Policy Type: Governance

Board Members Conflict of Interest **GP-11**

Public office represents a trust created by the confidence the voters hold in the integrity of local government officials for the common good of the people. It is the desire of the Board that all Board members operate under the highest ethical standards. A conflict of interest arises when a public official is unable to devote complete loyalty and singleness of purpose to the general public interest.

For purposes of this policy, a conflict of interest is considered to exist whenever a board member is in a position to request or receive, directly or indirectly, anything of value for or on account of his or her influence as a member of the Board of Directors.

1. A Board member who, in the discharge of his/her official responsibilities, is required to take an action or make a decision which affects an economic interest of the Board member, a member of the Board member's immediate family, an individual with whom the Board member is associated, or a business with which the Board member is associated shall provide to the Board Chair a written statement which describes the matter requiring action and the nature of the Board member's potential conflict of interest with respect to the action or decision. The Chair shall cause the statement to be printed in the minutes and shall require the member to be excused from any votes, deliberations, and other actions on the matter on which the potential conflict of interest exists and shall cause such disqualification and the reasons for it to be noted in the minutes.

2. A Board member may not cause the employment, appointment, promotion, transfer, or advancement of a family member to a position in the District. Similarly, a Board member may not participate in an action relating to the discipline of the Board member's family member. "Family member" includes the Board member's spouse, parent, brother, sister, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, godchild, or a member of the Board member's immediate family.

3. The Board shall not hire any of its members as employees of the district. Members may be reimbursed for authorized expenses in carrying out Board duties as provided for in Policy GP-12 (Board Member Reimbursement of Expenses).

4. The Board shall not enter into any contract with any of its members or with a firm or corporation in which a member has a financial interest unless the contract is awarded to the lowest responsible bidder based on established competitive bidding procedures, and the Board member performs no official function regarding the contract.

5. A Board member must avoid conflict of interest with respect to his or her fiduciary responsibility. Accordingly, a Board member will not:
   a. Disclose or use confidential information acquired in the performance of official duties to substantially further the Board member's own personal financial interests.
   b. Use the Board member's position for personal financial gain.

c. Solicit, accept, or receive any gift, which would tend to improperly influence a reasonable person in that position or which the Board member knows or should know is primarily for the purpose of a reward for official action taken.
d. Solicit, accept, or receive any gift from companies doing business with the District.
e. Accept anything of value for speaking before a public or private group when acting in an official capacity as a Board member.
f. Engage in a substantial financial transaction for private business purposes with employees of the District.
g. Perform an official act which directly confers an economic benefit on a business or other undertaking in which the Board member has a substantial financial interest or is engaged as a counsel, consultant, representative, or agent.
h. Use District personnel, equipment, or materials in an election campaign.

6. It is permissible for a board member to receive:
   a. Campaign contributions and contributions in kind which are reported.
   b. An occasional non-pecuniary gift which is less than $50 in value, in recognition of public service.
   c. Payment or reimbursement for actual and necessary expenditures for travel and subsistence for attendance at a convention or other meeting in which the board member participates in his/her official capacity as a board member.
   d. A meal provided in conjunction with a speaking engagement where all participants are entitled to the same meal and the meal is incidental to the speaking engagement.

7. Annually, prior to April 15, each Board member shall file a Personal Financial Affairs Statement with the State Public Disclosure Commission.