

305. Service as Bank Directors by University Officers

For the purpose of maintaining Board practice and policy of preventing even the appearance of conflicts of interest, no System or campus chief financial officer or administrator whose position includes responsibility for decisions on the nature or extent of banking relations and transactions shall accept appointment or election as a director of a bank or savings and loan association.

No other campus administrator shall accept such an appointment or election until the President has made a determination that the administrator's position is not one that includes responsibility for decisions on the nature or extent of banking relations and transactions. Such determination as to system administrators shall be made by the Chancellor.

Nothing herein, however, shall prevent the Chancellor or any campus President from accepting appointment or election as director of multi-bank holding companies; provided, however, that a President shall inform the Chancellor of such an appointment or election and the Chancellor shall inform The Board of Trustees of such an appointment or election; and provided further that no Chancellor or President shall take part in any decision involving the nature or extent of the University's banking relationships or transactions with any multi-bank holding company on whose board he or she shall be serving.

(Adopted January 21, 1981 as Rule 330; amended April 18, 1997; renumbered December 5, 1997.)