

**FLORIDA BOARD OF GOVERNORS  
NOTICE OF PROPOSED REGULATION ADOPTION**

Date: February 1, 2008

**REGULATION TITLES AND NUMBERS:** 1.006 Conflicts of Interest

**SUMMARY:** The proposed regulation establishes a Conflicts of Interest policy applicable to Board members, the Chancellor, the Vice Chancellors, and other designated staff. The regulation requires disclosure of all personal, familial, and business relationships with any organization that does business with the Board of Governors or the State University System. It also addresses voting conflicts and the process to be followed if a matter comes before the Board for vote which may result in a special gain or loss to a Board member or relative. Finally, the regulation prohibits Board members and employees from holding any employment or contractual relationship with any entity subject to regulation by the Board of Governors or which is doing business with the Board, or with any entity that will pose a frequently recurring conflict between the members' and employees' private interests and public duties on behalf of the Board.

**FULL TEXT OF THE REGULATION:** The full text of the proposed new regulation is posted on BOG's Website at [www.flbog.org](http://www.flbog.org). In addition, the full text of the regulation is available upon request to the Office of the Chancellor, which can be contacted at (850) 245-0466.

**AUTHORITY TO ADOPT/ AMEND/ REPEAL REGULATION:** Section 7(d), Art. IX, Fla. Const.; BOG Regulation Development Procedure dated March 23, 2006.

**BOARD OF GOVERNORS' OFFICIAL INITIATING ADOPTION/ AMENDMENT/ REPEAL OF REGULATIONS:** Vikki Shirley, General Counsel

**COMMENTS REGARDING ADOPTION/ AMENDMENT/ REPEAL OF REGULATIONS SHOULD BE SUBMITTED WITHIN 14 DAYS OF THE DATE OF THIS NOTICE TO THE CONTACT PERSON IDENTIFIED BELOW.** The comments must identify the regulation(s) on which you are commenting.

**THE PERSON TO BE CONTACTED REGARDING ADOPTION/ AMENDMENT/ REPEAL OF REGULATION IS:** Vikki R. Shirley, General Counsel, Board of Governors, State University System 325 W. Gaines Street, Tallahassee, Florida 32399, (850) 245-0466 (phone), (850) 245-9685 (fax), [generalcounsel@flbog.org](mailto:generalcounsel@flbog.org).



## 1.006 Conflicts of Interest

(1) Members of the Board of Governors, the Chancellor, the Vice Chancellors, and all Board employees holding a position in Senior Management Service or Selected Exempt Service are expected to perform their official duties and responsibilities with diligence and due care in a manner consistent with their fiduciary responsibilities to the Board of Governors and the State University System. In performing their official duties and responsibilities arising under the Constitution and as public officers and employees under the Florida Code of Ethics for Public Officers and Employees, sections 112.311 through 112.326, Florida Statutes, each such officer and employee must endeavor to avoid participating in activities that may give rise to an actual or potential conflict of interest between the officer's private interests and his or her public duties and responsibilities to the Board of Governors and the State University System. A conflict of interest may arise when an officer's private interests, including those of the officer's relatives as defined in section 112.3143, Florida Statutes, may affect the officer's independent judgment or ability to impartially perform his or her public duties consistent with the officer's duty of loyalty to the Board and the State University System.

(2) Disclosure. To ensure full disclosure of any actual or potential conflicts of interest, each officer must, by July 1 of each year, file a Statement of Financial Interests with the Commission on Ethics and also file a disclosure form with the Board's corporate secretary that lists any personal, familial, or business relationships with any organizations that do business with the Board of Governors or the State University System that may give rise to a potential or actual conflict of interest. Business relationships with any such organizations include those in which the officer or the officer's spouse or child serves as an officer, director, or proprietor of, or in which they have a material direct or indirect ownership interest of more than five (5) percent of the total assets or capital stock of the organization. Familial relationships include father, mother, spouse, children, siblings, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law and sister-in-law.

(3) Voting Conflicts. Notwithstanding paragraph (1), Florida law allows appointed public officers to vote on matters that may inure to the officer's special private gain or loss, to the special gain or loss of a relative as defined above, to the special gain or loss of a principal by whom the officer is retained or a business associate of the officer so long as the nature of the private interest is disclosed prior to the vote. If the officer intends to make any attempt to influence the decision prior to the meeting at which the vote will be taken, the officer must complete a Memorandum of Voting Conflict for State Officers prior to making any such attempt and file the Memorandum with the Board's corporate secretary for incorporation into the Board minutes. The corporate secretary will provide a copy of the Memorandum to the other Board members and will publicly read the form at the next meeting. If the officer does not intend to make any attempt to influence the decision except by discussion or vote at the meeting, the officer must orally disclose the nature of the conflict in the matter before

participating and file a Memorandum of Voting Conflict with the Board's corporate secretary within 15 days after the vote. The form must be incorporated into the minutes of all meeting, a copy provided to all other Board members, and the form must be publicly read at the next meeting after the form is filed.

(4) Conflicting Employment or Contractual Relationship. Officers and employees are prohibited from holding any employment or contract with any university or business entity subject to regulation by the Board of Governors or which is doing business with the Board of Governors. Officers and employees are also prohibited from holding any employment or having a contractual relationship that will pose a frequently recurring conflict between private interests and public duties, or which will impede the full and faithful discharge of public duties.

(5) This regulation is not intended to supplant the Code of Ethics for Public Officers and Employees set forth in sections 112.311 through 112.326, Florida Statutes.

Authority: Section 7(d), Art. IX and Section 24, Art. I, Fla. Const.; History: New.