## Texas A&M-Corpus Christi
### SACS: Self-Study Report

### 3.2.3 The board has a policy addressing conflict of interest for its members. (Board conflict of interest)

**Compliance Status:** Compliance

<table>
<thead>
<tr>
<th>Narrative</th>
</tr>
</thead>
</table>
| The Texas A&M University System Board of Regents is bound by statutory requirements and by system policies that address conflict of interest for board members. The following system policies are especially relevant: 07.01, Ethics; 07.03, Conflicts of Interest, Dual Office Holding and Political Activities; and 07.04, Benefits, Gifts and Honoraria. These policies apply to both board members and employees of the A&M System.

System Policy 07.01, Ethics, prohibits board members from holding "financial interests that are in conflict with the conscientious performance of their official duties and responsibilities." Regents must "not use their public offices for private gain" and are prohibited from engaging "in any financial transaction in order to further any private interest using nonpublic information." Moreover, board members "(s)hall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official duties and responsibilities." The policy lists additional requirements to ensure ethical conduct on the part of board members [1].

System Policy 07.03, Conflicts of Interest, Dual Office Holding and Political Activities, outlines statutory requirements that board members must obey "to ensure no conflicts of interest exist while they carry out their public duties." State law requires board members to annually "file a financial statement with the Texas Ethics Commission [2]." As required by the Texas Government Code (TGC), Title 5, Subtitle A, Section 553.002, board members (as state officers) must file affidavits with the county clerks of the appropriate counties disclosing "any legal or equitable interests in property that is to be acquired with public funds [3]." If a board member has a "personal or private interest" in a matter under consideration by the board, System Policy 07.03 requires the board member to disclose the interest at a public meeting of the board, to refrain from participating in deliberations, and to refrain from voting on the matter. The A&M System "may not enter into a contract or transaction in which a board member has a direct or indirect pecuniary or beneficial interest," except in accordance with strict standards specified in the policy [2].

In addition, System Policy 07.03 directs a board member who becomes aware of a potential conflict of interest to promptly disclose any relevant information to the system general counsel. Following its review, the general counsel will issue an opinion regarding the potential conflict. The policy also discusses the criteria that must be met if members of the Board of Regents are to "hold non-elective offices with boards, commissions, and other state and federal entities." Finally, the policy prohibits board members from using their official authority for political purposes [2].

System Policy 07.04, Benefits, Gifts and Honoraria, provides protection against potential conflict of interest by restricting the acceptance of gifts or benefits or the offering of benefits or gifts to third
parties. The policy identifies prohibited benefits and gifts to board members, as well as benefits and gifts that are permitted under state law. A system board member "shall not solicit, offer, confer, agree to confer, accept, or agree to accept any benefit in exchange for his or her decision, opinion, recommendation, vote, or other exercise of official power or discretion." Also prohibited are gifts, favors, or services "being offered with the intent to influence ... official conduct." Board members who "exercise discretion in connection with contracts, purchases, payments, claims, and other pecuniary transactions of government" must not accept any benefit from a person who is likely to be interested in decisions regarding such matters. Additional requirements regarding gifts and benefits, including disclosure requirements, are discussed in the policy [4].

Texas Government Code, Chapter 572, addresses personal financial disclosure, standards of conduct, and conflict of interest for state officers and employees. It provides a guide for official conduct and also serves as a basis for disciplinary action for failure to comply. Section 572.001 of the TGC says that no state officer or state employee may "have a direct or indirect interest, including financial and other interests, or engage in a business transaction or professional activity, or incur any obligation of any nature that is in substantial conflict with the proper discharge of [his/her] duties in the public interest [5]." TGC 572.051 further defines standards of conduct for state officers and employees [6]. Texas Ethics Commission: A Guide to Ethics Laws for State Officers and Employees, a state publication, reiterates these standards of conduct and interprets various other laws pertaining to the conduct of board members [7].

Detailed minutes of the meetings of the Board of Regents are published on the A&M System Web site, where the public may review them [8]. By promoting transparency, electronic publication of the minutes provides additional protection against conflict of interest.

**Conclusion**

The Board of Regents of the Texas A&M University System is bound by system and statutory policies that address conflicts of interest for board members. System policy specifically forbids regents from using their political office for private gain. Any regent who becomes aware of a potential or occurring conflict of interest must notify the board; the general counsel investigates the conflict and makes a ruling. The Board of Regents protects itself from any possible conflict of interest by making the minutes of meetings available to the public.

**Evidence**

- BD 023 TAMUS 07-01 Ethics
- BD 024 TAMUS 07-03 Conflicts of Interest, Dual Office Holding and Political Activities
- SD 015 TGC 572-002 Conflict of Interest-General Definitions
- BD 025 TAMUS 07-04 Benefits, Gifts and Honoraria
- SD 014 TGC 572-001 Conflict of Interest-Policy-Intent
- SD 016 TGC 572-051 Standards of Conduct-State Agency Ethics Policy
- SD 017 Guide to Ethics Laws
- BD 019 2.2-21 Minutes of the TAMUS Board of Regents
- TGC 553-002 Disclosure of Interest in Property