

4.2.f

External Influences

The governing board:

- f. protects the institution from undue influence by external persons or bodies.

Judgment

Compliant Non-Compliant Not Applicable

Narrative

South Carolina Code of Laws and University of South Carolina Board of Trustee Member Ethical Behavior

University of South Carolina Board of Trustees members are public officials subject to the ethical rules of conduct found in [Sections 8-13-700 to 8-13-795](#) of the South Carolina Ethics, Government Accountability and Campaign Reform Act of 1991 (Ethics Act). Violations of these ethical rules subject Board members to various penalties specified in the Ethics Act (See, for example, [Section 8-13-705\(F\)](#), [8-13-725\(B\)\(2\)](#), [8-13-735\(C\)](#), [8-13-780](#) and [8-13-790](#)), including but not limited to prosecution by the State Ethics Commission and the South Carolina Attorney General's Office. Section [8-13-700](#) requires Board members to disclose potential conflicts of interest and to abstain from participating in any action that would affect "an economic interest of himself, a family member, an individual with whom he is associated, or a business with which he is associated."

The Ethics Act requires Board members to file annually with the State Ethics Commission a Statement of Economic Interests disclosing relationships with external parties that may pose a conflict of interest with the member's duties and responsibilities to the Board ([SEI User Guide](#)). Statements of Economic Interests are public documents available for public inspection. 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.

Board External Influence Policy

Board Policy [BTRU 1.19 Protecting the Institution from External Influences](#) demonstrates the University of South Carolina Board of Trustees commitment and adherence to protecting the institution from undue influence by external persons or bodies. The policy defines external and internal stakeholders and outlines the principles that guide Board member actions. [BTRU 1.19 Protecting the Institution from External Influences](#) outlines the following procedures: Board members who believe they have been approached by an external stakeholder for the purpose of leveraging authority to influence their independent judgement shall first cite this policy to the external stakeholder, and then shall immediately inform the Board chair, who shall notify the Governance Committee of the board and the president.

Board of Trustee Responsibilities and Member Education

[Article III](#) of the Board of Trustees Bylaws establishes and outlines the individual responsibilities of Board members. According to the Bylaws, each member of the Board of Trustees shall:

1. Honor his/her fiduciary responsibility to the University System and the Board as a whole;
2. Recognize that the Board, as the governing authority of the University System, is responsible for defining the mission, role and scope of the University System, for establishing the general policies by which the University System shall operate, and for delegating the day-to-day management function of the University System to the President;
3. Recognize that the legal authority of the Board to govern and direct the University System rests with the collective Board and not individual Board members;
4. Notify the Chairman of the Board and the President immediately of credible information that could bring discredit upon the University or damage the University's reputation; and
5. Avoid conflicts of interest and self-dealing with the University; and refrain from engaging in personal agendas that conflict with actions of the Board or the advancement of the institution as a whole.

[Article XVI](#) of the Board Bylaws sets forth the Board of Trustees Conflicts of Interest Policy, the stated purpose of which is "to protect the interest of the University when contemplating entering a transaction or arrangement that might benefit the private interest of a trustee." Annually, each member of the Board of Trustees signs a statement which affirms that they have received a copy of the Conflicts of Interest Policy, read and understand the policy, and have 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](#)).

The Secretary of the University Board of Trustees meets with all newly elected/appointed Board of Trustees members prior to the start of their terms, to provide a New Board of Trustees Orientation ([Secretary Follow-up Email](#)). During the orientation new members are provided a copy of the following items:










- [Board of Trustees By-laws](#)
- [Board of Trustees Policy \(BTRU\) 1.18 *Conflict of Interest*](#)
- [The current Board of Trustees meeting schedule](#)
- [A current Board of Trustee Committee list](#)
- [Board of Trustees contact information](#)

The role and responsibility of a Board of Trustee member:

