



PA State System of Higher Education Board of Governors

Effective: October 10, 2002

Page 1 of 2

Policy 2002-05: Service on Public and Private Boards by Chancellor and Presidents

See Also: 65 P.S. § 401 *et seq.*; 71 P.S. § 776.1 *et seq.*;
General Legal Opinion #11-97

Adopted: October 10, 2002
Amended:

A. State Laws and Legal Opinions Apply

General Legal Opinion # 11-97 affirms that the State Ethics Act, 65 P.S. § 401 *et seq.* applies to all management employees, including the chancellor and the presidents.

B. Conflict of Interest Prohibited

The State Adverse Interest Law, 71 P.S. § 776.1 *et seq.*, prohibits the use of an employee's office or information gained through the employee's official duties for the personal pecuniary gain of themselves, members of their immediate family, businesses with which they have an interest, office or employment with any entity which contracts with the State System of Higher Education (Chancellor) or university (Presidents).

C. All Appointments to Paid Positions must be Reviewed by the Office of Chief Counsel

The agency chief counsel must review all appointments of the chancellor and a president to paid seats on public or private boards and render an opinion as to the legality of same before the individual assumes the appointment.

D. Service in Paid Positions During Regular Working Hours may only be Performed Using Accrued Annual Leave

During regular working hours the Chancellor and Presidents may only perform the duties of paid board positions using accrued annual leave time.

E. Unpaid Duties may be Performed During Regular Working Hours

The chancellor and presidents may render services in unpaid board positions during regular working hours.

F. Chancellor and Presidents may not Serve on Boards with Contracts with System

Neither the chancellor nor the presidents may serve in a paid or unpaid capacity on the Board of any entity that has a contract with the State System of Higher Education and/or constituent universities or consortia.

G. All Income, Reimbursements and Gifts must be Reported

The Chancellor and Presidents deriving any income, reimbursement, or gift in kind from their position as a member of a public or private board must report such benefits on their annual Statement of Financial Interest.