



The
UNIVERSITY
of **VERMONT**

Policy V. 4.0.1.2

Responsible Official: Vice
President for Finance and
Administration

Effective Date: November 16, 2010

Loans to or Guarantees for Trustees and Officers

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.

Strategic Direction

This policy supports the following goal in the University's Strategic Plan:

- *Institutional Efficacy*: As an institution, model the highest standard of ethical conduct, accountability and best practice, public service, and strong commitment to lifelong learning.

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 means 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 means (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 are, 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
656-3186

The Vice President for Finance and Administration 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 Dates

Approved by the President on November 16, 2010