

BOARD of EDUCATION Fort Smith Public Schools



INFORMATION

TITLE: 2017 Ethics Disclosures

DATE: August 31, 2017

RESPONSIBLE ADMINISTRATOR: Charles Warren, CFO

BACKGROUND/CONSIDERATIONS:

§ 6-24-101 et seq. and the ADE rules adopted pursuant to this section of state law regulate the issue known as “Ethics Disclosures”. Ethics disclosure promotes the transparency of the District entering into transactions with entities that are owned or controlled by District employees, the employee’s household, and for some employees, the employee’s family.

A summary of these regulations is stated as such:

Employees and the employee’s household must disclosure any “financial interest” in a business that may be contracted by the District. The disclosure must be approved by the Board in the form of a resolution. If the transaction(s) add up to more than \$10,000, ADE must approve of the contact and/or transaction.

Employees responsible for district-wide purchasing must also disclose a family member’s “financial interest” in a business that may be contracted by the District. This disclosure must also be approved by the Board in the form of a resolution. If the transaction(s) add up to more than \$10,000, ADE must approve of the contact and/or transaction.

Fort Smith Public Schools desires to provide further transparency and ask that district administrators follow the guidelines that ADE reserves for employees responsible for district-wide purchasing.

School Board members are also required to make the disclosures similar to the employees responsible for district-wide purchasing.

As disclosures are provided by new employees or by employees acquiring new financial interests in a business, disclosures are brought to the Board for review and approval. Every two years, the Board should review previously approved disclosures. Disclosures requiring ADE approval are to be reviewed and approved every two year. This month marks this two year benchmark.

Therefore, the Administration provides the following documents for your review.

The list titled “Continued Disclosure Summary List” is a list of disclosures previously approved by the Board. This list is merely informative and no resolution is required. Additionally, no formal reading is required at a Board meeting.

The listed titled “Contract Disclosure Summary List” is a list of disclosures that should be reviewed for Board approval. We are collecting specific disclosure paperwork to be presented at the Board meeting. These disclosure will need to be read aloud at the September 25th Board meeting and approved by the School Board in a resolution.

The list title “Disclosure Summary for ADE List” is a list of disclosures that require a renewal by the School Board. We are collecting specific disclosure paperwork to be presented at the Board meeting. These disclosures will need to be read aloud at the September 25th Board meeting and approved by the School Board in specific resolutions. These disclosure will be sent to ADE for review and approval.

RECOMMENDATION:

The Administration recommends that the Board review the disclosures summarized on the “Continued Disclosure Summary List”, the “Contract Disclosure Summary List” and the “Disclosure Summary for ADE List” to determine if there are any issues that the Administration needs to investigate.

At the Board Committee meeting, no action is necessary. All action will formally take place at the School Board meeting on September 25th.