

# Ethics and Policies of Conflict of Interest

Vice President for Finance and Operations (Investment Officer) and Assistant to the Vice President for Finance & Operations of  
Sam Houston State University

## 1. INTRODUCTION

It is of the highest importance that the people of the State of Texas have complete confidence in the integrity of their public servants. This need is especially critical in the area of state- supported higher education. The responsibility for educating and training the future leaders of the state and nation carries with it the duty to adhere to the highest ethical standards and principles. It is for this reason that this statement of ethical principles and its accompanying guidelines are applicable to the Vice President for Finance and Operations and Assistant to the Vice President for Finance and Operations at Sam Houston State University (SHSU). In the event of a conflict between the terms of this policy and any existing policy, this policy will control. If a topic has also been addressed in other policy statements the Regent's Rules and Regulations, the latter will prevail or manuals of SHSU, the procedures and statements contained therein are hereby reaffirmed and made a part hereof for all purposes. References to the term "employee" throughout these documents include the Vice President for Finance and Operations and the Assistant to the Vice President for Finance and Operations (herein referred to as "employees"). Any exceptions to this rule will be noted in the text.

## 2. PRINCIPLES OF ETHICAL CONDUCT

2.1 Employees shall not hold financial interests that are in conflict with the conscientious ~ performance of their official duties and responsibilities.

2.2 Employees shall not engage in any financial transaction in order to further any private interest using nonpublic information which they obtain in the course of their employment.

2.3 Employees shall put forth honest effort in the performance of their duties.

2.4 Employees shall make no unauthorized commitments or promises of any kind purporting to bind SHSU or any of its components.

2.5 Employees shall not use their public offices for private gain.

2.6 Employees shall act impartially and not give preferential treatment to any private or public organization or individual.

2.7 Employees shall protect and conserve public property and shall not use it for other than authorized activities.

2.8 Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official duties and responsibilities.

2.9 Employees shall promptly disclose waste, fraud, abuse, and corruption to SHSU President.

2.10 Employees shall adhere to all laws, regulations, and policies that provide equal

2.16 Employees shall not intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised official powers or performed official duties in favor of another party.

### 3. CONFLICTS OF INTEREST

3.1 Disclosure of Interest: Employees who exercise discretion with regard to the investment of funds under their control shall file annually with the President of SHSU a report disclosing the following information regarding themselves, their spouses, and their dependent children (if the reporting individual had actual control over that activity for the preceding calendar year).

(1) The names of all corporations, both for-profit and not-for-profit, for which the person serves as a member of the governing board in the capacity of a director, advisory director, trustee, or otherwise.

(2) The names of all corporations for which the person serves as an executive officer.

(3) The name of any partnership, limited partnership, proprietorship, or other business association of which the person is a partner, joint venturer, or owner.

(4) All business entities in which the person holds a controlling interest or is the principal shareholder.

(5) All business entities in which the person owns a 10% or more interest, whether voting or nonvoting, in shares, stock, or otherwise, or of the 10% or more of the profits, proceeds, or capital gains.

(6) Whether the person is employed by any business entity (including self-employment), and the name of the employing entity.

(7) Knowledge concerning whether any of the business entities described in (1) through (6), above, have any relationship to SHSU or any of the institutions comprising The Texas State University System.

### 4. TRAVEL

Detailed SHSU policy regarding travel regulations may be found in the Administrative Procedures Manual of SHSU.

4.1 Out-of-State Travel: Employees may receive costs for lodging and a per diem for meals and for lodging provided by travel guidelines of the State of Texas Comptroller and/or the travel policies and procedures of SHSU.

4.2 Transportation, Meals, and Lodging: Employees are entitled to received the following when traveling to conduct official business:

(1) reimbursement as prescribed by SHSU travel guidelines for amounts expended for meals and lodging, excluding unallowable items as defined by law; .

(2) reimbursement for transportation and incidental expenses at rates specified for state employees; and

(3) reimbursement for costs of lodging and meals for in-state travel, may not exceed the current maximum and in accordance with SHSU policies and procedures. In order to receive such reimbursement, the employee must be on duty away from headquarters, and stay overnight. Actual receipts for lodging must be provided.

4.3 Foreign Travel: Requests for travel on state business outside the United States must be approved by the Governor in advance if the travel is to be reimbursed from funds appropriated by the General Appropriations Act

5.3 Food, Lodging, Transportation, and Entertainment Received as a Guest: An employee may accept food, lodging, transportation, or entertainment from persons or entities he or she knows or reasonably should know are interested in or likely to become interested in a contract, purchase, payment, claim, decision, or transaction involving the exercise of the employee's discretion only if the employee is a "guest" as defined by Texas law. An employee is a "guest" if the person or a representative of the entity providing the food, lodging, transportation, or entertainment is present at the time the food, lodging, transportation, or entertainment is received or enjoyed by the employee. Employees are required to report any such benefits valued at over \$100 on an annual disclosure statements filed with the SHSU President.

5.4 Gift Items: Employees shall disclose to their respective University any gift received in the course of official business having a value of more than \$100. The President shall . make such disclosures to the Board of Regents of The Texas State University System.

5.5 From Friends, Relatives, and Associates: Employees may accept benefits from personal friends, relatives, or business associates with whom they have a relationship independent of their official status, so long as the benefit is not offered in exchange for official action, influence, or decision.

5.6 Awards: Employees may accept plaques and similar recognition awards, including achievement and recognition awards from SHSU.

5.7 Honoraria: Employees may not solicit, accept, or agree to accept an honorarium in consideration for services they would not have been asked to provide but for their official position or duties in connection with SHSU investments. This prohibition includes a request for or acceptance of a payment made to a third party if made in exchange for such services. However, they may accept the direct provision of or reimbursement for expenses for transportation and lodging incurred in connection with a speaking engagement at a conference or similar event. Meals provided as a part of the event or reimbursement for actual expenses for meals may also be accepted. Participation by the employee must be more than merely perfunctory.

## 6. SHSU PROPERTY AND SERVICES

6.1 Misuse of Authority: It is a violation of state law for employees acting with the intent to obtain a benefit or with intent to harm another, to intentionally or knowingly misapply any thing of value belonging to the government that comes into their custody or possession by virtue of their office or employment.

6.2 Misuse of Official Information: It is a violation of state law for employees in reliance on information to which he or she has access in his or her official capacity and which has

not been made public, (1) acquires or aids another to acquire a pecuniary interest in any property, transaction, or enterprise that may be affected by the information; or (2) speculates or aids another to speculate on the basis of the information.





