

Policy

BOARD OF EDUCATION
HORTONVILLE AREA SCHOOL DISTRICT

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ETHICS AND CONFLICT OF INTEREST

The proper performance of school business is dependent upon the maintenance of unusually high standards of honesty, integrity, impartiality, and professional conduct by Board members, and the District's administrative employees, officers, and agents, and is essential to the Board's commitment to earn and keep the public's confidence in the School District.

For these reasons, the Board adopts the following guidelines that are designed to avoid the occurrence or appearance of any conflicts of interest. These guidelines apply to all administrative employees, officers, and agents, including members of the Board. These guidelines are not intended to be all inclusive, not to substitute for good judgement on the part of all administrative employees, officers, and agents. Administrative employees are expected to perform their duties in a manner free from an actual conflict of interest or from situations that create the appearance of a conflict of interest, in a manner consistent with 19.59 Wis. Stats. The Board's interest in enforcing this policy is to assure that the decisions and actions of public employees retain the public's trust. Therefore, even a conflict relationship that can be viewed as beneficial to the District or that was intended to be beneficial to the District, may still be a violation of this policy.

No administrative employee, officer, or agent shall engage in or have a financial or other interest, directly or indirectly, in any activity that conflicts or raises a reasonable question of conflict with the employee's officer's, or agent's duties and responsibilities in the school system. This includes not only those interests that violate state criminal law, which typically requires at least \$15,000 in financial interest, but also lesser valued conflicts that nonetheless create the appearance of using one's public position to secure a private benefit.

Administrative employees shall not directly supervise a relative employed by the District or employed in a position contracted for the District.

Administrative employees, officers, and agents shall not engage in business, private practice of their profession, the rendering of services, or the sale of goods of any type where advantage is taken of any professional relationship they may have with any employee, student, client, or parents of such students or clients in the course of their employment or professional relationship with the School District.

Included, by way of illustration rather than limitation are the following:

- The provision of any private lessons or services for a fee, unless the provision of services is arranged outside of school and is separate from, and in addition to, regular support provided to students as part of the administrator's regular duties;
- Soliciting on school premises or under circumstances which are coercive for the private sale of goods or services to students or other employees;

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- The use, sale, or improper divulging of any privileged information about a student or client, granted in the course of the employee's, officer's, or agent's employment or professional relationship with a School District through their access to School District records;
- The referral of any student or client for lessons or services to any private business or professional practitioner if there is any expectation of reciprocal referrals, sharing of fees, or other remuneration for such referrals
- The requirement of employees, students or clients to purchase any private goods or services provided by an administrative employee, officer or agent or any business or professional practitioner with whom any employee, officer or agent has a financial or other relationship, as a condition of receiving any grades, credits, promotions, approvals, or recommendations

Should exceptions to this policy be necessary in order to provide mandatory services to students or clients of the School District, all such exceptions will be made known to the administrative employee's supervisor and will be disclosed the District Administrator before entering into any private relationship.

Administrative employees, officers, and agents shall not make use of materials, equipment, or facilities of the School District for their own personal financial gain or business interest. Examples would be the use of facilities before, during, or after regular business hours for service to private practice clients, or the checking out of items from an instructional materials center for private practice.

Administrative employees, officers, and agents shall not participate in the selection, award, and administration of any contract to an entity in which they have a pecuniary interest or from which they derive a profit, or in which a dependent of the employee has a pecuniary interest or from which the dependent derives a profit. "Dependent" includes the employee's spouse; unemancipated child, stepchild, or adopted child under the age of eighteen (18); or individual for whom the employee provides more than one-half (1/2) of the individual's support during a year. A "pecuniary interest" means an interest in a contract or purchase that will result or is intended to result in an ascertainable increase in the income or net worth of the employee or the employee's dependent who is under the direct or indirect administrative control of the professional employee or who receives a contract or purchase order that is reviewed, approved, or directly or indirectly administered by the employee.

Administrative employees, officers, and agents may not solicit or accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.

However, pursuant to Federal rules, the School District has set standards for when an administrative employee, officer or agent may accept a gift of an unsolicited item of nominal value. For purposes of this section, "normal value" means that the gift has a monetary value of \$50.00 or less.

Administrative employees, officers, and agents must disclose any potential conflict of interest which may lead to a violation of this policy to the School District. Upon discovery of any potential conflict of

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interest, the School District will disclose, in writing, the potential conflict of interest to the appropriate Federal awarding agency or, if applicable, the pass-through entity.

Administrative employees, officers, and agents found to be in violation of this conflict of interest will be subject to discipline in accordance with Policy #3139 – Staff Discipline, and/or discipline as specified in the Employee Handbook.

No administrative employee may accept or engage in any employment, consulting, advising, or other professional activity with any organization other than the District, whether the administrator will receive compensation for such outside activity or not, without first providing notice to the District Administrator, or in the case of the District Administrator, such notice must be provided to the Board.

The District will also disclose, in a timely manner, all violations of Federal criminal law involving fraud, bribery or gratuity that affect a Federal award to the appropriate Federal awarding agency or, if applicable, the pass-through entity.

No administrative employee shall receive compensation, including payment for expenses, from any outside organization for any activity related to the administrator's occupation as a professional educator with Board approval.

In the event that, within the course of administering a Federally-funded grant program or service to the District, an administrative employee identifies a conflict of interest, a potential conflict of interest, or that the appearance of a conflict of interest may arise in the course of administering the Federal grant funds, the administrative employee must immediately notify either the Federal agency administering the grant in a manner consistent with that particular agency's rules on conflict of interests, or the District employee directly responsible for grant compliance. Such notice shall be provided at the earliest possible time.

It is a violation of this policy to take action or to refrain from taking action, or for an administrative employee to otherwise use the employee's public position to obtain a financial gain or anything of substantial value for oneself or the employee's immediate family, as defined in 19.42(7), Wis. Stats.

Legal References:

19.42(7) Wis. Stats.

19.59 Wis. Stats.

946.13 Wis. Stats.

2 C.F.R

200.12 C.F.R

200.113, 2 C.F.R

233.318 7 C.F.R

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3016.36(b)(3) and 7 C.F.R
3019.42 C.F.R

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