

Conflict of Interest

Board members must be able to make decisions objectively. It is the responsibility of each Board member to be aware of an actual or potential conflict of interest and take the action necessary to eliminate a potential conflict of interest should it arise. It is also 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 action relating to the issue from which the conflict arose. A Board member shall disclose and abstain from voting on any item that may be a potential conflict of interest.

Each Board member shall sign a "Conflict of Interest Disclosure" form at the annual or organizational Board meeting and a record of said form will be noted in the School Board minutes. The disclosure form will be maintained by the Board Secretary.

Conflicts of Interest would include but not necessarily be limited to the following:

- Receiving direct or indirect compensation from the District, unless exempted in this regulation, for anything other than reimbursement of actual and necessary expenses, including travel, incurred in the performance of official duties.
- Acting as an agent for a school textbook or school supply company, or for a company which provides any other goods or services which does business with the District during the Board member's term of office.
- Conducting District business with the spouse of a Board member during the term of the Board member. (The payment of compensation to any other family member is within the discretion of the Board.)
- Engaging directly or indirectly (through a Board member's immediate family members) in any outside employment or activity which is in conflict with the Board member's official duties and responsibilities. (See definition of immediate family below.)

Generally, the following would NOT be considered a conflict of interest:

- Participation in 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.
- Participation in a contract in which a Board member 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 affected Board member's 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 and the affected Board member abstains from voting on the contract.
- Receiving compensation from the District for contracts to purchase goods or services if the benefit to the Board member does not exceed \$20,000 in a fiscal year or if the contracts are made by the Board, upon competitive bid in writing, publicly invited and opened. A Board member shall disclose and abstain from voting on any item that may be a potential conflict of interest.

(For purposes of this regulation, immediate family members include: one's parents, step-parents, siblings, spouse, children, step-children, foster children, in-laws, sibling in-laws, grandparents, great grandparents, step-great grandparents, grandchildren, aunts, uncles, nieces, and nephews.)

In determining whether outside employment or activity of a Board member or a Board member's immediate family creates a conflict of interest, situations in which an unacceptable conflict of interest is deemed to exist include, but are not limited to, any of the following:

- (1) The outside employment or activity involves the use of the District's time, facilities, equipment and supplies or the use of the District 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 members of the general public.
- (2) 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 state or 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.
- (3) 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 of office or employment.

If the outside employment or activity is employment or activity in (1) or (2) above, the Board member must cease the employment of or activity. If the activity or employment falls under (3), 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 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 interests of the outside employment or activity.

When procurement is supported by Federal Child Nutrition funds, board members will not participate in the selection, award, or administration of a contract if there is a real or apparent conflict of interest in the contract. Contract, for purposes of this paragraph, includes a contract where the board member, board member's immediate family, partner, or a non-school district employer of these individuals is a party to the contract.

Legal Reference: Iowa Code §§68B; 71.1; 277.27; 279.7A; 301.28
22 C.F.R. §518.42

Approved: 10-28-85
Reviewed: 03-27-89
Revised: 05-08-89
Reviewed: 06-08-92
09-25-95
11-23-98
04-14-03
Revised: 12-08-08
08-23-10
04-27-15
08-26-19
11-14-2022