

Policy Type: Governance Process

Board Member Conflict of Interest

Board members are expected to avoid conflicts of interest involving any matter pending before the board. A conflict of interest is deemed to exist when a member is confronted with an issue in which the member has a personal or pecuniary interest or an issue or circumstance that could render the member unable to devote complete loyalty and singleness of purpose to the public interest.

Accordingly:

1. If a Board member has a personal or private interest in any matter pending before the Board, the member shall disclose such interest to the Board, shall not vote on the matter and shall not attempt to influence the decisions of other Board members.

If the Board lacks a quorum without the member's participation, the member may vote if his participation is necessary to enable the Board to act. If a member votes under such circumstances, the member shall state for the record the fact and nature of the potential conflict of interest.

2. A member of the board shall not also be an employee of the district, nor shall a member receive any compensation for services rendered to the district. This provision shall not prohibit members from receiving reimbursement for authorized expenses incurred during the performance of Board duties.
3. The Board shall not enter into any contract with any of its members or with a firm in which a member has a financial interest unless one or more of the following conditions apply:
 - a. The contract is awarded to the lowest responsible bidder based upon established competitive bidding procedures
 - b. The board member is the highest bidder for merchandise sold at a public auction
 - c. If the additional cost for the Board to make alternate contractual commitments would be greater than 10 percent of the amount 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 is available to perform the services

4. A Board member is expected to avoid conflict of interest in the exercise of the member's fiduciary responsibility. Accordingly, a Board member **may not**:
 - a. disclose or use confidential information acquired during the performance of official duties as a means to further the Board member's own personal financial interests or the interests of a member of the Board member's immediate family
 - b. accept a gift of substantial value or economic benefit which would tend to improperly influence a reasonable person, or which the Board member knows or should know is primarily for the purpose of a reward for official action
 - c. engage in a substantial financial transaction for private business purposes with a person whom the Board member directly or indirectly supervises.
 - d. perform an official act which directly confers an economic benefit on a business in which the Board member has a substantial financial interest or is engaged as a counsel, consultant, representative or agent

ADOPTED: 2000

Monitoring Method: Board self-assessment
Monitoring Frequency: Annually in February

Telluride School District
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