



The University of Vermont

Policy V. 4.8.3

Responsible Official: Vice  
President for Finance and Treasurer

Effective Date: January 30, 2015

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# Loans to or Guarantees for Trustees and Officers

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## Policy Statement

The University shall not lend money to or guarantee the obligations of members of its Board of Trustees or officers of the University.

## Reason for the Policy

The policy is intended to effectuate compliance with relevant law and sound financial management practices.

## Applicability of the Policy

The policy is applicable to members of the University Board of Trustees and officers of the University as defined below. It is not applicable to students (including student-employees), faculty and staff who are not members of the University Board of Trustees or officers of the University. Additionally, the policy is not applicable to students who serve as trustees and receive student loans granted through the Financial Aid Office.

## Policy Elaboration

None

## Definitions

*Guarantee:* To undertake to answer for payment of a debt, or performance of a contractual duty, of another person in the event of default by that person.

*Lend:* (1) To extend credit; or (2) to allow temporary use of money on condition of repayment whether or not in exchange for consideration, such as interest. The term lend does not include furnishing advances for expenses related to (1) the recipient's duties as a member of the

University Board of Trustees or an officer of the University or (2) the authorized indemnification of members of the University Board of Trustees and officers of the University.

*Officers of the University:* For purposes of this policy, the President, the Provost, the Treasurer, the Secretary and Assistant Secretary, all Vice Presidents, and all other persons appointed as officers by the University Board of Trustees from time to time.

## **Procedures**

None

## **Forms**

None

## **Contacts**

Questions related to the daily operational interpretation of this policy should be directed to:

Trustee Coordinator  
85 South Prospect Street  
(802) 656-3186

The Vice President for Finance and Treasurer is responsible for administration of this policy.

## **Related Documents/Policies**

Conflict of Interest Policy – Board of Trustees

<http://www.uvm.edu/trustees/policymanual/IV%203A%20Conflict%20of%20Interest%20Policy.pdf>

Vermont Nonprofit Corporation Act

<http://www.leg.state.vt.us/statutes/fullchapter.cfm?Title=11B&Chapter=001>

## **Effective Date**

Approved by the President January 30, 2015