



RIALTO UNIFIED SCHOOL DISTRICT

Board Bylaws

BB 9270(a)

CONFLICT OF INTEREST

The Board of Education desires to maintain the highest ethical standards and help ensure that decisions are made in the best interest of the District and the public. In accordance with law, Board members and designated employees shall disclose any conflict of interest and, as necessary, shall abstain from participating in the decision.

The Board shall adopt a resolution that specifies the terms of the District's conflict of interest code, the District's designated positions, and the disclosure categories required for each position.

Upon direction by the code reviewing body, the Board shall review the District's conflict of interest code and submit any changes to the code reviewing body. (Education Code 87306.5)

When a change in the District's conflict of interest code is necessitated due to changed circumstances, such as the creation of new designated positions, changes to the duties assigned to existing positions, amendments, or revisions, the amended code shall be submitted to the code reviewing body within 90 days. (Government Code 87306)

When reviewing and preparing the District's conflict of interest codes, the Superintendent or designee shall provide officers, employees, consultants, and members of the community adequate notice and a fair opportunity to present their views. (Government Code 87311)

Board members and designated employees shall annually file a Statement of Economic Interest /Form 700 in accordance with the disclosure categories specified in the District's conflict of interest code. A Board member who leaves office or a designated employee who leaves District employment shall, within 30 days, file a revised statement covering the period of time between the closing date of the last statement and the date of leaving office or District employment. (Government Code 87302, 87500)

A Board member or designated employee shall not make, participate in making, or in any way use or attempt to use his/her official position to influence a governmental decision in which he/she knows or has reason to know that he/she has a disqualifying conflict of interest. A conflict of interest exists if the decision will have a "reasonably foreseeable material financial effect" on one or more of the Board member's or designated employee's "economic interests," unless the effect is indistinguishable from the effect on the public generally or the Board member's or designated employee's participation is legally required. (Government Code 87100, 87101, 87103; 2 CCR 18700-18709)

CONFLICT OF INTEREST (continued)

A Board member or designated employee makes a governmental decision when, acting within the authority of his/her office or position, he/she votes on a matter, appoints a person, obligates or commits the District to any course of action, or enters into any contractual agreement on behalf of the District. (2 CCR 18702.1)

A Board member who has a disqualifying conflict of interest on an agenda item that will be heard in an open meeting of the Board shall abstain from voting on the matter. He/she may remain on the dais, but his/her presence shall not be counted towards achieving a quorum for that matter. A Board member with a disqualifying conflict of interest shall not be present during a closed session meeting of the Board when the decision is considered and shall not obtain or review a recording or any other nonpublic information regarding the issue. (2 CCR 18702.1)

Additional Requirements for Boards that Manage Public Investments

A Board member who manages public investments pursuant to Government Code 87200 and who has a financial interest in a decision shall, upon identifying a conflict or potential conflict of interest and immediately prior to the consideration of the matter, do all of the following: (Government Code 87105; 2 CCR 18702.5)

1. Publicly identify each financial interest that gives rise to the conflict or potential conflict of interest in detail sufficient to be understood by the public, except that disclosure of the exact street address of a residence is not required.
2. Recuse himself/herself from discussing and voting on the matter, or otherwise acting in violation of Government Code 87100. The Board member shall not be counted toward achieving a quorum while the item is discussed.

However, the Board member may speak on the issue during the time that the general public speaks on it and may leave the dais to speak from the same area as members of the public. He/she may listen to the public discussion of the matter with members of the public.

3. Leave the room until after the discussion, vote, and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters.

If the item is on the consent calendar, the Board member must recuse himself/herself from discussing or voting on that matter, but the Board member is not required to leave the room during consideration of the consent calendar.

CONFLICT OF INTEREST (continued)

4. If the Board's decision is made during closed session, disclose his/her interest orally during the open session preceding the closed session. This disclosure shall be limited to a declaration that his/her recusal is because of a conflict of interest pursuant to Government Code 87100. He/she shall not be present when the item is considered in closed session and shall not knowingly obtain or review a recoding or any other nonpublic information regarding the Board's decision.

