

School District of the City of Saginaw

**CONFLICT OF INTEREST COMPLIANCE STATEMENT
SAGINAW BOARD OF EDUCATION**

Policy 0144.3 of the Board Bylaws (Policy 0144) calls for the implementation of the Conflict of Interest Policy which is intended to govern each Board Member in the conduct of the business of the School District. Each member is responsible for his own compliance with this policy. The policy contains two parts specifically referenced as (1) Appendix A: Contracts and Board Member Disclosure Obligations and (2) Appendix B: Board Member Conflict of Interest, Ethics and Responsibilities.

Copies of Appendices A and B are presented with this Compliance Form at the Annual Meeting to insure that the full content is known by each Board Member. If at any time during their term of office, a Board Member's situation changes with respect to compliance with this policy, each Board Member has an obligation to publicly announce the conflict or potential conflict and refrain from being a party to any decision.

Board Member's Signature

Date

School District of the City of Saginaw
Board Member Conflict of Interest

0144.3

Conflict of Interest

Board members shall perform their official duties in a manner free from conflict of interest. To this end:

- A. No Board member shall use his/her position as a Board member to benefit either himself/herself or any other individual or agency apart from the total interest of the School District.
- B. When a member of the Board determines that the possibility of a personal interest conflict exists, s/he should, prior to the matter being considered, disclose his/her interest (such disclosure shall become a matter of record in the minutes of the Board), and thereafter shall abstain from participation in both the discussion of the matter and the vote thereon.
- C. A member of the Board is presumed to have a conflict of interest if the member or his/her family member has a financial interest, or a competing financial interest, in the contract or other financial transaction or is an employee of the School District.

Having a child in the District does not alone constitute a conflict of interest or financial interest in a contract or other financial transaction of the School District.

“Family member” means a person’s spouse or spouse’s sibling or child; a person’s sibling or sibling’s spouse or child; a person’s child or child’s spouse; or a person’s parent or parent’s spouse, and includes these relationships as created by adoption or marriage.

- 1. A Board member is not considered to have a financial interest in any of the following instances:
 - a. A contract or other financial transaction between the School District and any of the following:

- 1) A corporation in which the individual is a stockholder owning 1% or less of the total stock outstanding in any class if the stock is not listed on a stock exchange or owning stock that has a present market value of \$25,000.00 or less if the stock is listed on a stock exchange.
 - 2) A corporation in which a trust, if the individual is a beneficiary under the trust, owns 1% or less of the total stock outstanding in any class if the stock is not listed on a stock exchange or owns stock that has a present market value of \$25,000.00 or less if the stock is listed on a stock exchange.
 - 3) A professional limited liability company organized pursuant to the Michigan limited liability company act, if the individual is an employee but not a member of the company.
- b. A contract or other financial transaction between the School District and any of the following:
- 1) A corporation in which the individual is not a director, officer, or employee.
 - 2) A firm, partnership, or other unincorporated association, in which the individual is not a partner, member, or employee.
 - 3) A corporation or firm that has an indebtedness owed to the individual.
- c. A contract between the School District and the intermediate school district.

- d. A contract awarded to the lowest qualified bidder, upon receipt of sealed bids pursuant to a published notice for bids if the notice does not bar, except as authorized by law, any qualified person, firm, corporation, or trust from bidding. This does not apply to any amendments or renegotiations of a contract or to additional payments under the contract that were not authorized by the contract at the time of award.
2. If the financial interest pertains to a proposed contract with the District, the following requirements must be met:
- a. The Board member shall disclose the financial interest in the contract to the Board with such disclosure made a part of the official Board minutes. If his/her direct financial interest amounts to \$250 or more or five percent (5%) or more of the contract cost to the District, the Board member shall make the disclosure in one of two (2) ways:
 - 1) In writing, to the Board president (or if the member is the Board president, to the Board secretary) at least seven (7) days prior to the meeting at which the vote on the contract will be taken. The disclosure shall be made public in the same manner as the Board's notices of its public meetings. (See Bylaw 0165.)
 - 2) By announcement at a meeting at least seven (7) days prior to the meeting at which a vote on the contract is to be taken. The Board member must use this method of disclosure if his/her financial interest amounts to \$5000 or more.
 - b. Any contract in which there is a conflict of interest as defined by this bylaw and the related statute (M.C.L. 380.1203) must be approved by a majority vote of the full Board without the vote of any Board member with a financial interest.

