

SECTION: OPERATIONS

**TITLE: OUTSIDE ACTIVITIES/
 CONFLICT OF INTEREST**

FIRST READING: May 23, 2016

SECOND READING: June 13, 2016

ADOPTED: November 11, 2012

REVISED:

<p>1. Purpose</p>	<p>The Board recognizes that Board members and District employees participate in outside activities. This policy shall affirm standards of conduct established to ensure that Board members and District employees avoid potential and actual conflicts of interest as well as the perception of a conflict of interest.</p>
<p>2. Authority</p>	<p>In addition to standards of conduct set forth by the Pennsylvania Public Official and Employees Ethics Act, Act 170 of 1978, and other applicable law, the Board reserves the right to establish standards of conduct for District employees. District employees shall be evaluated in terms of their faithfulness to and effectiveness in discharging school duties and responsibilities. Any disciplinary actions as a result of a violation of this policy shall be consistent with District procedures as set forth in the Guidelines section of this policy.</p>
<p>3. Definitions 65 Pa. C.S.A. §1101 <i>et seq.</i></p>	<p>Confidential Information shall mean information not obtainable from reviewing a public document or from making inquiry to a publically available source of information.</p> <p>Conflict or Conflict of Interest shall mean use by a Board member or District employee of the authority of his/her office or employment, or any confidential information received through his/her holding public office or employment, for the private pecuniary benefit of him/herself, a member of his/her immediate family or a business with which s/he or a member of his/her immediate family is associated. The term does not include an action having a de minimus economic impact, or which affects to the same degree a class consisting of the general public or a subclass consisting of an industry, occupation or other group which includes the Board member or District employee, a member of his/her immediate family or a business with which s/he or a member of his/her immediate family is associated.</p> <p>De minimus economic impact shall mean an economic consequence which has an insignificant effect.</p> <p>Financial interest shall mean any financial interest in a legal entity engaged in business for profit which comprises more than five percent (5%) of the equity of the business or more than five percent (5%) of the assets of the economic interest in indebtedness.</p> <p>Honorarium shall mean payment made in recognition of published works, appearances, speeches and presentations, and which is not intended as consideration for the value of such services which are nonpublic occupational or professional in</p>

	<p>nature. The term does not include tokens presented or provided which are of de minimus economic impact.</p> <p>Immediate family shall mean a parent, parent-in-law, spouse, child, spouse of a child, brother, brother-in-law, sister, sister-in-law, or the domestic partner of a parent, child, brother or sister.</p> <p>Business partner shall mean a person who, along with another person, plays a significant role in owning, managing, or creating a company in which both individuals have a financial interest in the company.</p>
<p>4. Guidelines</p> <p>65 Pa. C.S.A. §1101 et seq.; 51 PA Code 15.2; 65 Pa. C.S.A. 1104; 2 CFR 200.318.</p>	<p>All Board members and District employees shall be provided with a copy of this policy and acknowledge in writing that they have been made aware of it. Additional training shall be provided to designated individuals.</p> <p><u>A. Disclosure of Financial Interests</u></p> <p>No Board member shall be allowed to take the oath of office or enter or continue upon his/her duties, nor shall s/he receive compensation from public funds, unless s/he has filed a statement of financial interests as required by law. The District solicitor and designated District employees shall file a statement of financial interests as required by law and regulations.</p> <p><u>B. Standards of Conduct</u></p> <p>The District maintains the following standards of conduct covering conflicts of interest and governing the actions of District employees and Board members engaged in the selection, award and administration of contracts.</p> <p>i. No District employee or Board member may participate in the selection, award or administration of a contract supported by a federal award if s/he has a real or apparent conflict of interest as well as any other circumstance in which the employee, Board member, any member of his/her immediate family, his/her business partner, or an organization which employs or is about to employ any of them, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.</p> <p>ii. The District shall not enter into any contract with: (1) a Board member, District employee, or his/her immediate family member; (2) a business in which a Board member, District employee or his/her immediate family member has a financial interest and the contract value is \$500 or more; or (3) a subcontractor in which a Board member, District employee or his/her immediate family member has a financial interest and the contract value is \$500 or more. These restrictions may be waived if the Board has determined it is in the best interests of the District to do so, and the contract has been awarded through an open and public process, including prior public notice and subsequent public disclosure of all proposals considered and contracts awarded. In such a case, the Board member or District employee shall not have any supervisory or overall responsibility for the implementation or administration of the contract.</p> <p>iii. When advertised formal bidding is not required or used, an open and public process shall include at a minimum: (1) public notice of intent to contract for goods or services; (2) a reasonable amount of time for potential contractors to consider whether to offer quotes; and (3) post-award public disclosure of who made bids or quotes and who was chosen.</p> <p>iv. Any Board member or District employee who in the discharge of his/her official duties would be required to vote on a matter that would result in a conflict of</p>

interest shall abstain from voting and, prior to the vote being taken, publicly announce and disclose the nature of his/her interest as a public record and shall thereafter disclose the conflict of interest in a written memorandum filed with the person responsible for recording the minutes of the meeting at which the vote is taken.

