

School Board Member Conflict of Interest

Public office is a trust created in the interest of the common good and for the benefit of the people. A conflict of interest can arise when a public officer is unable to devote himself/herself with complete loyalty and singleness of purpose to the general public interest.

It is the intent of this policy to protect the public trust placed in directors of this school district. For purposes of this policy, the Board declares that a conflict of interest is a personal, pecuniary interest that is immediate, definite and demonstrable and which is or may be in conflict with the public interest.

A Board member who has a personal or private interest in a matter proposed or pending before the Board shall disclose such interest to the Board, shall not vote on it and shall not attempt to influence the decisions of other Board members in voting on the matter.

However, if a Board member has complied with statutory disclosure requirements by notifying the secretary of state of his interest in the matter, he may vote if his participation is necessary to obtain a quorum or otherwise enable the Board to act. If a member votes under these circumstances, he shall state for the record the fact and summary nature of the potential conflict of interest.

The written disclosure to the secretary of state shall list as applicable the amount of the member's financial interest, the purpose and duration of any services rendered, compensation received for services or such other information necessary to describe the interest.

Members may be reimbursed for authorized expenses in carrying out Board duties as provided by law.

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 one or more of the following apply:

1. The contract is awarded to the lowest responsible bidder based on competitive bidding procedures.
2. The merchandise is sold to the highest bidder at a public auction.
3. The transaction involves investing or depositing money in a financial institution which is in the business of loaning money or receiving money.
4. If, because of geographic restrictions, the district could not otherwise reasonably afford the contract because the additional cost to the district would be greater than 10 percent of the contract with the interested member or if the contract is for services that must be performed within a limited time period and no other contractor can perform the services.

5. If the contract is one in which the Board member has disclosed a personal interest and is one on which he has not voted or has voted as allowed in state law following disclosure to the secretary of state and to the Board.

Except as described above, a Board member shall not be a purchaser at any sale or a vendor for any district purchase made with non-federal funds.

Conflict of interest – federally funded transactions

Separate from state law and the Board’s policies concerning the Board’s standards of conduct and conflict of interest, federal law imposes restrictions on the conduct of Board members whenever the transaction in questions is supported by federal funds subject to the Uniform Grant Guidance (UGG).

Under the UGG, a Board member shall not participate in the selection, award, or administration of a contract supported by federal award if the Board member has a conflict of interest as defined by the UGG.

A conflict of interest arises under the UGG when the Board member, any member of their immediate family, their business partner, or an organization which employs or is about to employ any of the aforementioned parties has a substantial financial or other interest in or would obtain a substantial tangible personal benefit from a firm considered for a contract.

In addition, the UGG prohibits Board members from soliciting or accepting gratuities, favors, or anything of monetary value from contractors or parties to subcontracts that are federally funded, unless the gift is an unsolicited item of nominal value.

For purposes of this policy section only, “immediate family” means the Board member’s spouse, partner in a civil union, children, and parents. In determining whether a financial or other interest is “substantial,” or whether anything solicited or accepted for private benefit is of “nominal value,” the Board shall follow the standards of conduct and corresponding definitions applicable to local public officials under state law.

These minimum federal requirements are not waivable in connection with any transaction or contract to which they apply.

A Board member who violates the standards of conduct set forth in this policy’s section may be subject to censure or other disciplinary action, in accordance with the Board’s authority and state law.

Adopted: August 13, 2002
Amended: May 9, 2017
Revised: September 12, 2017
Revised: December 8, 2020

LEGAL REFS.: 2 C.F.R. 200.318(c) (*Uniform Grand Guidance – written standards of conduct covering conflicts of interest required concerning the selection, award and administration of contracts supported by federal funds*)
Colorado Constitution, Article X, Section 13

C.R.S. 22-32-109 (1)(y) (*duty of Board to adopt bylaws on conflicts of interest*)

C.R.S. 24-18-109 (*government rules of conduct*)

C.R.S. 24-18-110 (*voluntary disclosure*)

C.R.S. 24-18-201 (*standards of conduct – interests in contracts*)

C.R.S. 24-18-202 (*standards of conduct – interests in sales*)

CROSS REFS.:

BC, School Board Member Conduct

BCA-E-1, Code of Ethics for School Board Member

BEDF, Voting Method

BID/BIE, School Board Member Compensation/Insurance/Expenses/Liability

DJE, Bidding Procedures

DKC, Expense Authorization/Reimbursement