

BOARD MEMBER CONFLICT OF INTEREST

Public office is a trust created in the interest of the common good and for the benefit of the people. As public officials holding the respect and trust of the community, board members will not use the office for personal advantage.

A School Board member shall not perform any labor or furnish equipment or supplies for compensation. A School Board Member shall not be interested directly in any contract with the School District which may have remunerative awards to the Board member unless certain conditions allowed by both SDCL 6-1-2 and Ch. 3-23 are met in full. Contracts entered in violation of this policy may be void.

A board member will not have any direct pecuniary interest in a contract with the school district; nor furnish directly any labor, equipment or supplies to the district; unless the amount involved is less than three thousand dollars (\$3000).

No Board Member may participate in discussing or vote on any issue in which the member has a conflict of interest. Each member shall decide if any potential conflict of interest requires such member to be disqualified disqualification from participation participating in board discussion or action voting. However, no board member may participate in discussion or vote on any issue in which the member has a conflict of interest if the following circumstances apply:

1. The member has a direct pecuniary interest in the matter before the Board; or
 2. At least two-thirds of the Board votes that a member has an identifiable conflict of interest that should prohibit the member from voting on a specific matter.
1. "Direct pecuniary interests," when a school board member votes on a matter benefiting the board member's own property or affording a direct financial gain;
 2. "Indirect pecuniary interests," when a school board member votes on a matter that financially benefits one closely tied to the official (i.e. spouse, family member or employer);
 3. "Direct personal interest," when a school board member votes on a matter that benefits a relative or close friend in a non-financial way; and
 4. "Indirect Personal Interest," when a school board member votes on a matter in which an individual's judgment may be affected because of membership in some organization and a desire to help that organization further its policies; or
 5. At least two-thirds of the Board votes that a member has an identifiable conflict of interest that should prohibit the member from voting on a specific matter.

If a member with a direct pecuniary interest participates in discussion or votes on a matter before the Board, that member's vote will be invalidated.

No elective county, municipal or state officer or the holder of any other office, the duties of which are incompatible or inconsistent with the duties of a Board member, shall be eligible for such membership.

In addition to this policy, Board members are required to disclose conflicts, or potential conflicts, in accordance with Board policy AH - Conflict of Interest Disclosure and Authorization.

Legal References:

SD Constitution Article 3-23 (Private and special laws prohibited)
SD Constitution Article 8-17 (Interest in sale of school equipment prohibited)

SDCL 13-7-3 (Public offices incompatible with board membership)
SDCL 6-1-17 (Prohibition from discussion or voting on issue if conflict of interest exists)
SDCL 13-20-2.1 (Interest in sale of school equipment unlawful)
~~SDCL 3-16 (Malfeasance, misfeasance and nonfeasance in office)~~
SDCL 6-1-1 (Local officer's interest in public purchase or contract unlawful)
~~SDCL 13-43-1 (Employment of board member in same district prohibited)~~
SDCL 6-1-2 (Conditions which contract with local officer permitted)
Ch. 3-23 (Conflicts of Interest)

Cross References:

AH - Conflict of Interest Disclosure and Authorization
BBBA - Board Member Qualifications
~~BGC - Appointed Board Officials~~ *(We don't have this policy)*
GBCA - Staff Conflict of Interest

1st Reading: 03/11/2013
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