

AP 2710 Conflict of Interest

Reference:

Government Code Section 87200-87220; Title 2, Section 18700 et seq.

Incompatible Activities (Government Code Section 1126)

Board members shall not engage in any employment or activity that is inconsistent with, incompatible with, in conflict with or inimical to the Board member's duties as an officer of the District.

Financial Interest (Government Code Section 1090 et seq.)

Board members and designated employees shall not be financially interested in any contract made by the Board or in any contract they make in their capacity as members of the Board or as designated employees.

A board member shall not be considered to be financially interested in a contract if his or her interest meets the definitions contained in applicable law (Government Code Section 1091.5).

A board member shall not be deemed to be financially interested in a contract if he or 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 member of the Board to enter into the contract. Remote interests are specified in Government Code Sections 1091(b); they include, but are not limited to, the interest of a parent in the earnings of his or her minor child.

No Employment Allowed (Education Code Section 72103(b))

An employee of the District may not be sworn in as an elected or appointed member of the governing board unless and until he or she resigns as an employee. If the employee does not resign, the employment will automatically terminate upon being sworn into office. This provision does not apply to an individual who is usually employed in an occupation other than teaching and who also is employed part time by the District to teach no more than one course per semester or quarter in the subject matter of that individual's occupation (Education Code Section 72103(b)).

Financial Interest in a Decision (Government Code Section 87100 et seq.)

If a board member or designated employee determines that he or she has a financial interest in a decision, as described in Government Code Section 87103, this determination shall be disclosed and made part of the Board's official minutes. In the case of a designated employee, this announcement shall be made in writing and submitted to the Board. A board member, upon identifying a conflict of interest, or a potential conflict of interest, shall do all of the following prior to consideration of the matter.

- Publicly identify the financial interest in detail sufficient to be understood by the public;

- **Rescue himself or herself from discussing and voting on the matter;**
- **Leave the room until after the discussion, vote, and any other disposition of the matter is concluded unless the matter is placed on the agenda reserved for uncontested matters. A board member may, however, discuss the issue during the time the general public speaks on the issue.**

Gifts (Government Code Section 89503)

Board members and any employees who manage public investments shall not accept from any single source in any calendar year any gifts in excess of the prevailing gift limitation specified in law.

Designated employees shall not accept from any single source in any calendar year any gifts in excess of the prevailing gift limitation specified in law if the employee would be required to report the receipt of income or gifts from that source on his/her statement of economic interests.

The above 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.

Gifts of travel and related lodging and subsistence shall be subject to the above limitations except as described in Government Code Section 89506.

A gift of travel does not include travel provided by the District for board members and designated employees.

Board members and any employees who manage public investments 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 (Government Code Sections 89501, 89502).

Designated employees shall not accept any honorarium that is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering, if the employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. The term "honorarium" does not include:

- **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.**
- **Any honorarium that 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 tax purposes.**