1130 - CONFLICT OF INTEREST

Statement of Purpose

The maintenance of high standards of honesty, integrity, impartiality and professional conduct by the District's employees, officers, and agents ("Officials") is essential to ensure the proper performance of school business as well as to earn and keep public confidence in the District.

This policy is adopted to provide guidance on 1) how to avoid actual or perceived conflicts, and 2) what to do if a conflict arises. Officials are expected to perform their official duties in a manner free from both actual conflicts and the appearance of conflicts.

Definitions

A. **Conflict of Interest** occurs when an individual has a financial interest, directly or indirectly, or some other interest that could in some way impair one's fairness and impartiality on the job.

B. **Disclosure** means an oral and/or written statement setting forth the nature and details of a conflict.

C. **Family Member** means parents, children, uncle, aunt, cousin, nephew, niece, spouse, domestic partner, grandparents, all family members by marriage or by adoption including in-laws and "step" family members, half-brother, half-sister or person who resides in the same household of any employee or Board member.

D. **Financial Interest** means income, honoraria, payment for service (including consulting services) or equity such as stock, stock options or other ownership interests and royalties.

E. **Official** means District employee, officer or agent.

F. **Other Interest** occurs when an individual has an interest that could in some way impair one's fairness and impartiality on the job.

G. **Nominal Value** means a monetary value of $100 or less.

Disclosure Requirements

A. **Annual Disclosures.** All Officials shall file Electronic Disclosures upon hire, and thereafter, annually – disclosing all existing, potential, possible and probable conflicts of interest.

B. **Update to Annual Disclosures.** All Officials must file a written update to his/her annual disclosure at any time if a change in circumstances presents a potential or perceived conflict of interest. Put another way, when an Official determines the possibility of a conflict of interest, he/she must disclose his/her interest, in writing.
C. Disclosure of Interest in a Contract. If an Official’s financial interest pertains to a proposed contract with the District ("Contract"), he/she shall disclose his/her financial interest in the Contract to the Superintendent or his/her designee within seven (7) days of discovering the existence of the pending or actual contractual relationship with the District. The Superintendent or his/her designee will report the disclosed conflict to the Board and such disclosed conflict will be made a part of the Board’s official minutes.

D. Disclosure of Interest in Employment Action. If an Official required to participate as a committee member in an employment interview becomes aware of an employment applicant that presents a conflict of interest for the Official, or an appearance of a conflict of interest, the Official should immediately advise the committee chairperson of such conflict of interest. If the Official is the committee chairperson, he/she should disclose the conflict to a representative of the Division of Human Resources, and refrain from participating in the interview process, unless cleared to do so by Human Resources.

E. Disclosure of Acceptance of Unsolicited Gift. If an Official accepts an unsolicited gift of nominal value, he/she must disclose same to the Superintendent or his/her designee prior to acceptance of the gift.

F. District’s Disclosure of an Official’s Conflict. Upon discovery of any potential conflict of interest, the District will disclose, in writing, the potential conflict of interest to the appropriate Federal awarding agency consistent with the requirements of the granting agency or, if applicable, the pass-through entity.

G. District’s Disclosure of Fraud. The District will disclose, in a timely manner, all violations of Federal criminal law involving fraud, bribery or gratuity that affect a Federal award to the appropriate Federal awarding agency or, if applicable, the pass-through entity.

Standards of Conduct

The following list of expected behavior(s) is intended to provide examples and guidance – it is not intended to be all-inclusive, nor a substitute for good judgment on the part of a District Official:

A. No District Official shall use his/her position as a District Official to benefit himself/herself or any other individual or agency apart from the total interest of the District.

B. No Official shall engage in or have a financial interest, directly or indirectly, in any activity that 1) conflicts; 2) has the appearance of a conflict; or 3) raises a reasonable question of conflict - with his/her duties and responsibilities in the school system.

