

Board Member Conflict of Interest

Public office is a trust created by the confidence the electorate ~~reposes~~ places in the integrity of local government officials for the common good and for the benefit of the people. A conflict of interest can arise when a public officer is unable to be devoted with complete loyalty and singleness of purpose to the general public interest.

It is the intent of this policy to protect the public trust placed in directors of this school district. For purposes of this policy, the Board declares that a conflict of interest is a personal, pecuniary interest that is immediate, definite, and demonstrable. ~~and which is or may be in conflict with the public interest.~~

1. A Board member who has a personal or private interest in a matter proposed or pending before the Board must: disclose such interest to the Board, ~~may abstain from not voting on it the matter,~~ and ~~will~~ not attempt to influence the decisions of other Board members in voting on the matter.

However, if a Board member has complied with statutory disclosure requirements by voluntarily notifying the Secretary of State of interest in the matter, the member may vote if participation is necessary to obtain a quorum or otherwise enable the Board to act. If a member votes under these circumstances, the member ~~shall~~will state for the record the fact and summary nature of the potential conflict of interest.

The written disclosure to the Secretary of State ~~shall~~will list as applicable the amount of the member's financial interest, the purpose and duration of any services rendered, compensation received for services, or such other information necessary to describe the interest.

2. The Board will not hire any of its members as an employee of the district nor will the Board approve any compensation for a member for services rendered to the district except for services rendered to the Board as provided by law. Members may be reimbursed for authorized expenses in carrying out Board duties as provided by law.

~~In keeping with a fundamental principle of this policy that Board members must be devoted with complete loyalty and singleness of purpose to the general public interest, the Board expressly adopts the doctrine of incompatibility of office as applied to eligibility to hold office on the Board. ¶¶~~

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~~a. Steamboat Springs School District RE2 paid employees are prohibited from serving on the Board, except as specified above in Item 2. ¶¶~~

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~~b. Employees or members of the governing board of any charter school authorized by the district are prohibited from serving on the Board, except as specified above in Item 2. ¶¶~~

3. The District and the Board will cannot enter into any contract with any of its members or with a firm, or corporation, contractor, and/or vendor if in which a board member is a party to the contract or has a financial interest in the contract unless one or more of the following apply:
 - a) The contract is awarded to the lowest responsible bidder based on competitive bidding procedures;
 - b) The merchandise is sold to the highest bidder at a public auction;
 - c) The transaction involves investing or depositing money in a financial institution, which is in the business of loaning money or receiving money;
 - d) If, because of geographic restrictions, the district could not otherwise reasonably afford the contract because the additional cost to the district would be greater than 10 percent of the contract with the interested member or if the contract is for services that must be performed within a limited time period and no other contractor can perform the services;
 - e) If the contract is one in which the Board member has disclosed a personal interest and is one on which the member has not voted or has voted as allowed in state law following disclosure to the Secretary of State and to the Board; or
 - f) Except as described herein, a Board member shall will not be a purchaser at any sale or a vendor for any purchase made by the district.
4. A Board member may request an advisory opinion from the Secretary of State concerning issues relating to personal conduct and potential conflict of interest.
5. A Board member must avoid conflict of interest with respect to his or her fiduciary responsibility. Accordingly, a Board member may not:
 - a) Disclose or use confidential information acquired in the course of official duties to further substantially personal financial interests;
 - b) Accept a gift of substantial value or substantial economic benefit tantamount to a gift of substantial value which would tend to improperly influence a reasonable person in that position or which the Board member knows or should know is primarily for the purpose of a reward for official action taken (The phrase “economic benefit tantamount to a gift of substantial value” includes a loan at a rate of interest substantially lower than the prevailing commercial rate and compensation received for private services rendered at a rate substantially exceeding the fair market value);
 - c) Engage in a substantial financial transaction for private business purposes with a person whom the Board member supervises in the course of official duties; or
 - d) Perform an official act, which directly and substantially confers an economic benefit on a business or other undertaking in which the Board member has a substantial financial interest or is engaged as a counsel, consultant, representative or agent.
6. It is permissible for a Board member to receive:

