

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

DATE: September 28, 2016

REGULATION NUMBER AND TITLE: 1.006 Conflict of Interest

SUMMARY: This regulation is being amended to conform to current law in Section 112.3143, Florida Statutes, relating to voting conflicts for appointed public officers. Florida law now prohibits an appointed public officer from voting on any matter that will result in a special private gain or loss to the public officer. The officer is required to make every reasonable effort to disclose the nature of the conflict in a memorandum filed with the Board's corporate secretary prior to the meeting, or if that is not possible, then the memorandum must be filed within 15 days after the vote.

FULL TEXT OF THE REGULATION IS INCLUDED WITH THIS NOTICE.

AUTHORITY TO PROPOSE REGULATION(S): Section 7(d), Art. IX, Fla. Const.; BOG Regulation Development Procedure dated March 23, 2006.

THE BOARD OF GOVERNORS' OFFICIAL INITIATING THE PROPOSED REGULATION: Vikki Shirley, General Counsel and Corporate Secretary

COMMENTS REGARDING THE PROPOSED REGULATION SHOULD BE SUBMITTED WITHIN 14 DAYS OF THE DATE OF THIS NOTICE TO THE CONTACT PERSON IDENTIFIED BELOW. The comments must identify the regulation on which you are commenting:

General Counsel, Board of Governors, State University System, 325 W. Gaines Street, Suite 1614, Tallahassee, Florida 32399, (850) 245-0466 (phone), (850) 245-9685 (fax), or generalcounsel@flbog.edu.

1.006 Conflict 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~~ prohibits appointed public officers ~~to~~ from voteing on matters that may inure to the officer's special private gain or loss; Any appointed public officer who abstains from voting in an official capacity upon any measure that the officer knows would inure to the officer's special private gain or loss, or who votes in an official capacity on a measure that the officer knows would inure to the special private gain or loss of any principal by whom the officer is retained or to the parent organization or subsidiary of a corporate principal by which the officer is retained other than an agency as defined in section 112.312(2); or which the officer knows would inure to the special private gain or loss of a relative or business associate of the public officer, shall make every reasonable effort to disclose the nature of the officer's interest in a memorandum filed with the Board's corporate secretary, who shall incorporate the memorandum in the Board's minutes. If it is not possible to file the memorandum prior to the vote, the memorandum must be filed with

the corporate secretary no later than 15 days after the vote. In addition, no appointed public officer shall participate in any matter that would inure to the officer's special private gain or loss; which the officer knows would inure to the special private gain or loss of any principal by whom the officer is retained or to the parent organization or subsidiary of a corporate principal by which the officer is retained; or which the officer knows would inure to the special private gain or loss of a relative or business associate of the officer, without first disclosing the nature of the officer's interest. "Participate" means any attempt to influence the decision by oral or written communication, whether made by the officer or at the officer's direction. ~~of any 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 3-27-08, Amended _____.