

Book	Policy Manual
Section	Issue 3 of 2023 September READY FOR OSBA
Title	Board Member Conflict of Interest
Code	BBFA
Status	

~~This is the OSBA sample policy.**~~**

Board Member Conflict of Interest

The Board and individual members follow the letter and spirit of the **Ohio ethics law and other laws** regarding conflicts of interest.

A Board member will not have any direct or indirect pecuniary interest in a contract with the District, **including being an employee of a private company or nonprofit organization that has a contract with the District.**

This restriction does not apply to a Board member who is a shareholder in a corporation, does not own more than five percent of the corporation's stock and is not an officer or director of the corporation. Before the District and corporation enter into a contract, the Board member must file an affidavit with the District's Treasurer stating his/her exact status and connection with the corporation.

A Board member also is not prohibited from having a pecuniary interest in a contract with the District if all these factors apply:

- 1. The Board member's pecuniary interest in the contract is that the member is employed by a political subdivision, instrumentality, or agency of the state or a private institution of higher education that is contracting with the Board.**
- 2. The Board member does not participate in any discussion or debate regarding the contract or vote on the contract.**
- 3. The Board member files an affidavit with the school District Treasurer stating his/her exact employment status with the political subdivision, instrumentality, or agency or private institution of higher education, contracting with the Board.**

A Board member will not furnish for remuneration sell any labor, equipment or supplies to the District; nor and will not be employed by the Board in any capacity for compensation. A Board member is not prohibited from serving as a volunteer with the District provided he/she receives no compensation from the District. A Board member serving as a volunteer will be prohibited from participating in matters before the Board that affect officials and employees of the District department with which he/she volunteers.

~~A Board member may have a private interest in a contract with the Board if all of the following apply:~~

- ~~1. the subject of the public contract is necessary supplies or services for the District;~~**
- ~~2. the supplies or services are unobtainable elsewhere for the same or lower cost, or are being furnished to the District as part of a continuing course of dealing established prior to the Board member's becoming associated with the District;~~**
- ~~3. the treatment accorded the District is either preferential to or the same as that accorded other customers or clients in similar transactions and~~**
- ~~4. the entire transaction is conducted at arm's length, with full knowledge by the Board of the interest of the Board member, member of his/her family, or his/her business associate, and the Board member takes no part in the deliberations or decision with respect to the public contract.~~**

The law specifically forbids:

- 1. ~~the a~~ prosecuting attorney, ~~or the~~ city attorney **or person serving in a similar capacity** from serving on this Board;**
- 2. a Board member from serving as the school dentist, physician or nurse;**

3. ~~a Board member from being employed for compensation by this Board;~~
4. ~~a Board member from having, directly or indirectly, any pecuniary interest in any contract with this Board;~~
5. a Board member from voting on a contract to employ a person as a teacher or instructor if he/she is related to that person as father, mother, brother, **or** sister ~~or spouse~~;
6. a Board member from authorizing, or employing the authority or influence of his/her office to secure authorization of, any public contract, **including a contract for employment**, in which he/she, a member of his/her family or his/her business associates have an interest;
7. a Board member from having an interest in the profits or benefits of a public contract entered into by, or for the use of, the District and
8. a Board member from occupying any position of profit during his/her term of office or within one year thereafter in the prosecution of a public contract authorized by him/her or a board of which he/she was a member at the time of authorization of that contract.

Legal References

ORC 102.03
ORC 102.04
ORC 2921.02(B)
ORC 2921.42
ORC 2921.43
ORC 2921.44
ORC 3313.13
ORC 3313.33
ORC 3313.70
ORC 3319.21
ORC 4117.20

Cross References:

BBBA, Board Member Qualifications
BBF, Board Member Code of Ethics

NOTE: Generally, the substance of a policy in this area is established by law; however, portions may be Board policy, as in the sample policy above.

Ohio's Ethics Laws apply to all public officials, including Board members, administrators and all District employees. It is important that all school officials and employees are aware that Ohio's Ethics Laws prohibit public officials from:

- hiring a family member for a public job;
- using his or her position to get a family member a public job or contract or
- using his or her position to get promotions, raises or other job-related benefits for family members.

Family members, for purposes of the Ethics Law, are: husband or wife, child or grandchild, parent or grandparent, brother or sister, stepchild or stepparent. Also included is any other person related to the official by blood or marriage who lives in the official's household.

Legal

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