

Policy © 1-105 ~~Board Member~~ Conflicts of Interest

Definitions

~~The following terms have the same definition as set forth in A.R.S. § 38-502: (a) "Remote interest"; and (b) "Substantial interest".~~

"Substantial interest" is any nonspeculative pecuniary or proprietary interest, either direct or indirect, other than a remote interest, as defined in A.R.S. § 38-502 (11).

"Remote interest" is a limited interest as defined by statute that does not disqualify a governing board member or employee from participating in a contract, sale, purchase, or decision, as defined in A.R.S. § 38-502 (10).

"Board member relative" means a Board member's spouse or any person claimed as a dependent on the Board member's income taxes. Relative includes the spouse, child, child's child, parent, grandparent, brother, or sister of the whole or half blood and their spouses and the parent, brother, sister, or child of a spouse as defined in A.R.S. § 38-502(9).

"Employee" means all persons who are not public officers and who are employed on a full-time, part-time or contract basis by the District. as defined in A.R.S. § 38-502(2).

"Make known" means the electronic or manual filing of a paper that is signed by a public officer or employee and that fully discloses a substantial interest or the filing of a copy of the official minutes of a public agency that fully discloses a substantial interest. The filing must be in the special file established pursuant to A.R.S. § 38-509.

"Official records" means the minutes or papers, records and documents maintained by the District for the specific purpose of receiving disclosures of substantial interests required by law.

"Refrain from participating" means the public officer/employee must refrain from voting upon or otherwise participating in any manner as an officer or employee in any decision of a public agency or in any contract, sale, purchase, or decision for which they or their relative has a substantial interest as defined in A.R.S. § 15-503 (B)

"Transaction" means any contract, sale, purchase or other action between the District and a vendor (as defined below).

"Vendor" means any individual, corporation, partnership, association, nonprofit organization, or any other legal entity that does business with the District.

Applicability

~~This Policy applies only to~~ Prohibition

Board members. ~~For the Policy~~ shall refrain from voting on ~~conflicts of~~ or otherwise participating in any manner in any district contract, sale, purchase, or decision in which they have a substantial interest ~~with respect~~.

Employees shall not participate in the procurement of any district contract, sale, purchase, or decision in which they have a substantial interest.

Participation may include actions such as approving, developing, introducing, administering, advising, providing information, influencing decisions, or requesting or directing others to approve the matter.

Board members and employees shall not use their official position to secure any valuable benefit for themselves or family members that would not ordinarily accrue to them.

A Board member's or employee's failure to recuse themselves from a contract, sale, purchase, or decision in which they have a conflict of interest could result in statutory violations, cancellation of District ~~personnel, see Policy No. 3-109,~~ contracts, removal from office, or criminal penalties pursuant to A.R.S. § 38-506 and A.R.S. § 38-510.

Board Member Relatives

In accordance with A.R.S. § 15-323:

1. Board members may vote on any budgetary, personnel, or other related question before the Board, except:
 - a. It is unlawful for a Board member to vote on a specific item ~~which~~ that concerns the appointment, employment, or remuneration of the Board member or a Board member relative.
 - b. It is unlawful for any Board member to vote on the employment of another Board member or on the employment of the spouse of a Board member unless specifically permitted by law.
2. In accordance with A.R.S. § 15-421(D), neither a Board member nor a Board member's spouse may be employed by the District unless specifically permitted by law.
 - a. a. A Board member must resign from the Board before the Board member or a Board member's spouse accepts any form of employment with the District unless otherwise permitted by law. In accordance with A.R.S. § 15-502, a Board member's dependent may be employed by the District only after receiving specific consent of the Board.
 - b. A District employee or an employee's spouse may run for membership in ~~the~~ elec-
tion to Governing Board during the employee's term of employment after notifying

the Superintendent and the Board President of the employee's or spouse's intent to run. If such an employee or the employee's spouse wins the election, the Employee must resign from the District before January 1 of the year following the election.

Employment of Former Board Member

Pursuant to [A.R.S. § 15-421](#)(E), the District may employ directly or through a third-party contractor an individual who has served as a Governing Board member during the preceding two (2) years only in a position in which the individual will provide services directly to students including: a certificated teacher; a substitute teacher; or an individual who provides transportation, instructional support or student support services.

In accordance with [A.R.S. § 15-323](#) and [A.R.S. § 38-503](#):

1. A Board member shall not participate in any manner regarding any transaction or approval of a vendor in which the board member has a substantial interest unless a specific statutory exception applies.
2. A Board member shall not supply to the District any equipment, material, supplies or services, unless pursuant to an award or contract let after public competitive bidding, except:

In accordance with [A.R.S. § 15-323](#), the District may make purchases from a Board member only if all the following conditions have been met:

- i. The purchase does not exceed \$300.00.
- ii. The total of all purchases (including the contemplated purchase) from any Board member within the previous twelve months does not exceed \$1,000.00.
- iii. The decision to purchase has been specifically approved by the Board and has not been delegated to an employee of the District.
- iv. The amount of the purchase or contract for purchase is included in the minutes of the meeting at which the Board approved the purchase.

Mandatory Disclosure of Conflicts of Interest

A Board member or employee who has, or whose relative has, a substantial interest in any contract, sale, purchase, or service ~~to the District~~ or decision of the District shall annually make such interest known in the official records of the District. Board members and employees shall promptly update their conflict of interest disclosures if their circumstances change during the school year.

The District shall seek to obtain initial conflict of interest disclosures to be completed within five (5) days of an employee starting employment or a Board member starting a new term. Board members and employees shall update their disclosures within fifteen (15) days of a change in circumstance that results in a conflict of interest.

The District shall implement protocols to ensure that a Board member or employee who has disclosed a substantial interest refrains from voting on or from participating in any manner in the contract, sale, purchase, service or decision.

Maintenance of Disclosure of Conflict of Interest Forms

The District shall maintain disclosures of conflicts of interest and any related documentation in a separate file that shall be available for public inspection in accordance with public records laws and regulations.

Training

The District shall provide conflict of interest training to all Board members and employees at least annually to ensure Board members and employees understand their responsibilities pursuant to law and District policy and procedures.

Adopted: ~~August 13, 2024~~

Legal Authority:

A.R.S. §§ 38-501 through 511

A.R.S. § 15-213

A.R.S. § 15-323

A.R.S. § 15-421

A.R.S. § 15-502

A.R.S. § 38-509

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