

### 10-9 Regents Code of Conduct and Conflict of Interest

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1. **Purpose.** The purpose of this Code of Conduct and Conflict of Interest policy is to provide, pursuant to NMSA 1978, § 10-16-11, general guidelines and a minimum standard for conduct of the Board of Regents (regents) of Eastern New Mexico University System (the System).
2. **Policy.** System regents are expected to conduct themselves in a manner, which shall maintain the respect, trust, and confidence of the citizens of New Mexico and, in doing so, shall comply with the following guidelines:
  - A. Regents of the System shall not accept favors or gratuities of significant economic value from any firm, person or corporation that is engaged in or attempting to engage in business transactions with the System. They shall not use their positions to enhance their direct or indirect financial interest or use confidential information learned as a regent for anyone's private gain. They must avoid any conflict of interest that may affect their independent judgment in the impartial performance of their duties. Regents shall comply with state conflict of interest laws as well as System policies.
  - B. No regent shall maintain a financial interest in a firm or corporation with which the System is engaged in business. In addition, a regent shall not participate directly or indirectly in any decisions relating to any transaction between the System and a business entity of which the regent or any member of the regent's immediate family is a director or trustee.

### Procedures

3. **Administration.** These policies and procedures shall be administered by the ENMU System chief financial officer (CFO).
4. **Definitions.** In this policy, the following words and phrases have the following meanings:
  - A. "Business dealings" are direct or indirect and include, but are not limited to, contractual arrangements to purchase goods or services.
  - B. A "family member" is a spouse, child, parent, sibling, grandparent, parent-in-law or first cousin.
  - C. A "financial interest" is a direct or indirect interest by a member of the Board of Regents or a Regent's family member in an entity as a partner, owner, investor, officer, employee or board or committee member; this does not include ownership of less than five percent (5%) of any publicly traded security of any company.
  - D. A "gift" is a voluntary transfer of anything of value for the benefit of any person or entity other than the System, unless the transfer is in exchange for something of equal or greater value.
  - E. A "gratuity" is anything having a value in excess of one hundred dollars (\$100).

**5. Acceptance of Gifts.** No regent shall directly or indirectly accept any gift which would tend to influence the manner in which his or her duties are performed and, in particular, no regent may accept gratuities in connection with any business dealings of the System, nor shall any regent be reimbursed for expenses related to business dealings of the System except such expenses as would be reimbursed pursuant to the New Mexico Per Diem and Mileage Act. [See NMSA 1978, § 10-16-4.1.]

**6. Conflicts of Interest.**

**A. Certain Prohibited Transactions.** A regent shall not engage in any transaction in which he or she may profit from his or her official position or status or benefit financially from confidential information that he or she obtained or may obtain by reason of such position or status.

**B. Dealing with Conflicts.** If a regent has a financial interest in any entity, which has, or, to the knowledge of such regent, seeks to have business dealings with the System, such regent must:

(1) At the earliest possible time fully disclose in writing and orally any such financial interest and business dealings to the internal auditor of the System and the Audit and Finance Committee of the Board of Regents, and the disclosure shall be reflected in the minutes of the appropriate Board of Regents meeting and

(2) The regent shall refrain from participating in decisions of the System directly related to the entity or to the authorizations related to the business dealing.

**C. Exceptions.** Nothing in this Code shall be deemed or construed to limit the right of any regent to acquire an interest in publicly traded bonds related to funding System capital projects or to have an interest in any financial institution in which the funds of the System are to be deposited.

**7. Political Activities.** A regent shall not:

A. Use his or her official status to interfere with or affect the result of an election or nomination for public office;

B. Directly or indirectly coerce, attempt to coerce, command or advise anyone to pay, lend or contribute anything to a party, committee organization, agency or person for political purposes; or

C. Use System funds or resources or time for any political candidate.

None of the foregoing shall be construed to prohibit the System from taking a position on those issues, which directly affect its autonomy, the freedom of its members, its financial support and its academic functions.

**8. Confidentiality.** Regents shall not divulge to any unauthorized person confidential information acquired in the course of the duties of employment in advance of the time prescribed for authorized release of the information to the public.

- 9. Policies and Procedures.** Each regent is responsible for knowing and following the policies and procedures of the System, and any violation of such policies and procedures shall be subject to sanctions by the System.
- 10. Disclosure of Conflicts of Interest.** Between July 1 and October 1 of each year, each regent must provide a complete disclosure statement of all his or her financial interests in entities that have, or to the best knowledge of the regent, seek to have business dealings with the System.
- A. Disclosure forms shall be provided by the Office of Human Resources, Portales campus.
  - B. In accordance with section 2. D. (2) of this Code, all regents must include reference to outside employment in their annual disclosure statement.
  - C. All new regents must provide a disclosure statement when their term of service begins.
  - D. Completed disclosure forms shall be returned to the Office of Human Resources, Portales campus that will, as appropriate, forward copies to the System chancellor and the Audit and Finance Committee of the Board of Regents through the internal auditor.
  - E. Only the System chancellor and the Board of Regents are authorized to waive conflicts of interest requirements of this Code, and then only when circumstances warrant such waiver and only by way of written notice of waiver. Pursuant to NMSA 1978, § 13-1-194, prior to granting a waiver there must be a determination that:
    - (1) The contemporaneous employment or financial interest of the regent has been publicly disclosed,
    - (2) The regent will be able to perform his or her procurement functions without actual or apparent bias or favoritism and
    - (3) The regent participation is in the best interests of the System.
- 11. Sanctions.** Violation of any part of this Code shall be cause for review by the internal auditor. However,
- A. Nothing in this code is meant to limit the application of any laws relating to conflicts of interest or other conduct referred to in this Code and
  - B. Such laws may have applicable criminal and civil sanctions.

Approved by the University Policy Council on April 24, 2006.

Approved by Board of Regents on May 12, 2006.

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