

Book	Policy Manual
Section	Ready for the board
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#### 0141.2 - **CONFLICT OF INTEREST**

With five (5) exceptions, a Board member shall not have any direct or indirect pecuniary interest in a Board of Education contract with, or a purchase of goods or services from, another person or party; nor shall a Board member furnish directly any labor, goods or services to the ~~School~~-District except voluntarily and without any compensation whatsoever. WV Code 61-10-15

The five (5) exceptions to the conflict of interest rule are as follows:

- A. The ~~School~~-District may make publications in newspapers as required by law even though a Board member has a pecuniary interest in a newspaper.
- B. The ~~School~~-District may do business with a public utility which is subject to regulation by the Public Service Commission of West Virginia even though a Board member has a pecuniary interest in the utility.
- C. The ~~School~~-District may employ the spouse of a Board member but only as a Principal, classroom teacher, or service employee.
- D. The ~~School~~-District may designate a bank within the County as a depository of the ~~School~~-District's funds even though a Board member has a pecuniary interest in the bank, but only if the Board member does not participate in the deliberations or any ultimate determination of the depository of the funds.
- E. The conflict of interest rule does not prohibit the ~~School~~-District from having a contract with a vendor or supplier who employs a Board member, or a Board member's spouse or child, but only if the employee 1) is salaried; 2) is not a party to the contract; 3) is not an owner, shareholder, director, or officer of a private party under the contract; 4) receives no commission, bonus, or other direct remuneration or thing of value by virtue of the contract; 5) does not participate in the deliberations or awarding of the contract; and 6) does not approve, vote for, or authorize payment for services or supplies furnished under the contract.

A Board member who has an interest in the profits or benefits of any contract is prohibited from making, participating in making, or in any way attempting to use his/her office or employment to influence a school district decision affecting his/her financial interest. For this to be effective, it is necessary for the Board member to excuse him/herself from participating in the discussion and decision-making process by physically removing him/herself from the room during the period, fully disclosing his/her interests, and recusing him/herself from voting on the issue.

Among the conflicts which law forbids:

- A. an appointed or elected public official from serving as a member of the Board, including a prosecuting attorney;
- B. a Board member from serving, for compensation, as the school dentist, physician, or nurse;
- C. a Board member from being employed for compensation by the Board;
- D. The employment by the ~~School~~-District of the spouse of a Board member other than as a Principal, classroom teacher, or service employee;
- E. a Board member from receiving, soliciting, or accepting any gift, present, or thing of value to influence the adoption of books, instructional materials, or learning technologies, or any combination thereof;

- F. a Board member from accepting employment with the Board where such employment was authorized by the Board while s/he was a member thereof;
- G. a Board member from soliciting or using the authority or influence of his/her office to secure employment with the Board;
- H. a Board member from voting, deliberating, participating in discussions, or otherwise using the authority or influence of his/her office to create a position with the ~~County~~-District or to set the compensation for such position where s/he is considering, or is being considered for, employment in that position;
- I. a Board member from having interest in any contract for the purchase of property, supplies, or other commodities or services by the Board;
- J. a Board member from voting on a personal matter involving the member's spouse, parent or parent-in-law, brother or sister, brother-in-law or sister-in-law, child, son-in-law or daughter-in-law, grandparent, or grandchild unless the personnel matter affects the member's relative as a member of a profession or occupation, and to no greater extent than any other member of the profession or occupation, or as a member of a class of at least five (5) persons;
- K. a Board member who is employed by a financial institution, and whose primary responsibilities include consumer and commercial lending, from voting on a matter that directly affects the financial interests of a customer of the financial institution if the Board member is directly involved in approving a loan request from the customer, or has been involved in approving a loan for the customer within the past twelve (12) months, but only if the total of such loans exceeds \$15,000;
- L. a Board member from voting on appropriating public money, or awarding a contract, to a nonprofit corporation if the corporation employs the member, the member's spouse with whom s/he is living as husband and wife, or the member's dependent child, grandchild, or parent;
- M. a Board member from using frequent flyer bonus points earned while traveling on official school district business if his/her participation in the frequent flyer program results in additional cost to the ~~School~~-District.

Board members shall not accept any form of compensation from vendors that might influence their decision on the eventual purchase of equipment, supplies, or services. Furthermore, except as specifically authorized by other provisions of this policy, Board members shall not accept any form of compensation from a vendor after a decision has been made to purchase equipment, supplies, or services from a vendor. In addition, except as specifically authorized by other provisions of this policy, Board members shall not enter into a contractual arrangement with a vendor seeking to do business with the ~~School~~-District, or a vendor with whom the ~~School~~-District is doing business, whereby an individual Board member receives compensation in any form for services rendered. Such compensation includes, but is not limited to, cash, checks, stocks, or any other form of securities, and gifts such as televisions, microwave ovens, computers, discount certificates, travel vouchers, tickets, passes, and other such things of value. In the event that a Board member receives compensation prohibited by this rule, the Board member shall immediately notify the Treasurer, in writing, that s/he received such compensation and shall thereafter promptly transmit such compensation to the Treasurer.

Nothing herein shall prevent a Board member who attends a conference held by an association of public officials and employees from accepting a meal, or attending a reception or open house, the cost of which is financed by a private party so long as the meal, reception, or open house is: (1) of an ordinary, routine character; (2) at an educational or informational event; and (3) open to all of the public officials and employees attending the event. A Board member is prohibited from improperly using his/her position to secure the donation of the cost of a meal, reception, or open house at a conference of an association of public officials and employees to which s/he or his/her Board belongs, while the Board member is simultaneously engaged in governmental business or regulatory activity directly affecting the related interests of the person solicited.

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