- a) Campaign contributions and contributions in-kind which are reported in accordance with state law;
 - b) An occasional non pecuniary gift, which is insignificant in value;
 - c) A nonpecuniary award publicly presented by a nonprofit organization in recognition of public service;
 - d) Payment or reimbursement for actual and necessary expenditures for travel and subsistence for attendance at a convention or other meeting at which the Board member is scheduled to participate;
 - e) Reimbursement for or acceptance of an opportunity to participate in a social function or meeting, which is not extraordinary when viewed in light of the position;
 - f) Items of perishable or nonpermanent value including but not limited to meals, lodging, travel expenses or tickets to sporting, recreational, educational or cultural events. Tickets to these events may have to be reported in accordance with the public official disclosure law; and
 - g) Payment for speeches, appearances or publications reported in accordance with the public office disclosure law.
7. It is not considered a breach of conduct for a Board member to:
- a) Use school facilities and equipment to communicate or correspond with constituents, family members, or business associates; or
 - b) Accept or receive a benefit as an indirect consequence of transacting school district business.

8. Federal Funded Transactions- Separate from state law and the Board's policies concerning the Board's standards of conduct and conflict of interest, federal law imposes restrictions on the conduct of Board members whenever the transaction in question is supported by federal funds subject to the Uniform Grant Guidance (UGG).

Under the UGG, a Board member will not participate in the selection, award or administration of a contract supported by a federal award if the Board member has a conflict of interest as defined by the UGG.

A conflict of interest arises under the UGG when the Board member, any member of his or her immediate family, his or her business partner, or an organization which employs or is about to employ any of the aforementioned parties has a substantial financial or other interest or would obtain a substantial tangible personal benefit from a firm considered for a contract.

In addition, the UGG prohibits Board members from soliciting or accepting gratuities, favors, or anything of monetary value from contractors or parties to subcontracts that are federally funded, unless the gift is an unsolicited item of nominal value.

For purposes of this policy section only, "immediate family" means the Board member's spouse, partner in a civil union, children, and parents. In determining whether a financial or other interest is "substantial," or whether anything solicited or accepted for private

benefit is of “nominal value,” the Board will follow the standards of conduct and corresponding definitions applicable to local public officials under state law.

These minimum federal requirements are not waivable in connection with any transaction or contract to which they apply.

A Board member who violates the standards of conduct set forth in this policy’s section may be subject to censure or other disciplinary action, in accordance with the Board’s authority, and state law.

Adopted	November 16, 1998
Latest Revision	May 19, 2025
Revised:	April 15, 2024 January 10, 2022 November 9, 2020 July 2, 1999 November 15, 2004 August 3, 2015
Legal References:	2 C.F.R. 200.318(c)(Uniform Grant Guidance- written standards of conduct covering conflicts of interest required concerning the selection, award, and administration of contracts supported by federal funds) Colorado Constitution, Article. X, Section. 13 (prohibition on making profit out of district money or using for unlawful purpose) C.R.S. 1-45-101 et seq. (Fair Campaign Practices Act) C.R.S. 22-32-109 (1)(y) (Board duty to adopt bylaws relating to conflict of interest) C.R.S. 22-32-110(1)(k)(specific powers of Boards) C.R.S. 24-6-201 et seq. (Public Official Disclosure Law) C.R.S. 24-18-104, 109, 110 and 111 (rules of conduct for district officials/employees) C.R.S. 24-18-201 and 202 (district officials/employees may not have interest in district contract) C.R.S. 24-18-105 (Ethical principles for public officers, local government officials and employees)
Monitoring Method:	Board self-assessment
Monitoring Frequency:	Annually in May Monitored and Reviewed:

Review of policy based on CASB GP-11 on 4-8-25. Minor changes based on comparison of the policies. District’s version had several Colorado Revised Statute references that were not included on CASB’s sample policy. Kristina confirmed that CASB’s Legal References are current.

It was recommended that the Board review CASB BCB policy and the federally funded transactions wording that starts on page 2.

Stephanie reviewed the wording on BCB and determined that we should add the wording from BCB to GP-11 on 4-11-25.