v. No public official or public employee shall accept an honorarium.

vi. Board members and District employees may neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value.

vii. District property shall not be used for personal gain. Copyrights and/or patents to materials or equipment developed, processed or tested by District employees in the performance of District activities or in fulfillment of the terms of their employment, are owned by the District.

viii. District resources including, but not limiting, District property and time shall not be used to engage in outside activities including, but not limiting, the solicitation of customers.

ix. Political activities may not be engaged in during assigned hours of employment.

x. No District employee shall tutor or teach for private hire any pupils taught by that employee during the school year unless approved in advance by the building principal.

xi. No employee shall use the school, class time, mailbox, or other building news dissemination methods to advertise and/or organize an outside business activity.

C. Improper Influence

No person shall offer or give to a Board member, a District employee, or a nominee or candidate for the Board anything of monetary value, including a gift, loan, political contribution, reward or promise of future employment based on the offeror's or donor's understanding that the vote, office action or judgment of the Board member, employee, nominee or candidate for the Board would be influenced thereby.

No Board member, District employee, or nominee or candidate for the Board shall solicit or accept anything of monetary value, including a gift, loan, political contribution, reward or promise of future employment, based on any understanding of that Board member, employee, or nominee or candidate that the vote, official action or judgment of the Board member, employee, or nominee or candidate for the Board would be influenced thereby.

D. Organizational Conflicts

Organizational conflicts of interest may exist when, due to the District's relationship with a subsidiary, affiliated or parent organization that is a candidate for award of a contract in connection with federally funded activities, the District may be unable or appear to be unable to be impartial in conducting a procurement action involving a related organization.

In the event of a potential organizational conflict, the potential conflict shall be reviewed by the Superintendent or designee to determine whether it is likely that the

	<p>District would be unable or appear to be unable to be impartial in making the award. If such a likelihood exists, this shall not disqualify the related organization; however, the following measures shall be applied:</p> <ul style="list-style-type: none"> i. The organizational relationship shall be disclosed as part of any notices to potential contractors; ii. Any District employees or officials or Board members directly involved in the activities of the related organization are excluded from the selection and award process; iii. A competitive bid, quote or other basis of valuation is considered; and iv. The Board has determined that contracting with the related organization is in the best interest of the program involved. <p><u>E. Reporting</u></p> <p>Any perceived conflict of interest that is detected or suspected by any employee or third party shall be reported to the Superintendent. If the Superintendent is the subject of the perceived conflict of interest, the employee or third party shall report the incident to the Board President.</p> <p>Any perceived conflict of interest of a Board member that is detected or suspected by any employee or third party shall be reported to the Board President. If the Board President is the subject of the perceived conflict of interest, the employee or third party shall report the incident to the Superintendent, who shall report the incident to the solicitor.</p> <p>No reprisals or retaliation shall occur as a result of good faith reports of conflicts of interest.</p> <p><u>F. Investigation</u></p> <p>Investigations based on reports of perceived violations of this policy shall comply with state and federal laws and regulations. No person sharing in the potential conflict of interest being investigated shall be involved in conducting the investigation or reviewing its results.</p> <p>In the event an investigation determines that a violation of this policy has occurred, the violation shall be reported to the federal awarding agency in accordance with that agency's policies, if applicable.</p> <p><u>G. Disciplinary Actions</u></p> <p>If an investigation results in a finding that the complaint is factual and constitutes a violation of this policy, the District shall take prompt, corrective action to ensure that such conduct ceases and will not recur. The Superintendent or appropriate District designee shall document the corrective action taken and, when not prohibited by law, inform the complainant.</p> <p>Violations of this policy may result in disciplinary action up to and including discharge, fines and possible imprisonment. Disciplinary actions shall be consistent with Board policies, procedures, applicable collective bargaining agreements and state and federal laws.</p>
<p>5. Delegation of Responsibility</p>	<p>Each District employee and Board member shall be responsible to maintain standards of conduct that avoid conflicts of interest. The Board prohibits members of the Board or District employees from engaging in conduct that constitutes a conflict of interest</p>

	as outlined in this policy. The Superintendent, to assist in the administration and implementation of this policy, may approve additional guidelines as attachments to this policy.
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