

SCHOOL DISTRICT OF PITTSVILLE BOARD POLICY

BOARD MEMBERS

BOARD MEMBER CONFLICTS OF INTEREST

165.1

The School Board and individual Board members shall observe this policy and all applicable laws regarding conflicts of interest. The following list of issues and expectations is not intended to be a complete list of all situations in which a conflict of interest may exist under applicable law. In addition, adherence to this policy will not necessarily excuse any violation of applicable law, including in situations where (a) this policy does not address the legal issue in question; or (b) this policy is in some way an incomplete or imprecise statement of the applicable laws. Each individual Board member is ultimately responsible for personally identifying and taking appropriate action with respect to his/her own conflicts of interest in accordance with applicable law.

1. A Board member, in his/her private capacity, may not negotiate, bid for, or enter into any contract in which he/she has a private pecuniary interest (direct or indirect) if, in his/her capacity as a public official, he/she is either authorized or required to (a) take part in the making or awarding of the contract; or (b) perform in regard to that contract some official function requiring the exercise of discretion. In such a situation, the Board member cannot cure the conflict of interest or avoid violating the law by abstaining from voting on the contract as a member of the Board. The Board intends this paragraph to parallel the scope of [section 946.13\(1\)\(a\)](#), including all statutory exceptions and exclusions (e.g., for contracts under a certain aggregate value) that exist to the conduct prohibited therein. Board members are cautioned that violations of section 946.13(1) are a criminal felony. Further, submitting an application for District employment for certain positions while serving as a Board member may be construed as one type of private-capacity conduct that could potentially violate section 946.13(1)(a).
2. A Board member may not, in his/her public or official capacity, participate in making or entering into a contract or other transaction involving receipts or expenditures on behalf of the District if such Board member has a direct or indirect private pecuniary interest in such contract or transaction. A Board member shall also avoid taking any action or performing any function in his/her official capacity that involves the exercise of discretion in regard to any such contract or transaction. The restrictions identified in this paragraph apply even if the Board member has not personally participated in the making of such contract or transaction in his/her private capacity. Should such a pecuniary interest exist, the Board member shall abstain from all consideration (e.g., debate/discussion) and action (e.g., voting) concerning the matter. In regard to some contracts, a Board member's violation of this paragraph may also be a violation of section 946.13(1)(b) of the state statutes.
3. In the event a Board member is employed by a corporation or business which furnishes goods or services to the District, the Board member shall declare his/her association with the organization and refrain from both debating and voting upon the question of the contract or transaction, and he/she shall also comply with the prohibition outlined in item (1) of this policy. Except where applicable law would prohibit the transaction or the making of the contract, it is not the intent of this paragraph to prevent the District from contracting with corporations or businesses solely because a Board member is an employee of the firm. Rather, this paragraph is intended to prevent placing a Board member in a position in which his/her interest in the public schools and interest in his/her place of employment might conflict and to avoid appearances of any conflict of interest, even though such conflict may not exist.
4. All members of the Board are required to adhere to the statutory Code of Ethics for Local Government Officials ("Code"), including the requirement that no Board member may use his/her position or office to obtain financial gain or anything of substantial value for the private benefit of him/herself, his/her immediate family, or for an organization with which he/she is associated. Another example of conduct prohibited by the statutory Code is that no Board member may solicit or accept from any person, directly or indirectly, anything of value if it (1) could reasonably be expected to influence the Board member's vote, official actions, or judgment, or (2) could reasonably be considered as a reward for any official action or inaction on the part of the Board member. In the event that a Board member receives (e.g., in an unsolicited fashion) any item that the Board member is prohibited by law from accepting or retaining, the Code identifies a list of acceptable methods of divesting of the item. The Board intends that the definitions found in [Subchapter III](#) of Chapter 19 of the state statutes be used to define specific terms that are used in this paragraph.

5. No Board member shall hold more than one public office or a position of public employment, or any combination thereof, where the simultaneous roles would be legally incompatible. As a specific example, no current Board member will be simultaneously employed by the District in any other capacity due to the incompatibility of the Board member's public office with such employment.
6. No Board member shall use confidential District records or any confidential information regarding the affairs of the District that the Board member has access to in his/her official capacity to inappropriately advance a private interest or for the private financial benefit of any person.

Notwithstanding the prohibitions identified above, there may be narrow circumstances under which, for example, a Board member whose spouse is employed by the District may lawfully participate in discussing and deciding a general policy matter that affects a broad class of individuals that includes the Board member's spouse, such as a general employment policy decision that affects staff working conditions and that does not affect the Board member's spouse in a way that differs materially from the effect on most other employees. The individual Board member must assess such issues on a case-by-case basis. Further, any such possible allowance permitting the Board member's participation in quasi-legislative general policy matters is presently understood not to apply to decisions that address certain items of substantial value or substantial monetary benefit, such as a wage schedule that is applicable to the Board member's spouse or a District group insurance benefit under which a Board member or his/her spouse has coverage.

The following are additional examples of situations in which a conflict of interest may arise and in which the affected Board member needs to determine an appropriate course of action:

1. An individual who is a close relative of the Board member is (a) employed by the District; (b) seeking employment with the District; or (c) seeking to engage in any business transaction with the District; and
2. A Board member's own child attends school in the District or participates in other District programs, and an issue arises in which the Board member's child is directly involved (e.g., a disciplinary matter) or which would uniquely affect the Board member's child.

LEGAL REFERENCES:

Wisconsin Statutes

<u>Section 19.42</u>	[statutory definitions related to the code of ethics for local government officials]
<u>Section 19.46(2)</u>	[advisory opinions from the ethics commission]
<u>Section 19.59</u>	[ethical standards for local government officials]
<u>Section 19.59(5)</u>	[advisory opinions regarding local government code of ethics; district legal counsel]
<u>Section 120.20</u>	[school board members; compatible positions of serving as a volunteer coach or extracurricular activity supervisor]
<u>Section 946.12</u>	[misconduct in public office]
<u>Section 946.13</u>	[private interests in public contracts prohibited]

<i>First Reading</i>	<i>September 12, 2022</i>
<i>Second Reading/Approval</i>	<i>October 10, 2022</i>