

## **BOARD MEMBER CONFLICT OF INTEREST**

### **Page 1 of 4**

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 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 of the potential conflict of interest and summarize its nature.

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.

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 situations listed 1-5 below 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.

## **BOARD MEMBER CONFLICT OF INTEREST**

### **Page 2 of 4**

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 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 question 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 a 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 his or her immediate family, his or her 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,

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**AURORA PUBLIC SCHOOLS**  
**Adopted July 1983**  
**Revised June 2003**  
**Revised October 2007**  
**Revised December 2013**  
**Revised May 2017**

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**APS Code: BCB**

## **BOARD MEMBER CONFLICT OF INTEREST**

### **Page 3 of 4**

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.

The Board shall not hire any of its members as an employee of the District nor allow a newly elected member to remain as an employee of the District. The Board shall not approve of any compensation for a member for services rendered to the District except for services rendered to the Board as provided by law. Members may be reimbursed for authorized expenses in carrying out Board duties as provided by law.

This policy shall not apply to any employee who is employed prior to July 1, 1992, or to any Board member who is seated prior to July 1, 1992. It shall apply after July 1, 1992, to any employee who has left the employ of the District after July 1, 1992 and later is reemployed by the District and to any Board member who is elected or re-elected to the Board after July 1, 1992.

A copy of this policy will be filed with the Colorado Department of Education according to the provisions of Colorado statute. Following acknowledgement of receipt of the copy by the department, the Board shall be exempt from the provisions of C.R.S. 18-8-308(1) and (2). A copy of the Department of Education's acknowledgement will be attached to this policy file as an exhibit to be identified as file BCB-E.

LEGAL REFS.:       2 C.F.R. 200.318 (c) (*Uniform Grant Guidance – written standards of conduct covering conflicts of interest required concerning the selection,*

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**Page 4 of 4**

*award and administration of contracts supported by federal funds)*

Colorado Constitution, Article X, Section 13

C.R.S. 18-8-308

C.R.S. 22-32-104 (3)

C.R.S. 22-32-108 (6)

C.R.S. 22-32-109 (1) (y)

C.R.S. 24-18-109 through 24-18-111

C.R.S. 24-18-201

C.R.S. 24-18-202

CROSS REF.: BEDF, Voting Method  
BID, Board Member Compensation and Expenses  
DKC, Expense Authorization /Reimbursement