

Board Conflict of Interest and Financial Disclosure

Definitions

Business with which a Board member is associated for the purposes of this policy:

1. A sole proprietorship owned by the Board member, his or her spouse or any dependent children in the Board member's custody;
2. A partnership or joint venture in which the Board member or his or her spouse is a partner, other than as a limited partner of a limited partnership, and any corporation or limited partnership in which the Board member is an officer or director or of which the Board member or his or her spouse or dependent children in the Board member's custody, whether singularly or collectively, own more than ten percent of the outstanding shares of any class of stock or partnership units; or
3. Any trust in which the Board member is the trustee or settlor or in which the Board member or his or her spouse or dependent children in his or her custody, whether singularly or collectively, are beneficiaries or holders of a reversionary interest of ten percent or more of the corpus of the trust.

Fourth Degree of Consanguinity or Affinity: Includes parents, grandparents, great-grandparents, great-great-grandparents, spouse, children, siblings, grandchildren, great-grandchildren, great-great-grandchildren, nieces, nephews, grand-nieces, grand-nephews, aunts, uncles, great-aunts, great-uncles, and first cousins by virtue of a blood relationship or marriage.

Special Monetary Benefit: Being materially affected in a substantially different manner or degree than the manner or degree in which the public in general will be affected or, if the matter affects only a special class of persons, then be affected in a substantially different manner or degree than the manner or degree in which such class will be affected.

Substantial Interest: A substantial interest exists when the Board member or his or her spouse or dependent children in his or her custody, either singularly or collectively, directly or indirectly:

1. Own(s) ten percent or more of any business entity; or
2. Own(s) an interest having a value of \$10,000 or more in any business entity; or
3. Receive(s) a salary, gratuity or other compensation or remuneration of \$5,000 or more from any individual, partnership, organization or association within any calendar year.

Employ - hiring a person or persons to be an employee or employees of the District and approving independent contractors who provide services to the District.

First degree of consanguinity or affinity - includes parents, spouse or children by virtue of a blood relationship or marriage.

Contractual and Business Relationships

No Board member or District employee may:

1. Perform a service, sell, rent or lease any property to the District for consideration of in excess of five hundred dollars (\$500.00) value per transaction or five thousand dollars (\$5,000.00) value per annum to him/her, or to their spouse, to a dependent child in his/her custody, or to a business with which member or employee is associated unless the transaction is made pursuant to an award on a contract let or sale made after public notice and, in the case of personal property, competitive bidding, provided that the bid or offer accepted is the lowest received.
2. Attempt, for any compensation other than the compensation provided for the performance of his/her official duties, to influence the decision of the Board or the District on any matter.

Business Entities

No partnership, joint venture, or corporation in which any Board member is a partner having the lesser of a ten percent (10%) interest or a ten thousand dollar (\$10,000) value partnership interest, or a co-participant or owner of outstanding shares of any class of stock with a fair market value equal to the lesser of ten percent (10%) of the outstanding shares or \$10,000, shall:

1. Perform any service for the District for any consideration in excess of five hundred dollars (\$500) per transaction, or five thousand dollars (\$5,000) per annum, unless the transaction is made pursuant to an award on a contract let after public notice and competitive bidding, provided that the bid or offer accepted is the lowest received.
2. Sell, rent or lease any property to the District where the consideration is in excess of five hundred dollars (\$500) per transaction, or five thousand dollars (\$5,000) per annum, unless the transaction is made pursuant to an award on a contract let or sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest received.

Use of Confidential Information

A Board member shall not use or disclose confidential information obtained in his/her official capacity in any manner with the intent to cause financial gain for himself/herself, any other person, or any business. This also precludes the use of mailing lists or the school mail for any communication other than that directly related to school matters. The term Confidential Information shall mean all information whether transmitted orally or in writing which is of such a nature that it is not, at that time, a matter of public record or public knowledge.

Nepotism

Board members shall not vote to employ or appoint any person who is related to them within the fourth degree by consanguinity or affinity. In the event that an individual is recommended for employment or appointment and the individual is related within the fourth degree to a Board member, the related Board member shall abstain from voting and shall leave the room during

following transactions if they occurred during the previous calendar year. If no such transactions occurred, the Board member or candidate will still file, but will mark the items as not applicable.

1. Each transaction in excess of \$500 per year between the District and the individual, any person related within the first degree by consanguinity or affinity to the individual. The statement does not need to include compensation received as an employee or payment of any tax, fee or penalty due the District and other transfers for no consideration to the District. The statement will include the dates and identities of the parties in the transaction.
2. Each transaction in excess of \$500 between the District and any business entity in which the individual has a substantial interest. The statement does not need to include any payment of tax, fee or penalty due to the District or payment for providing utility service to the District and other transfers for no consideration to the District. The statement will include the dates and identities of the parties in the transactions.

Superintendent, Chief Purchasing Officer and General Counsel Disclosure

The Superintendent, chief purchasing officer and general counsel, if employed full-time, will file the short-form version of the MEC's financial interest statement each year. This form is also known as the "Financial Disclosure Statement for Political Subdivisions." These employees will report the following transactions if they occurred during the previous calendar year. If no such transactions occurred, these employees will still file, but will mark the items as not applicable.

These employees will disclose in writing the information required in 1) and 2) above. In addition, these employees will disclose the following information for themselves, their spouses and dependent children in their custody:

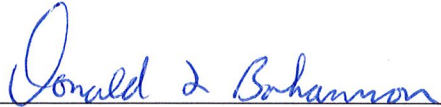
1. The name and address of each employer from whom income of \$1,000 or more was received during the year covered by the statement.
2. The name and address of each sole proprietorship that the individual owned.
3. The name, address, and general nature of business conducted by each general partnership or joint venture in which the individual was a partner or participant.
4. The name and address of each partner or co-participant in the partnership or joint venture, unless the information is already filed with the Secretary of State.
5. The name, address and general nature of business of any closely held corporation or limited partnership in which the individual owned 10% or more of any class of the outstanding stock or limited partner's units.
6. The name of any publicly traded corporation or limited partnership which that is listed on a regulated stock exchange or automated quotation system in which the individual owned 2% or more of any class of outstanding stock, limited partnership units or other equity interests.
7. The names and addresses of each corporation for which the individual served in the capacity of director, officer or receiver.

A certified copy of this regulation will be sent to the Secretary of State's Office within ten (10) days of the adoption. Disclosure reports will be filed by May 1 for the preceding calendar year with the Secretary of State's Officer and the Board. Disclosure reports will be made available to the public during normal business hours.

Policy Adoption

The Board of Education shall readopt this policy biennially on or before September 15 of the calendar year.

Date Issued by the Superintendent: September 26, 2017



Superintendent of Schools