

Book	Policy Manual
Section	Policies for Board Approval - Vol. 36 No. 2 - EDGAR UGG po1130 Conflict of Interest
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1130 - **CONFLICT OF INTEREST**

- A. The maintenance of unusually high standards of honesty, integrity, impartiality, and professional conduct by School Corporation employees, officers, and agents is essential to ensure the proper performance of school business as well as to earn and keep public confidence in the School Corporation.

To accomplish this, the School Board has adopted the following guidelines which apply to all Corporation employees, officers, ~~and agents, including Trustees,~~ **and Board members** to assure that conflicts of interest do not occur. These guidelines are not intended to be all inclusive, nor to substitute for good judgment **on the part of all Corporation employees, officers, agents, and Board members.**

An employee, officer, ~~or agent,~~ **or Board member** of the School Corporation making a recommendation to the Board on a matter to be considered by the Board shall not accept a gift or gratuity from a person or entity having a substantial personal or pecuniary interest in the Board's decision on the matter in accordance with the restrictions and provisions of I.C. 35-44-1-4.

1. No employee, officer, ~~(that is, any member of the Board), or~~ agent, **or Board member** shall engage in or have a financial interest in, directly or indirectly, any activity that conflicts or raises a reasonable question of conflict with ~~his/her the individual's~~ Corporation responsibilities.
2. Employees, officers, ~~(that is, any member of the Board), and~~ agents, **and Board members** shall not engage in business, private practice of their profession, the rendering of services, or the sale of goods of any type where advantage is taken of any professional relationship they may have with any student, client, or parents of such students or clients in the course of their employment or professional relationship with the School Corporation.

Included, by way of illustration rather than limitation are the following:

- a. the provision of any private lessons or services for a fee
- b. the use, sale, or improper divulging of any privileged information about a student or client gained in the course of the employee's employment or professional relationship with the Corporation through ~~his/her access to School Corporation records~~ **their access to Corporation records**
- c. the referral of any student or client for lessons or services to any private business or professional practitioner; if there is any expectation of reciprocal referrals, sharing of fees, or other remuneration for such referrals
- d. the requirement of students or clients to purchase any private goods or services provided by an employee, officer, ~~(that is, any member of the Board), or~~ agent, **or Board member**, or any business or professional practitioner with whom any employee, officer, ~~(that is, any member of the Board), or~~ agent, **or Board member** has a financial relationship, as a condition of receiving any grades, credits, promotions, approvals, or recommendations

3. Employees, officers, ~~(that is, any member of the Board)~~, and agents, **and Board members** shall not make use of materials, equipment, or facilities of the School Corporation in private practice. Examples would be the use of facilities before, during, or after regular business hours for service to private practice clients, or the checking out of items from an instructional materials center for private practice.
4. ~~Employees, officers (that is, any member of the Board), and agents shall not solicit gifts, travel packages, and other incentives from prospective contractors.~~ **Employees, officers, agents, and Board members of the Corporation may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors.**
5. ~~Employees, officers (that is, any member of the Board), and agents shall not participate in the selection, award and administration of any contract to an entity in which they have a pecuniary interest or from which they derive a profit or in which a dependent of the employee, officer (that is, any member of the Board), or agent has a pecuniary interest or from which the dependent derives a profit. "Dependent" includes the employee's spouse; unemancipated child, stepchild or adopted child under the age of eighteen (18); or individual for whom the employee, officer (that is, any member of the Board), or agent provides more than one half (1/2) of the individual's support during a year. A "pecuniary interest" means an interest in a contract or purchase that will result or is intended to result in an ascertainable increase in the income or net worth of the employee, officer (that is, any member of the Board), or agent or the employee's, officer's (that is, any member of the Board), or agent's dependent who is under the direct or indirect administrative control of the employee, officer, or agent or who receives a contract or purchase order that is reviewed, approved, or directly or indirectly administered by the employee, officer (that is, any member of the Board), or agent.~~ **No employee, officer, agent, or Board member with a real or apparent conflict of interest may participate in the selection, award, or administration of a contract supported by the Federal award. A conflict of interest includes when the employee, officer, agent, or Board member, or any member of their immediate family, their partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from an entity considered for a contract.**
6. This includes contracts between the Corporation and an entity in which the individual has a pecuniary interest, as defined in I.C. 35-44.1-4(a)(3), or from which the individual derives a profit, or in which a dependent, as defined in I.C. 35-44.1-4(a)(1), of the individual has a pecuniary interest or derives a profit.
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 - B. No conflict of interest will be deemed to be present if the ~~Corporation employee's, officer's (that is, any member of the Board), or agent's~~ **individual's** interest in the contract or purchase and all other contracts and purchases made by the Corporation during the twelve (12) months before the date of the contract or purchase was **less than** \$250 ~~or less~~.
 - C. Should exceptions to this policy be necessary in order to provide mandatory services **through a private relationship** to students or clients of the Corporation, all such exceptions will be made known to the ~~employee's individual's~~ supervisor, or to the School Board if there is no supervisor, and will be disclosed to the Superintendent **before** entering into any private relationship.
 - D. To the extent that the Corporation has a parent, affiliate, or subsidiary organization that is not a State, local government, or Indian tribe, the Corporation may not conduct a procurement action involving the parent, affiliate, or subsidiary organization if the Corporation is unable, or appears to be unable, to be impartial.
 - E. Employees, officers ~~and~~ agents, **and Board members** must disclose any potential conflict of interest ~~which that~~ may lead to a violation of this policy to the Corporation. Upon discovery **or notification** of any potential conflict of interest, the Corporation will disclose, in writing, the potential conflict of interest to the appropriate Federal awarding agency or, if applicable, the pass-through entity.

~~The Corporation also will disclose, in a timely manner, all violations of Federal criminal law involving fraud, bribery or gratuity that affect a Federal award to the appropriate Federal awarding agency or, if applicable, the pass through entity.~~ **The Corporation will promptly disclose whenever, in connection with the Federal award (including any activities or subawards thereunder), it has credible evidence of the commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the civil False Claims Act (31 U.S.C. 3729-3733). The disclosure must be made in writing to the Federal agency, the agency's Office of Inspector General, and pass-through entity. The Corporation is also required to report matters related to recipient integrity and performance in accordance with Appendix XII of 2 C.F.R. Part 200.**

- F. Employees, officers, ~~and~~ agents, **and Board members** found to be in violation of this conflict of interest policy will be subject to disciplinary action up to and including termination, as permitted by applicable Board policy.

Legal

I.C. 20-26-3-4

I.C. 20-26-5-4

I.C. 35-44.1-1-1, 35-44.1-1-2, 35-44.1-1-4, 35-44.1-1-5

2 C.F.R. 200.112, 200.113, 200.318

7 C.F.R. 3016.36(b)(3) and 3019.42