

## OHIO ETHICS COMMISSION

THE ATLAS BUILDING 8 EAST LONG STREET, SUITE 210 COLUMBUS, OHIO 43215 (614) 466-7090

> Advisory Opinion No. 83-003 January 13,1983

Syllabus by the Commission:

Section 2921.42 of the Revised Code prohibits the chief financial officer of a state university from serving on the board of directors of a bank that is a university depository.

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You asked whether the Ohio Ethics Law and related statutes, particularly Section 2921.42 of the Revised Code, prohibit the chief financial officer of a state university from serving on the board of directors of a bank that is a university depository.

You stated, by way of history, that the person in question is the Vice-President for Business & Finance of a state university. He has been asked to serve on the board of directors of a local bank which is one of several banks holding university funds in the form of time deposits, savings accounts, and certificates of deposit. Some of the deposits are made on the basis of the lowest bid, and others are not.

Section 2921.42 of the Revised Code provides, in pertinent part:

- (A) No public official shall do any of the following:
- (1) Authorize, or employ the authority or influence of his office to secure authorization of any public contract in which he, a member of his family, or any of his business associates has an interest;

. . . .

(4) Have an interest in the profits or the benefits of a public contract entered into by or for the use of the political subdivision or governmental agency or instrumentality with which he is connected.

The Vice-President for Business & Finance of a state university is a "public official," as that term is defined in Section 2921.01 of the Revised Code, and the deposit of university funds in a bank is a "public contract" as defined in Division (E)(1) of Section 2921.42 of the Revised Code.

Division (A)(1) of Section 2921.42 of the Revised Code would prohibit the Vice-President of Business & Finance of a state university from knowingly authorizing or otherwise Advisory Opinion No. 83-003 Page 2

using the authority or influence of his office to secure approval of a public contract, including the deposit of university funds, between the university and a bank in which he has an interest. The bank director's fiduciary, pecuniary, and participatory interest in the bank is the basis of his interest in the contract (See: Ohio Ethics Commission Advisory Opinions No. 81-003, 81-005, and 81-008). In addition, Division (A)(4) of Section 2921.42 of the Revised Code prohibits a state university official or employee from knowingly having an interest in the profits or benefits of a contract between the university and a bank with which he is associated.

Your attention is directed to Divisions (A), (B), and (D) of Section 102.03 and Division (A) of Section 102.04 of the Revised Code, which may be applicable depending upon the facts and circumstances of the particular case.

The conclusions of this opinion are based upon the facts presented, and are rendered only with regard to questions arising under Chapter 102. and Section 2921.42 of the Revised Code.

Therefore, it is the opinion of the Commission, and you are so advised, that Section 2921.42 of the Revised Code prohibits the chief financial officer of a state university from serving on the board of directors of a bank that is a university depository.

MEROM BRACHMAN, Chairman Onio Ethics Commission

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