

§ 116-350.12. Operational principles of the Board of Directors.

The Board of Directors shall operate according to the following principles:

- (1) All members of the Board of Directors shall be considered fiduciaries of the University of North Carolina Health Care System and shall be responsible for the following:
 - a. Discharging their duties to the System with care, skill, prudence, and diligence.
 - b. Acting in good faith and in the best interests of the System.
 - c. Conducting themselves, at all times, in furtherance of the System's organizational goals and not the member's personal or business interests.
 - d. Providing oversight to ensure that the System's resources are dedicated to the fulfillment of its mission.
 - e. Becoming knowledgeable about issues that affect the System.
- (2) The authority of board members shall be collective, not individual, and shall only arise from each member's participation with other members of the Board of Directors when officially convened. Individual board members shall hold no authority to exercise administrative or executive functions on behalf of the System, which shall be vested in the Chief Executive Officer of the System. Individual board members may not bind the Board of Directors or the System, enter into contracts on behalf of the Board of Directors or the System, or otherwise act on behalf of or in the name of the Board of Directors or the System unless authorized to do so by official action of the Board of Directors or the Chief Executive Officer.
- (3) Board members shall adhere to the highest standards of ethical conduct by complying with laws, regulations, and System policies applicable to their service. (2023-134, s. 4.10(b).)