Board members, employees, or District consultants shall not be financially interested in any contract made by the Board on behalf of the District, including in the development, preliminary discussions, negotiations, compromises, planning, reasoning, and specifications and solicitations for bids. If a Board member has such a financial interest, the District is barred from entering into the contract. (Government Code 1090; Klistoff v. Superior Court, (2007) 157 Cal.App. 4th 469)

A Board member shall not be considered to be financially interested in a contract if his/her interest is a "noninterest" as defined in Government Code 1091.5. One such noninterest is when a Board member's spouse/registered domestic partner has been a District employee for at least one year prior to the Board member's election or appointment. (Government Code 1091.5)

A Board member shall not be considered to be financially interested in a contract if he/she has only a "remote interest" in the contract as specified in Government Code 1091 and if the remote interest is disclosed during a Board meeting and noted in the official Board minutes. The affected Board member shall not vote or debate on the matter or attempt to influence any other Board member to enter into the contract. (Government Code 1091)

Even if there is not a prohibited conflict of interest, a Board member shall abstain from voting on personnel matters that uniquely affect his/her relatives. However, a Board member may vote on collective bargaining agreements and personnel matters that affect a class of employees to which his/her relative belongs. *Relative* means an adult who is related to the Board member by blood or affinity within the third degree, as determined by the common law, or an individual in an adoptive relationship within the third degree. (Education Code 35107)

A relationship within the third degree includes an individual's parents, grandparents, great-grandparents, children, grandchildren, great-grandchildren, brothers, sisters, aunts, uncles, nieces, nephews, and the similar family of the individual's spouse/registered domestic partner unless the individual is widowed or divorced.

Common Law Doctrine Against Conflict of Interest

A Board member shall abstain from any official action in which his/her private or personal interest may conflict with his/her official duties.

CONFLICT OF INTEREST (continued)

1. That of an officer who is being reimbursed for his/her actual and necessary expenses incurred in the performance of an official duty
2. That of a recipient of public services generally provided by the public body or board of which he/she is a member, on the same terms and conditions as if he or she were not a member of the Board
3. That of a landlord or tenant of the contracting party if such contracting party is the federal government or any federal department or agency, this state or an adjoining state, any department or agency of this state or an adjoining state, any county or city of this state or an adjoining state, or any public corporation or special, judicial or other public district of this state or an adjoining state unless the subject matter of such contract is the property in which such officer or employee has such interest as landlord or tenant in which even his/her interest shall be deemed a remote interest within the meaning of, and subject to, the provisions of Government Code 1091
4. That of a spouse of an officer or employee of the District if his/her spouse's employment or office holding has existed for at least one year prior to his/her election or appointment
5. That of a nonsalaried member of a nonprofit corporation, provided that such interest is disclosed to the Board at the time of the first consideration of the contract, and provided further that such interest is noted in its official records
6. That of a noncompensated officer of a nonprofit, tax-exempt corporation which, as one of its primary purposes, supports the functions of the nonprofit board or to which the school Board has a legal obligation to give particular consideration, and provided further that such interest is noted in its official records
7. That of a person receiving salary, per diem, or reimbursement for expenses from a governmental entity, unless the contract directly involves the department of the government entity that employs the officer or employee, provided that such interest is disclosed to the Board at the time of consideration of the contract, and provided further that such interest is noted in its official records
8. That of an attorney of the contracting party or that of an owner, officer, employee, or agent of a firm which renders, or has rendered, service to the contracting party in the capacity of stockbroker, insurance agent, insurance broker, real estate agent, or real estate broker, if these individuals have not received and will not receive remuneration, consideration, or a commission as a result of the contract and if these individuals have an ownership interest of less than 10 percent in the law practice or firm, stock brokerage firm, insurance firm, or real estate firm

CONFLICT OF INTEREST (continued)

In addition, a Board member or employee shall not be deemed to be interested in a contract made pursuant to competitive bidding under a procedure established by law if his/her sole interest is that of an officer, director, or employee of a bank or savings and loan association with which a party to the contract has the relationship of borrower or depositor, debtor, or creditor. (Government Code 1091.5)

A Board member shall not be deemed to be financially interested in a contract if he/she has only a remote interest in the contract and if the remote interest is disclosed during a Board meeting and noted in the official Board minutes. The affected Board member shall not vote or debate on the matter or attempt to influence any other Board member to enter in the contract. Remote interests are specified in Government Code 1091(b); they include, but are not limited to, the interest of a parent in the earnings of his/her minor child. (Government Code 1091)

On a case-by-case basis and upon advice of legal counsel, a Board member with a financial interest in a contract may participate in the making of the contract if the rule of necessity or legally required participation applies pursuant to Government Code 87101 and 2 CCR 18708.

