

BOARD CONFLICT OF INTEREST

It shall be a conflict of interest for a Board member to receive direct payment from the District, unless exempted in this policy, for anything other than reimbursement of actual and necessary expenses, including travel in the performance of official duties. A Board member shall not act as an agent for a school textbook or school supply company during the Board member's term of office. It shall not be a conflict of interest for Board members to have an interest in District contracts for the purchase of goods or services or to receive compensation for part-time or temporary employment if the benefit to the Board member does not exceed \$6,000 in the fiscal year or if the contract is made per written competitive bid with bids publicly invited and opened. A board member shall not be a District employee and receive compensation from the District.

The conflict of interest provisions do not apply to a contract that is a bond, note or other obligation of a school corporation if the contract is not acquired directly from the school corporation, but is acquired in a transaction with a third party, who may or may not be the original underwriter, purchaser, or obligee of the contract, or to a contract in which a director has an interest solely by reason of employment if the contract was made by competitive bid in writing, publicly invited and opened, or if the remuneration for employment will not be directly affected as a result of the contract and duties of employment do not involve any of the preparation or procurement of any part of the contract. The competitive bid section of the conflict of interest provision does not apply to a contract for professional services not customarily competitively bid.

It shall be a conflict of interest for a Board member to engage in any outside employment or activity which is in conflict with the Board member's official duties and responsibilities. In determining whether outside employment or activity of a Board member creates a conflict of interest, situations for which a conflict of interest shall be deemed to exist includes, but is not limited to, any of the following;

- a) the outside employment or activity involves the use of the District's time, facilities, equipment, and supplies or the use of the District's badge, uniform, business card, or other evidence of office to give the Board member or member of the Board member's immediate family an advantage or pecuniary benefit that is not available to other similarly situated members or classes of members of the general public. A person is not "similarly situated" merely by being related to a Board member.
- b) the outside employment or activity involves the receipt of, promise of, or acceptance of more or other consideration by the Board member or a member of the Board member's immediate family from anyone other than the District for the performance of any act that the Board member would be required or

expected to perform as part of the Board member's regular duties or during the hours in which the Board member performs service or work for the District.

- c) the outside employment or activity is subject to the official control, inspection, review, audit, or enforcement authority of the Board member, during the performance of the Board member's duties or employment.

If the outside employment or activity is employment or activity in (a) or (b) above, the Board member must cease the employment or activity. If the activity or employment falls under (c), then the Board member must:

Cease the outside employment or activity; or

Publicly disclose the existence of the conflict and refrain from taking any official action or performing any official duty that would detrimentally affect or create a benefit for the outside employment or activity. Official action or official duty includes, but is not limited to, participating in any vote, taking affirmative action to influence any vote, or providing any other official service or thing that is not available generally to members of the public in order to further the interest of the outside employment or activity.

It shall be the responsibility of each Board member to be aware of an actual or potential conflict of interest. It shall also be the responsibility of each Board member to take the action necessary to eliminate such a conflict of interest. Should a conflict of interest arise, a Board member should not participate in any Board action relating to the issue from which the conflict arose.

Legal Reference: Code of Iowa, Chapter 68B, Sections 277.27, 279.7A, and 301.28 (2005)

Adopted: 11/23/65

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