

4.2.d

Conflict of Interest

The governing board:

- d. defines and addresses potential conflict of interest for its members.

Judgment

Compliant Non-Compliant Not Applicable

Narrative

State Statute, Board Bylaws, and Institutional Policies Addressing Conflict of Interest

The University of South Carolina Board of Trustees members are public officials, and must therefore abide by the South Carolina Code of Laws. As stated in the [Code of Laws, Section 8-13-700](#):

- No public official, public member, or public employee may knowingly use his official office, membership, or employment to obtain an economic interest for himself, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated. This prohibition does not extend to the incidental use of public materials, personnel, or equipment, subject to or available for a public official's, public member's, or public employee's use which does not result in additional public expense.
- No public official, public member, or public employee may make, participate in making, or in any way attempt to use his office, membership, or employment to influence a governmental decision in which he, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated has an economic interest.

Conflict of Interest Defined

Board Policy [BRTU 1.18 Conflict of Interest](#) provides a framework for recognizing, disclosing and managing conflicts of interest and commitment as well as situations involving the appearance of conflict of interest. All Board members are subject to the requirements of [BRTU 1.18 Conflict of Interest](#). Board Policy defines conflict of interest as follows:

Conflict of Commitment: A situation in which an individual engages in external activities, either paid or unpaid, that may interfere with his/her primary obligation and commitment to the University.

Conflict of Interest: A situation in which an individual has financial, professional, or personal considerations that may directly or indirectly affect, or have the appearance of affecting, an individual's professional judgment in exercising any University duty or responsibility. A conflict of interest may arise when an individual has the opportunity or appears to have the opportunity to influence the University's business, administrative, academic, research, or other decisions in ways that could lead to financial, professional, or personal gain or advantage of any kind, whether the value is readily ascertainable.

[Article XVI of the Board Bylaws](#) also provides definitions and procedures for addressing issues regarding conflict of interest.

Conflict of Interest Annual Review Process

Board members must follow the South Carolina State Ethics Commission [Rules of Conduct](#). The Rules of Conduct further delineate the expected ethical conduct of public officials, and also specify the penalty for misconduct: "Anyone who is found guilty of violating these rules is subject to prosecution by the State Ethics Commission and the Attorney General's Office."

Also, each member of the Board of Trustees is required to file the State of South Carolina State Ethics Committee [Statement of Economic Interest form](#) with the State to ensure that there are no known external conflicts of interest for these members. There is a \$100 fine for each day that the form is late. The University has provided copies of Board Member Statements of Economic Interest for [2019](#) and [2020](#) as evidence of compliance.

In compliance with [Article XVI Section 4 of the Board Bylaws](#), each board member annually sign a statement which affirms that such person: 1) has received a copy of the Conflict of Interest Policy, 2) has read and understands the policy; and 3) has agreed to comply with the policy. The University of South Carolina has provided signed copies of all Board Member 2019 conflict of interest policy statements ([Signed Conflicts of Interest Policy Statements 2019](#)).

There are no cases on record of any conflict of interest involving Board members. All Board members are apprised of the conflict of interest policies during orientation for new members, and all Board members completed the Statement of Economic Interest Form, and signed the conflict of interest policy.

Sources

-  [BTRU 1.18 Conflict of Interest](#)
-  [Board Statements of Economic Interests 2019](#)
-  [Board Statements of Economic Interests 2020](#)
-  [Board of Trustees Bylaws \(Page 41\)](#)
-  [Code of Laws - Title 8 - Chapter 13 - Ethics, Government Accountability, and Campaign Reform](#)
-  [Ethics Rules of Conduct](#)
-  [Signed BOT COI Forms 2019](#)
-  [Statement of Economic Interests](#)