Board members shall not engage in any employment or activity or hold any office which is inconsistent with, incompatible with, in conflict with, or inimical to the Board member's duties as an officer of the District. (Government Code 1099, 1126)

Even if there is no prohibited or remote interest, a Board member shall abstain from voting on personnel matters that uniquely affect a relative of the Board member. A Board member may vote, however, on collective bargaining agreements and personnel matters that affect a class of employees to which the relative belongs. "*Relative*" means an adult who is related to the person

by blood or affinity within the third degree, as determined by the common law, or an individual in an adoptive relationship within the third degree. (Education Code 35107)

A relationship within the third degree includes the individual's parents, grandparents and great-grandparents, children, grandchildren and great-grandchildren, brothers, sisters, aunts and uncles, nieces and nephews, and the similar family of the individual's spouse/registered partner unless the individual is widowed or divorced.

Disqualification for Board Members Who Manage Public Investments

A Board member who manages public investments pursuant to Government Code 87200 and who has a financial interest in a decision shall, upon identifying a conflict or potential conflict of interest and immediately prior to the consideration of the matter, do all of the following:

CONFLICT OF INTEREST (continued)

1. Publicly identify the financial interest that gives rise to the conflict or potential conflict of interest in detail sufficient to be understood by the public, except that disclosure of the exact street address of a residence is not required. (Government Code 87105)
2. Recuse himself/herself from discussing and voting on the matter, or otherwise acting in violation of Government Code 87100. This Board member shall not be counted toward achieving a quorum while the item is discussed. (Government Code 87105; 2 CCR 18702.5)
3. Leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters. (Government Code 87105)

If the item is on the consent calendar, the Board member must recuse himself/herself from discussing or voting on that matter, but the Board member is not required to leave the room during the consent calendar. (2 CCR 18702.5)

(cf. 3430 - Investing)

The Board member may speak on the issue during the time that the general public speaks on the issue. The Board member shall recuse himself/herself from voting on the matter and leave the dais to speak from the same area as members of the public. He/she may listen to the public discussion of the matter with members of the public. (Government Code 87105; 2 CCR 18702.5)

If the Board's decision is made during closed session, the public identification may be made orally during the open session before the Board goes into closed session and shall be limited to a declaration that his/her recusal is because of a conflict of interest pursuant to Government Code 87100. The Board member shall not be present when the decision is considered in closed session or knowingly obtain or review a recording or any other non-public information regarding the Board's action. (2 CCR 18702.5)

Gifts

Board members and designated employees may accept gifts only under the conditions and limitations specified in Government Code 89503 and 2 CCR 18730.

The limitations on gifts do not apply to wedding gifts and gifts exchanged between individuals on birthdays, holidays, and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value. (Government Code 89503)

Gifts of travel and related lodging and subsistence shall be subject to the current gift limitation except as described in Government Code 89506.

CONFLICT OF INTEREST (continued)

A gift of travel does not include travel provided by the District for Board members and designated employees. (Government Code 89506)

Honoraria

Board members and designated employees shall not accept any honorarium, which is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering, in accordance with law. (Government Code 89501, 89502)

The term *honorarium* does not include: (Government Code 89501)

1. Earned income for personal services customarily provided in connection with a bona fide business, trade, or profession unless the sole or predominant activity of the business, trade, or profession is making speeches
2. Any honorarium which is not used and, within 30 days after receipt, is either returned to the donor or delivered to the District for donation into the general fund without being claimed as a deduction from income for tax purposes

Appendix A: Defines Disclosure Categories

Appendix B: Identifies Designated Positions in the District

Appendix A - Disclosure Categories

Category 1 - Designated positions must report:

1. Interests in real property that are located in whole or in part (1) within the boundaries of the District, (2) within two miles of the boundaries of the District, or (3) within two miles of any land owned by the District, including leasehold, beneficial or ownership interest or option to acquire such interest in real property.
2. Investments and business positions (i.e., director, officer, partner, trustee, employee, or holds any position of management) in business entities or income from sources which engage in the acquisition or disposal of real property within the District.
3. Investments and business positions (i.e., director, officer, partner, trustee, employee, or holds any position of management) in business entities or income from sources which: (1) are contractors or subcontractors engaged in the performance of work or services of the type utilized by the District, or (2) which manufacture, sell, or provide supplies, materials, books, machinery, services, or equipment of the type used by the District.

