee to promote the contract for their own personal benefit.

## 5 Use of Authority/Information

- 5.1 Trustees will not use their positions, or any privileges or information attendant to their offices, to obtain or provide others with a benefit that is inconsistent with the university's interests.

## 6 Outside Influence

- 6.1 No trustee will solicit or accept any gift, loan, or other thing of value, or the promise thereof in the future, from anyone outside of the university that would tend to influence improperly the manner in which the trustee performs their duties.

## 7 Competition with the University

- 7.1 No trustee will knowingly compete with the university for any property, asset, or opportunity that may be of interest to the university unless the university has been informed of the opportunity on a timely basis and has declined to act on it.

## 8 Diversion of Opportunity

- 8.1 No trustee will divert to another individual or entity an opportunity that may be of interest to the university unless the university has been informed of the opportunity on a timely basis and has declined to act on it.

## 9 Disclosure of Conflicts

- 9.1 If a trustee believes that they may have a conflict of interest or is notified of a report regarding possible non-compliance with this policy, the trustee shall promptly and fully disclose the conflict to the Executive Committee of the board of trustees and shall refrain from participating in any way in the matter to which the conflict relates until the conflict question has been resolved.
- 9.2 The board chair shall inform the secretary to the board, the president, and the general counsel of all conflict of interest questions that have been disclosed to the Executive Committee.

9.3 Trustees must annually<sup>1</sup> file a statement of economic interest<sup>2</sup>.

9.4 Trustees shall be reminded annually by the secretary to the board of their obligation to submit, by Noon on March 30 each year<sup>3</sup>, a statement of economic interest.<sup>4</sup>

## 10 Determining Conflicts

10.1 The opinion of the general counsel of the university shall be final with regard to determining compliance with this policy.

## 11 Addressing Conflicts.

11.1 If it is determined that a conflict of interest exists, the chair of the board, the university president, and the general counsel of the university shall work with the affected trustee to address the conflict and explore alternative arrangements that would eliminate or otherwise resolve the conflict.

11.2 If, after reasonable efforts, it is not possible to reach a mutually acceptable alternative arrangement, any transaction associated with the conflict shall be prohibited.

## 12 Violations

12.1 If a trustee fails to disclose a conflict of interest as defined in this policy or a conflict is otherwise discovered after the fact, the matter shall be forwarded to the South Carolina Ethics Commission for review and corrective action.

## 13 Trustees Emeriti

13.1 This policy shall apply to trustees emeriti for a period of one year following the end of their term of office.

## 14 Interpretation

14.1 This policy is to be interpreted and applied in a manner that will best serve the interests of the university.

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<sup>1</sup> SC Code of Laws 8-13-1110

<sup>2</sup> SC State Ethics Commission general information and link to form: <https://ethics.sc.gov/statement-economic-interests>

<sup>3</sup> SC Code of Laws Section 8-13-1140

<sup>5</sup> SC Code of Laws Section 59-135 Lander University: <https://www.scstatehouse.gov/code/t59c135.php>

## 15 State Law

15.1 This policy is in addition to any obligations imposed on a trustee by the state law on conflicts of interest.

15.2 The Lander University Board of Trustees is constituted according to South Carolina (SC) Code of Laws Section 59-135-10<sup>5</sup> and is composed of 16 members, including:

- the governor of the state or his or her designee (ex officio),
- 15 members elected by the General Assembly,
- and one member to be appointed by the state at large by the governor.

15.3 By virtue of their positions on the board, members are subject to SC Code of Laws Title 8 – Public Officers and Employees<sup>6</sup>, which mandates that board members not participate in actions that could be deemed as a conflict of interest.

## 16 Attributions

- This policy has been modeled after Michigan State University's *Board of Trustees Conflict of Interest Policy*<sup>7</sup>.

## 17 Policy Revision History

- First draft submitted by Policy Coordinator in consultation with the Secretary to the Board to the Board of Trustees Policy Committee Chair on 11/30/2021.
- Approved by Lander University Board of Trustees on 12/17/2021.

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<sup>5</sup> SC Code of Laws Section 59-135 Lander University: <https://www.scstatehouse.gov/code/t59c135.php>

<sup>6</sup> SC Code of Laws Section 8: <https://www.scstatehouse.gov/code/title8.php>

<sup>7</sup> MSU Board of Trustees Conflict of Interest Policy URL: <https://trustees.msu.edu/bylaws-ordinances-policies/policies/01-01-10.html>