

## **Board Member Conflicts of Interest – Voting**

*(This is covered in other policy.)*

### **Potential Conflict of Interest**

When an item of business before the Board may represent a potential conflict of interest for an individual Board member, the Board member shall publicly announce the nature of that potential conflict of interest before taking any official action on the item of business in question. Such announcement is only required once on the occasion when the matter is being discussed or debated. A Board member announcing a potential conflict of interest may vote or abstain on the issue or item of business. Abstaining from a vote does not meet the legal requirement of declaring the potential conflict of interest.

### **Actual Conflict of Interest**

When an individual Board member has an actual conflict of interest, the Board member shall announce the nature of the actual conflict of interest and shall refrain from participating as a Board member in any discussion or debate on the issue out of which the actual conflict arises, and the Board member shall not vote on the issue or business. If a Board member's vote is necessary to meet a requirement of a minimum number of votes for the Board to take action, the Board member shall be eligible to vote but shall not participate as a Board member in any discussion or debate on the issue out of which the actual conflict arises.

### **Recording Potential and Actual Conflicts of Interest**

When a Board member gives notice of an actual or potential conflict of interest, the actual or potential conflict shall be recorded in the official records of the District, and a notice of the actual or potential conflict and how it was disposed of may, in the discretion of the Board, be provided to the Oregon Government Standards and Practices Commission.

### **Definitions**

“Potential conflict” of interest means any action, decision, or recommendation by a Board member that could result in the private monetary benefit or detriment to the Board member, to relatives, or to a business with which the Board member or relatives are associated, unless otherwise provided by law.

“Actual conflict” of interest means any action, decision, or recommendation taken by a Board member that would result in a private monetary benefit or detriment to the Board member, to relatives, or to any business with which the Board member or relatives are associated, unless otherwise provided by law.

“Business” means any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, or any other legal entity operated for economic gain.

“Business with which a Board member or relative is associated” means: (1) any private business or closely-held corporation of which a Board member or relative is a director, officer, owner, employee, or agent; (2) any private business or closely-held corporation in which a Board member or relative owns or has owned stock another form of equity interest, stock options, or debt instruments worth \$1,000 or more at any point in the preceding year; (3) any publicly-held corporation in which a Board member or relative owns or has owned \$100,000 or more in stock or another form of equity interest, stock options, or debt instruments at any point in the preceding calendar year; and (4) any publicly-held corporation of which a Board member or relative is a director or officer.

“Relative” means a Board member’s spouse, children of Board member or of spouse, brothers, sisters, and parents of a Board member or of spouse.

**END OF POLICY**

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**Legal Reference(s):**

[ORS 332.107](#)

Corrected 11/09/16