

CONFLICTS OF INTEREST

No school director or the superintendent shall be beneficially interested, directly or indirectly, in any contract made by, through or under the supervision of the director or superintendent, except as provided below:

- A. Any contract, purchase of materials or activity paid for from school funds if the total volume received by the district officer or his or her business does not exceed \$1,500.00 in any calendar month. The district shall maintain a list of all contracts covered under this paragraph and the list shall be available for public inspection and copying.
- B. An individual director may be designated as clerk and/or purchasing agent at the prevailing hourly wage.
- C. The spouse of a director or the superintendent may be employed as a substitute teacher on the same terms and at the same compensation as other substitute teachers in the district. The superintendent must find that the number of qualified substitute teachers in the district is insufficient to meet the anticipated needs for short-term and one-day substitute teachers, and the superintendent must ensure that substitute teachers are assigned to available positions in a fair and impartial manner.
- D. Prior to approval of the employment of a director or spouse of a school director or superintendent, the board of directors shall be advised of the number of other individuals who are qualified for and interested in the position(s) to be filled. The district shall not discriminate in any way against any applicant for a certified position or any certificated employee on the basis of a family relationship with a school director or the superintendent. All employment decisions shall be made on the basis of choosing the applicant which furthers the best interest of the school district.
- E. If a person is employed by the district under contract as a classified or certificated employee before his or her spouse becomes a director or superintendent, the contract can be renewed for further employment, provided that the terms of the contract are commensurate with the pay plan or collective bargaining agreement operating in the district for that position; or
- F. The director or officer has an interest in a contract and the interest is disclosed prior to board action and recorded in the official minutes. The director or officer has only a remote interest in a contract and the interest is disclosed prior to board action and recorded in the official minutes.

A director may not vote on the authorization, approval or ratification of a contract in which he or she beneficially interested and to which one of the exemptions described above applies.

Whenever a director, or his or her spouse or dependent is employed by the district, the director shall refrain from participating in or attempting to influence any board action affecting the employment status of the director, spouse or dependent. Actions affecting employment status include, but are not limited to, hiring, establishing compensation and fringe benefits, setting

working conditions, conducting performance evaluations, considering or imposing discipline and termination.

In those cases where a majority of the board has a lawfully permitted pecuniary interest in an employment matter before the board, all of the directors may participate in the board action on that matter. In such instances, the board minutes shall report the nature of each director's interest in the employment matter and that a majority of the board has lawfully permitted pecuniary interests in the matter. Board members with a lawfully permitted pecuniary interest in an employment matter who participate in a board action on the matter because a majority of the board have a similar interest shall put aside their personal interest and act in the best interest of the school district.

The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

The superintendent shall maintain a log of any contract subject to this policy and annually or when a new director assumes office, shall inform the board of the existence of all such contracts.

Legal References:	RCW 28A.405.250	Certificated employees, applicants for certificated position, not to be discriminated against
	RCW 28A.635.050	Certain corrupt practices of school officials-- Penalty
	RCW 42.23.030	Interest in contracts prohibited--Excepted cases
	RCW 42.23.040	Remote interests

Adoption Date: 7/24/2017