

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, FOUNDATION
BOARD OF DIRECTORS**

CALIFORNIA EDUCATION CODE ACKNOWLEDGEMENT

§89906 FINANCIAL INTEREST PROHIBITED. No member of the governing board of an auxiliary organization shall be financially interested in any contract or other transaction entered into by the board of which he/she is a member, and any contract or transaction entered into in violation of this section is void.

§89907 EXCEPTION. No contract or other transaction entered into by the governing board of an auxiliary organization is void under the provisions of §89906, nor shall any member of such board be disqualified or deemed guilty of misconduct in office under said provisions, if the circumstances specified in the following subdivisions exists:

- (a) The fact of such financial interest is disclosed or known to the governing board and noted in the Minutes, and the governing board thereafter authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such financially interested member or members, and
- (b) The contract or transaction is just and reasonable as to the auxiliary organization at the time it is authorized or approved.

§89908 CERTAIN PROVISIONS NOT APPLICABLE. The provisions of §89907 shall not be applicable if the circumstances specified in any of the following subdivisions exists:

- (a) The contract or transaction is between an auxiliary organization and a member of the governing board of that auxiliary organization.
- (b) The contract or transaction is between an auxiliary organization and a partnership or unincorporated association of which any member of the governing board of that auxiliary organization is a partner or in which he is the owner or holder, directly or indirectly, of a proprietorship interest.
- (c) The contract or transaction is between an auxiliary organization and a corporation in which any member of the governing board of that auxiliary organization is the owner or holder, directly or indirectly, of five (5) percent or more of the outstanding common stock.
- (d) A member of the governing board of an auxiliary organization is interested in a contract or transaction within the meaning of §89906, and without first disclosing such interest to the governing board at a public meeting of the board, influences or attempts to influence another member or members of the board to enter into the contract or transaction.

§89909 UNLAWFUL TO UTILIZE NONPUBLIC INFORMATION FOR PERSONAL PECUNIARY GAIN. It is unlawful for any person to utilize any information, not a matter of public record, which is received by him/her by reason of his/her membership of the governing board of an auxiliary organization, for person pecuniary gain, regardless of whether he/she is or is not a member of the governing board at the time such gain is realized.

ACKNOWLEDGEMENT: I have read §89906 through §89909 of the California Education Code and signify, by my signature, that I understand and agree to comply with the above Conflict of Interest provisions. Furthermore, I am not now financially interested in any contract or other transaction entered into by the Board of Directors of the California State University, Bakersfield, Foundation.

Print Name

Date

Signature