

Policy #: 150.0  
Original Date: June 19, 1997  
Last Reviewed: December 11, 2020  
Next Review:

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**TITLE: CONFLICT OF INTEREST POLICY**

Sections 89906 through 89909 of the California Education Code mandate that Directors of auxiliary organizations such as University Enterprises Corporation at CSUSB (“UEC”) shall have no financial interest in any contract or other transaction entered into by the Board. This policy summarizes the applicable laws and incorporates the summary into a statement of review and compliance to be signed by each Director on an annual basis. Similar statements are completed by designated officers and administrators of the University.

UEC shall fully comply with all provisions of Sections 89906-89909 of the California Education Code (“Code”). Further, each member of the Board, appointed pursuant to the Bylaws of UEC, shall receive annually a copy of the applicable sections of the Code with interpretation of the law by UEC counsel, as necessary, and will certify by signature his or her compliance.

The Code requires that relationships between Directors and UEC are not permissible in those cases where a contract is drawn directly between a Director and UEC, a contract between UEC and an entity (partnership or unincorporated association) in which a UEC Director is a partner, owner or holder of a proprietorship interest, or a contract between UEC and a for-profit corporation in which a UEC Director is the owner or holder of five (5) percent or more of the outstanding common stock.

It was indicated that each Director would be required to affirm adherence annually.

**Approval:**

Approved by the UEC Board of Directors at 12-11-20 meeting.