

SCHOOL DISTRICT ORGANIZATION

Board Member Conflict of Interest

Board members are expected to be familiar with and observe those provisions of Montana law that define school board authority and govern conflict of interest. Board members shall not only adhere to all laws regarding conflict of interest, but also to be alert to situations that may have the appearance of a conflict of interest and to avoid actions that might compromise himself or herself or the Board. Therefore, a trustee may not:

- engage in a substantial financial transaction for the trustee’s private business purpose with a person whom the trustee inspects or supervises in the course of official duties;
- perform an official act directly and substantially affecting, to its economic benefit, a business or other undertaking in which the trustee has a substantial financial interest or is engaged as counsel, consultant, representative or agent;
- act as an agent or solicitor in the sale or supply of goods or services to the District;
- have a pecuniary interest, directly or indirectly, in any contract made by the Board when the trustee has more than a 10% interest;
- perform an official act directly and substantially affecting a business or other undertaking to its economic detriment a business or other undertaking in which the trustee has a substantial personal interest in a competing firm or undertaking;
- be employed in any capacity by the District, except to officiate at athletic competitions under the auspices of the Montana Officials Association; or
- appoint or employ any person related or connected by consanguinity within the fourth (4th) degree or by affinity within the second (2nd) degree.
 - a. This prohibition does not apply to the issuance of an employment contract to a person as a substitute teacher who is not employed as a substitute teacher for more than thirty (30) consecutive school days.
 - b. This prohibition does not apply to the renewal of an employment contract of a person related to a Board member who was initially hired before the Board member assumed the trustee position.
 - c. This prohibition does not apply if trustees comply with the following requirements:
 - 1) all trustees, except the trustee related to the person to be employed or appointed, vote to employ the related person;
 - 2) the trustee related to the person to be employed abstains from voting; and
 - 3) the trustees give fifteen (15) days written notice of the time and place of their intended action in a newspaper of general circulation in the county where the school is located.

Degrees of Affinity

Affinity is the legal relationship arising as the result of marriage. Relationship by affinity terminates upon_

the death of one of the spouses or other dissolution of marriage, except when the marriage has resulted in issue still living.

Legal References:	§ 2-2-105, MCA	Ethical Requirements for Public Officers and Public Employees
	§ 2-2-121, MCA	Rules of Conduct for Public Officers and Public Employees
	§ 20-9-204, MCA	Conflict of interest
	§ 20-1-201, MCA	School officers not to act as agents
	§ 2-2-302, MCA	Appointment of relative to office of trust or emolument unlawful -- exceptions -- publication of notice.

Cross Reference:

Policy History:

Adopted on:

2.8.2011

Revised on:

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