CONFLICT OF INTEREST (continued)

Category 2 - Designated position must report investments and business positions in business entities and income from sources that manufacture, sell, or provide supplies, materials, books, machinery, services, or equipment of the type used by the employee's department or the District. For the purposes of this category, a principal's department is his/her entire school.

Appendix B - Designated Positions

The persons holding positions listed in this Appendix are designated employees. It has been determined that the persons occupying the positions listed below make or participate in the making of decisions that may foreseeably have a material effect on financial interests of the District. Designated positions must disclose investments, business positions, and interests in real property held on, and income received during the previous 12 months as defined in Appendix A categories 1-2, and will file the Form 700, Statement of Economic Interests.

Position Title, Categories:

Member, Board of Education 1, 2
Superintendent 1, 2
Academic Agent: Liberal Arts and Literacy Intervention 1, 2
Academic Agent: Math/Science, College and Career Pathways 1, 2
Agent: Child Welfare and Attendance 1, 2
Agent: Induction/Teacher Support 1, 2
Agent: Special Programs 1, 2
Associate Superintendent 1, 2
Agent: Alternative Education 1, 2
Assistant Principal 1, 2
Autism Specialist, Special Education 1, 2
Behavior Program Manager 1, 2
Behavior Specialist 1, 2
Central Kitchen Production Manager 1, 2
Central Kitchen Supervisor 1, 2
Chief Technology Officer 1, 2
Agent: Communications/Media Services 1, 2
Consultant* 1, 2
Coordinator, EL Programs 1, 2
Coordinator, Information Systems 1, 2
Coordinator: STEM and Related College/Career Pathways and Adult Education
Custodial Supervisor 1, 2
District Math Lead 1, 2
Early Education Administrator 1, 2
Agent: Early Education 1, 2
Education Specialist BTSA Induction Support 1, 2
Educational Safety/Security Chief 1, 2

CONFLICT OF INTEREST (continued)

EL Coordinator 1, 2

Agent: English Learners 1, 2

Agent: Facilities Planning

Fiscal Services Supervisor 1, 2

Grounds Supervisor 1, 2

Health Services Coordinator 1, 2

Instructional Specialist 1, 2

Lead Academic Agent: Liberal Arts and Literacy/Intervention 1, 2

Lead Academic Agent: Math/Science and College/Career Pathways 1, 2

Lead Academic Technology Agent 1, 2

Lead Custodian 1, 2

Lead Fiscal Services Agent 1, 2

Lead Innovation Agent 1, 2

Lead Personnel Agent 1, 2

Lead Risk Management and Transportation Agent

Lead Special Services Agent 1, 2

Lead Strategic Agent: Strategic, Congruence & Social Justice 1, 2

Lead Student Services Agent 1, 2

Maintenance Foreman 1, 2

Agent: Maintenance and Operations 1, 2

Maintenance Supervisor 1, 2

Network Services Manager 1, 2

Assistant Agent: Nutrition Services

Agent: Nutrition Services 1, 2

Nutrition Services Production Manager 1, 2

Nutrition Services Supervisor 1, 2

Occupational Therapist 1, 2

Orthopedic Impairment Specialist, Special Education 1, 2

PBIS Coordinator 1, 2

Principal 1, 2

Program Specialist, Special Education 1, 2

Agent: Purchasing 1, 2

Psychologist 1, 2

Registration Center Supervisor 1, 2

Social Worker/Emotional Health Therapist 1, 2

Special Education Coordinator 1, 2

Supervisor 1, 2

Transportation/Garage Manager 1, 2

Transportation Supervisor 1, 2

Therapeutic Behavioral Strategist 1, 2

Warehouse Supervisor 1, 2

CONFLICT OF INTEREST (continued)

*Consultant shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code when it is determine that the temporary consultant will have significant influence on District financial matters. When notified by the Filing Officer, the consultant will have 30 calendar days to provide a completed Form 700, Statement of Economic Interests to the District.