However, if a majority of the members of the Board are required to abstain from voting on a contract or other financial transaction due to a financial interest, then for the purposes of that contract or other financial transaction, the members who are not required to abstain constitute a quorum of the board and only a majority of those members eligible to vote is required for approval of the contract or financial transaction.

- c. The official minutes of the Board disclose the name of each party involved in the contract, the nature of the financial interest, and the terms of the contract including the duration, financial consideration between the parties, facilities or services of the District included in the contract, and the nature and degree of assignment of District staff needed to fulfill the contract.
- d. A Board member with a conflict of interest in a contract may not participate in the discussion of nor vote on the contract.

Board members shall not solicit or accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts involved with Federal grant funds. A Board member may, however, accept a gift of unsolicited items of "nominal value" from a contractor or party to subcontracts that do not involve Federal grant funds. For purposes of this section, "nominal value" means that the gift has a monetary value set by the State of Michigan.

[In accordance with M.C.L. 380.634, the Michigan Department of Education (MDE) adjusts the limits on the value of gifts that may be accepted from vendors or potential vendors for Intermediate School District employees. The fiscal year 2014 - 15 cap for gifts was \$56.]

M.C.L. 15.183, 15.323, 380.1203



SCHOOL DISTRICT OF THE CITY OF SAGINAW
BOARD OF EDUCATION
CODE OF ETHICS

As Trustees we honor the high responsibility of serving on the Board of Education by:

- Always thinking of *children first*.
- Understanding that our basic function is *policy-making* and *not administrative*, and by accepting the responsibility of learning to distinguish between the two.
- Assuring that adequate facilities and resources are provided for the proper functioning of schools.
- Refusing to *play politics* either in the traditional partisan, or in any petty sense.
- Representing the *entire* school community at all times.
- Becoming well-informed concerning the duties of Board members and the proper function of public schools.
- Seeking the improvement of education in the District and the State.

As Trustees we demonstrate respectful relationships with other members of the Board by:

- Recognizing that the Board is empowered only at official meetings and an individual Trustee has no legal status to bind the Board outside of such meetings.
- Recognizing the integrity of previous Board members and the merits of their work.
- Refusing to make statements or promises about how he or she will vote on any matter which is coming before the Board as a whole.
- Making decisions only after all facts bearing on a question have been presented and an opportunity to deliberate has taken place.
- Respecting the opinions of others and graciously conforming to the principle of majority rule.
- Refusing to participate in irregular meetings which are not official and when all members do not have an opportunity to attend.
- Working with fellow Trustees and the administration to fairly determine the present and future educational needs of the community.

As Trustees we maintain desirable relations with the Superintendent and staff by:

- Striving to procure the best leader possible to serve as Superintendent.
- Granting the Superintendent full administrative authority for properly discharging the professional duties of the position and the responsibility to achieve acceptable results.
- Acting only after considering the Superintendent's recommendations on matters of school governance.
- Having the Superintendent at all meetings of the Board of Education.
- Respecting proper communication channels and following chain-of-command.
- Providing proper safeguards around the Superintendent and other employees so that they can perform their responsibilities.
- Presenting criticism of an employee directly to the Superintendent.

As Trustees we demonstrate a commitment to the community by:

- Developing and adopting a vision and mission statement for the District.
- Conducting all school business transactions openly.
- Vigorously seeking financial support for schools.
- Refusing to use the position of Board member for personal gain.
- Discussing confidential Board business *only* in a properly posted Closed Session.
- Earning the community's confidence that all is being done in the best interest of the District's children.



SCHOOL DISTRICT OF THE CITY OF SAGINAW
BOARD OF EDUCATION

GOALS

These Board Goals describe priorities that Board Members wish to address:

- The **Board** will become a model of good governance.
- The **Board** will focus on student achievement and base decisions on the best interest of all students in the District.
- The **Board** will develop strategies to strengthen trust, communication and to maximize the performance of the Leadership Team.
- The **Board** will establish a “Code of Ethics,” which will be shared, modeled and lived.
- The **Board** will establish an effective committee structure to enhance their policy-making capacity.
- The **Board** will partner with members of the District community in support of public education.