

The presiding officer of the Board must have no contractual, employment, or personal or familial financial interest in the institution. The majority of other voting members of the Board must have no contractual, employment, or personal or familial financial interest in the institution.

If a Regent or a person related to a Regent in the first degree by either affinity or consanguinity has a substantial interest in a business entity or in real property, the Regent, before a vote or decision on any matter involving the business entity or the real property, shall file an affidavit (See BBFA (Exhibit) with the Secretary of the Board of Regents stating the nature and extent of the interest and shall abstain from further participation in the matter. (*Local Gov't Code 171.004*)

The Board shall take a separate vote on any budget item specifically dedicated to a contract with a business entity in which a Regent has a substantial interest. The affected Regent shall not participate in the separate vote, but may vote on the final budget if he/she has filed the affidavit and the matter in which he/she is concerned has been resolved. (*Local Gov't Code 171.005*)

A Regent who is a stockholder, officer, director, or employee of a bank that has bid to become a depository for the College shall not vote on the awarding of a depository contract to said bank. (*Education Code 45.204*)

If a Regent has a substantial interest in a bank with which the District is considering entering into a loan or other transaction besides a depository contract, then the Regent must comply with the affidavit and abstention requirements. (*Atty. Gen Op. JM-1082 (1989); Local Gov't Code 171.004*)