A consultant is an individual who, pursuant to a contract with the District, makes a governmental decision whether to: (2 CCR [18701](#))

1. Approve a rate, rule, or regulation
2. Adopt or enforce a law
3. Issue, deny, suspend or revoke a permit, license, application, certificate, approval, order, or similar authorization or entitlement
4. Authorize the District to enter into, modify, or renew a contract that requires District approval
5. Grant District approval to a contract or contract specifications which require District approval and in which the District is a party
6. Grant District approval to a plan, design, report, study, or similar item
7. Adopt or grant District approval of District Policies, standards, or guidelines

A consultant is also an individual who, pursuant to a contract with the District, serves in a staff capacity with the District and in that capacity participates in making a governmental decision as defined in 2 CCR 18702.2, or performs the same or substantially all the same duties for the District that would otherwise be performed by an individual holding a position specified in the District's Conflict of Interest Code. (2 CCR 18701)

Legal Reference: (see next page)

CONFLICT OF INTEREST (continued)

Legal Reference:

EDUCATION CODE

1006 *Qualifications for holding office*
35107 *School district employees*
35230-35240 *Corrupt practices*
35233 *Prohibitions applicable to members of governing boards*
41000-41003 *Moneys received by school districts*

FAMILY CODE

297.5 *Rights, protections, and benefits of registered domestic partners*

GOVERNMENT CODE

1090-1099 *Prohibitions applicable to specified officers*
1125-1129 *Incompatible activities*
81000-91014 *Political Reform Act of 1974, especially:*
82011 *Code reviewing body*
87100-87103.6 *General prohibitions*
87200-87210 *Disclosure*
87300-87313 *Conflict of interest code*
87500 *Statements of economic interests*
89501-89503 *Honoraria and gifts*
91000-91014 *Enforcement*

PENAL CODE

85-88 *Bribes*

CODE OF REGULATIONS, TITLE 2

18110-18997 *Regulations of the Fair Political Practices Commission, especially:*
18702.5 *Public identification of a conflict of interest for Section 87200 filers*

COURT DECISIONS

Klistoff v. Superior Court, (2007) 157 Cal.App.4th 469
Thorpe v. Long Beach Community College District, (2000) 83 Cal.App.4th. 655
Kunec v. Brea Redevelopment Agency, (1997) 55 Cal.App.4th 511

ATTORNEY GENERAL OPINIONS

92 *Ops.Cal.Atty.Gen.* 26 (2009)
92 *Ops.Cal.Atty.Gen.* 19 (2009)
89 *Ops.Cal.Atty.Gen.* 217 (2006)
86 *Ops.Cal.Atty.Gen.* 138(2003)
85 *Ops.Cal.Atty.Gen.* 60 (2002)
82 *Ops.Cal.Atty.Gen.* 83 (1999)
81 *Ops.Cal.Atty.Gen.* 327 (1998)
80 *Ops.Cal.Atty.Gen.* 320 (1997)
69 *Ops.Cal.Atty.Gen.* 255 (1986)
68 *Ops.Cal.Atty.Gen.* 171 (1985)
65 *Ops.Cal.Atty.Gen.* 606 (1982)
63 *Ops.Cal.Atty.Gen.* 868 (1980)

Management Resources: (see next page)

CONFLICT OF INTEREST (continued)

Management Resources:

CSBA PUBLICATIONS

Conflict of Interest: Overview of Key Issues for Governing Board Members, Fact Sheet, July 2010

FAIR POLITICAL PRACTICES COMMISSION PUBLICATIONS

Can I Vote? A Basic Overview of Public Officials' Obligations Under the Conflict-of-Interest Rules, 2005

INSTITUTE FOR LOCAL GOVERNMENT PUBLICATIONS

Understanding the Basics of Public Service Ethics: Personal Financial Gain Laws, 2009

Understanding the Basics of Public Service Ethics: Transparency Laws, 2009

WEB SITES

CSBA: <http://www.csba.org>

Fair Political Practices Commission: <http://www.fppc.ca.gov>

Institute of Local Government: <http://www.ca-ilg.org>

Policy
adopted: May 12, 1999
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revised: June 26, 2018
revised: August 22, 2018

RIALTO UNIFIED SCHOOL DISTRICT
Rialto, California