C. Officials shall not engage in business, private practice of their profession, the rendering of services, or the sale of goods of any type where advantage is taken of any professional relationship they may have with any student or parents of such student in the course of the Official’s employment or professional relationship with the District. Prohibited services include, but are not limited to:

1. The provision of any private lesson or services for a fee;

2. The use, sale, or improper divulging of any privileged or confidential information about a student gained in the course of the Official’s employment or professional relationship with the District through his/her access to District records;

3. The referral of any student or client for lessons or services to any private business or professional practitioner if there is any expectation of reciprocal referrals, sharing of fees or other remuneration for such referrals; and

4. The requirement of students or clients to purchase any private goods or services provided by an Official or any business or professional practitioner with whom any Official has a financial or other relationship, as a condition of receiving any grades, credits, promotions, approvals or recommendations.

Should exceptions to this prohibition be necessary in order to provide services to students or clients of the District, all such exceptions will be made known to the Official’s supervisor and will be disclosed to the Superintendent or his/her designee before entering into any private relationship.

D. Officials shall not make use of materials, equipment or facilities of the District in private practice. For example, an Official cannot: 1) use facilities before, during or after regular business hours for service to private practice clients; or 2) check out items from an instructional materials center for private practice or personal gain.

E. No Official may participate in the selection, award, or administration of a contract supported by a Federal award if he/she has a real or apparent conflict of interest. Such a conflict of interest would arise when the Official or his/her family member, or an organization which employs or is about to employ the Official or his/her family member, has a financial interest in or a tangible personal benefit from a firm considered for a contract.
F. Officials shall not participate in any human resource decisions, including involvement in the hiring or selection of applicants for employment if there is any potential or perceived conflict of interest; whether from the Official’s or the applicant’s perspective.

G. Officials shall not be given special consideration in dealings with the District.

H. Officials must adhere to all applicable District policies related to conflict of interest.

I. To the extent that the District has a parent, affiliate or subsidiary organization that is not a State, local government or Indian tribe, the District may not conduct a procurement action involving the parent, affiliate or subsidiary organization if the District is unable, or appears to be unable, to be impartial.

Gifts and Gratuities

A. Contractors Involving Federal Grant Funds. Officials cannot solicit or accept gifts, gratuities, honoraria, favors, loans or other things of monetary value from District contractors or subcontractors who are paid by the District using Federal grant funds.

B. No Solicitation of Contractors Not Involving Federal Grant Funds. Officials cannot solicit or accepts gifts, gratuities, honoraria, favors, loans or other things of monetary value from any person or company: 1) doing business with the District; 2) seeking to do business with the District; 3) seeking official action for the District; or (iv) that has interests that could be substantially affected by the performance of the Official’s job duties.

C. Exceptions. The prohibition in “Standards of Conduct” Item B above shall not apply to:

1. An award publicly presented to an Official by an individual, governmental body or non-governmental entity or organization in the recognition of public service;

2. Complimentary copies of trade publications, books, reports, pamphlets, calendars, periodicals or other informational materials;

3. A gift received from an Official’s relative or family member provided that the relative or family member is not acting as a third party’s intermediary or an agent in an attempt to circumvent this policy;

4. Admission or registration fee, travel expenses, entertainment, meals or refreshments that are furnished to the Official:
   a. By the sponsor(s) of an event, appearance or ceremony, which is related to official District business in connection with such an event, appearance or ceremony to which one (1) or more of the public are invited; or
   b. In connection with teaching, a speaking engagement, or the provision of assistance to an organization or another governmental entity as long as the District does not compensate the Official for admission or registration fees, travel expenses, entertainment, meals or refreshments for the same activity; and

5. A gift of unsolicited items of “nominal value” received from a contractor or subcontractor who is party to a District contract that is not paid with Federal grant funds. Officials are allowed to accept unsolicited items valued up to $100.00 in any one month period provided that the frequency is limited.

6. A gift that falls under any of the above exceptions which seems unreasonable may be subject to review by the District.

H. If an Official accepts a gift in violation of this policy, he/she should return the gift and immediately disclose same to the Superintendent or his/her designee.

Disciplinary Action for Violation of This Policy

Officials found to be in violation of this conflict of interest policy will be subject to disciplinary action up to and including termination, as permitted by applicable Board policy, collectively bargained agreements as well as Federal, State, and local law.