

**Policy Type: Governance Process**

**School Board Member Conduct & Financial Disclosure**

Public office is a trust created by the confidence which the public places in the integrity of its public officers. To preserve this confidence, it is the desire of the Board to operate under the highest ethical standards.

In carrying out his/her fiduciary duties, a Board member shall not:

1. Disclose or use confidential information acquired in the course of official duties to further substantially the member's personal financial interests.
2. 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 the position to depart from the faithful and impartial discharge of the Board member's public duties or which the member knows or should know is primarily for the purpose of a reward for official action taken.
3. Engage in a substantial financial transaction for the member's private business purposes with a person whom the member supervises in the course of official duties.
4. Perform an official act which directly and substantially confers an economic benefit tantamount to a gift of substantial value on a business or other undertaking in which the member has a substantial financial interest or is engaged as counsel, consultant, representative or agent.

It shall not be considered a breach of conduct for a Board member to:

1. Use school facilities and equipment to communicate or correspond with constituents, family members or business associates.
2. Accept or receive a benefit as an indirect consequence of transacting school district business.

LEGAL REFS.: C.R.S. 1-45-101 et seq. (Fair Campaign Practices Act)

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 (rules of conduct for all public officers, general assembly, local government officials and employees)

C.R.S. 24-18-109 (rules of conduct for local government officials and employees)

*NOTE 1: State law defines "economic benefit tantamount to a gift of substantial value" to include: 1. A loan at a rate of interest substantially lower than the prevailing commercial rate; 2. Compensation received for private services rendered at a rate substantially exceeding the fair market value; and 3. Goods or services for the Board member's personal benefit offered by a person who is at the same time*

*providing goods or services to the district under a contract or other means by which the person receives payment or other compensation from the district. C.R.S. 24-18-104 (2). However, state law permits a Board member to receive such goods or services if the "totality of the circumstances" indicates the transaction is legitimate, the terms are fair to both parties, the transaction is supported by full and adequate consideration, and the Board member does not receive any substantial benefit resulting from the Board member's status that is unavailable to members of the public generally. C.R.S. 24-18-104 (2)(b).*

*NOTE 2: State law lists the type of items that are not considered "gifts of substantial value or substantial economic benefit tantamount to a gift of substantial value" and are therefore permissible for a Board member to receive. See, C.R.S. 24-18-104 (3). Such items include campaign contributions or contributions in kind that are reported in accordance with the Fair Campaign Practices Act; an unsolicited item of trivial value (i.e. currently less than \$53), "such as a pen, calendar, plant, book, notepad or similar item;" and an unsolicited token or award of appreciation in the form of a plaque, trophy, desk item, wall memento or similar item. Id.; see also, Colo. Const. Art. XXIX, Section 3.*

*NOTE 3: The amount of the gift limit (\$53) is identical to the gift limit under section 3 of article XXIX of the state constitution. This amount shall be adjusted for inflation contemporaneously with any adjustment to the constitutional gift limit. C.R.S. 24-6-203 (8). The state constitution requires an adjustment for inflation every four years. The next adjustment must occur in the first quarter of 2015. Colo. Const. Art. XXIX, Section 3 (6).*

## **School Board Member Financial Disclosure**

Board members are required by law to disclose certain items received in connection with serving on the Board. If Board members receive such items, they must file a report with the secretary of state on forms prescribed by the secretary of state. Such report must be filed on or before January 15, April 15, July 15 and October 15 of each year, and shall cover the period since the last report. The report must contain the name of the person from whom the reportable item was received, its value and the date of receipt. Board members who do not receive any items that must be reported are not required to file a report.

Items which must be reported include the following:

1. Any money received, including a loan, pledge, advance, guarantee of a loan or any forbearance or forgiveness of indebtedness from any person with a value greater than \$53.
2. Any gift of any item of real or personal property other than money with a value greater than \$53.
3. Any loan of real or personal property if the value of the loan is greater than \$53. "Value of the loan" means the cost saved or avoided by the Board member by not borrowing, leasing or purchasing comparable property from a source available to the general public.
4. Any payment for a speech, appearance or publication.
5. Tickets to a sporting, recreational, educational or cultural event with a value greater than \$53 for any single event.

6. Payment of or reimbursement for actual and necessary expenses for travel and lodging for attendance at a convention, fact-finding mission or trip, or other meeting if the board member is scheduled to deliver a speech, make a presentation, participate on a panel or represent the school district unless the payment for such expenditures is made from public funds or from the funds of any association of public officials or public entities such as the Colorado Association of School Boards (CASB).

7. Any gift of a meal to a fund-raising event of a political party.

To avoid misunderstandings about the value of an item, the donor must furnish the Board member with a written statement of the dollar value of the item when it is given.

LEGAL REF.: C.R.S. 24-6-201 et seq. (*Public Official Disclosure Law*)

*NOTE 1: The amount of the gift limit (\$53) is identical to the gift limit under section 3 of article XXIX of the state constitution. This amount shall be adjusted for inflation contemporaneously with any adjustment to the constitutional gift limit. C.R.S. 24-6-203 (8). The state constitution requires an adjustment for inflation every four years. The next adjustment must occur in the first quarter of 2015. Colo. Const. Art. XXIX, Section 3 (6).*

*NOTE 2: The gifts and items that do not require a disclosure report are listed in C.R.S. 24-6-203 (4). They include campaign contributions or contributions in kind that are reported in accordance with the Fair Campaign Practices Act; an unsolicited item of trivial value (i.e. currently less than \$53), "such as a pen, calendar, plant, book, notepad or similar item;" and an unsolicited token or award of appreciation in the form of a plaque, trophy, desk item, wall memento or similar item. Id.; see also, Colo. Const. Art. XXIX, Section 3.*

**Adopted: December 11, 2013**