- [BTRU Policy 1.04 *Authority to Sign Contracts*](#)
- [BTRU Policy 1.06 *Audit & Advisory Services*](#)
- [BTRU Policy 1.09 *Employment of Outside Legal Counsel*](#)
- [BTRU Policy 1.12 *Use of University of South Carolina Name*](#)
- [BTRU Policy 1.14 *University Designated Funds*](#)
- [BTRU Policy 1.15 *University Personnel Expenditure Policy*](#)
- [BTRU Policy 1.16 *Board Member Expense Policy and Procedures*](#)
- [BTRU Policy 1.18 *Conflicts of Interest and Commitment*](#)
- [BTRU Policy 1.20 *Dishonest Acts and Fraud*](#)
- [BTRU Policy 1.22 *Reporting Violations of State and Federal Laws or Regulations*](#)
- [BTRU Policy 1.24 *Internal Control Policy*](#)
- [BTRU Policy 2.01 *Honorary Degree Recipients*](#)
- [BTRU Policy 2.03 *Removal of a Board of Trustees Member*](#)
- [Review of the State Ethics Rules of Conduct](#)
- [Summary of on-going initiatives and major projects](#)
- [Other topics as appropriate](#)


Each Board Member that completes the New Board of Trustee Orientation signs a completion form. The University of South Carolina has provided copies of completion forms for two Trustees who joined the Board in January 2019 and is reflective of the information covered for all Trustee orientations, including orientation of the faculty and student representative on the Board ([2019 Signed Completion Forms](#) and [2020 Signed Completion Forms](#)).

Sources

-  [BOT Contact Information](#)
-  [BTRU 1.04 Authority to Sign Contracts](#)
-  [BTRU 1.06 Audit & Advisory Services](#)
-  [BTRU 1.09 Employment of Outside Legal Counsel](#)
-  [BTRU 1.12 Use of University of South Carolina Name](#)
-  [BTRU 1.14 University Designated Funds](#)
-  [BTRU 1.15 University Personnel Expenditure Policy](#)
-  [BTRU 1.16 Board Member Expense Policy and Procedures](#)
-  [BTRU 1.18 Conflict of Interest](#)
-  [BTRU 1.19 Protecting the Institution from External Influences](#)
-  [BTRU 1.20 Dishonest Acts and FraUD](#)
-  [BTRU 1.22 Reporting Violations of State and Federal Laws or Regulations](#)
-  [BTRU 1.24 Internal Control Policy](#)
-  [BTRU 2.01 Honorary Degree Recipients](#)
-  [BTRU 2.03 Removal of a Board of Trustees Member](#)
-  [Board Committee List](#)
-  [Board Meeting Schedule](#)
-  [Board Statements of Economic Interests 2019](#)
-  [Board Statements of Economic Interests 2020](#)
-  [Board of Trustees Bylaws](#)
-  [Board of Trustees Bylaws \(Page 12\)](#)
-  [Board of Trustees Bylaws \(Page 41\)](#)
-  [Code of Laws - Title 8 - Chapter 13 - 700 - Use of official position or office for financial gain; disclosure of potential conflict of interest](#)
-  [Code of Laws - Title 8 - Chapter 13 - 705 - Offering, giving, soliciting, or receiving anything of value to influence action of public employee, member or official, or to influence testimony of witness; exceptions; penalty for violation](#)
-  [Code of Laws - Title 8 - Chapter 13 - 725 - Use or disclosure of confidential information by public official, member, or employee for financial gain; examination of private records; penalties](#)
-  [Code of Laws - Title 8 - Chapter 13 - 735 - Participation in decision affecting personal economic interests by one employed by and serving on](#)

governing body of governmental entity

 Code of Laws - Title 8 - Chapter 13 - 780 - Remedies for breaches of ethical standards by public officials, members, or employees

 Code of Laws - Title 8 - Chapter 13 - 790 - Recovery of amounts received by official or employee in breach of ethical standards; recovery of kickbacks

 Ethics Rules of Conduct

 New Member Orientation 2020

 SEI User Guide

 Secretary Follow-up Emails (Orientation)

 Signed BOT COI Forms 2019

 Signed Orientation Completion Forms Examples