

## **1115 BOARD MEMBER CONFLICT OF INTEREST**

Each board member has the obligation to consider any private, personal or business interest that may significantly affect the board member's action on a matter before the board. When conflicts of interest occur, each Board member has the obligation to declare that conflict and abstain from participating in discussions or voting in the issue.

1. No board member shall derive a direct benefit from any contract entered into by or on behalf of the Edenton-Chowan Board of Education or the Edenton-Chowan Public Schools, except as expressly provided by law. If such contract is permitted by law despite a board member's conflict, that board member shall abstain from participating or voting in the issue and shall not attempt to influence any other person who is involved in making or administering the contract.
2. The Edenton-Chowan Public Schools shall not enter into any contract under the terms of which a member of the board would derive a direct benefit, except as expressly provided by law and subject to the limitations outlined in this policy.
3. No board member may solicit or receive any gift, reward or promise of reward, including a promise of future employment, in exchange for recommending, influencing or attempting to influence the award of any contract by the Edenton-Chowan Board of Education or the Edenton-Chowan Public Schools.
4. No board member shall accept a gift or favor from any person or group desiring to do or doing business with the school system, unless such gifts are instructional products or advertising items of nominal value that are widely distributed.
5. No board member shall solicit or accept any gifts from any potential provider of E-rate services or products in violation of federal gifting rules.
6. No board member shall use confidential knowledge of pending board action to gain any pecuniary benefit from the action or aid another to do so.

A board member is involved in administering a contract if he or she oversees the performance of the contract or has authority to interpret or make decisions regarding the contract. A board member is involved in making a contract if he or she participates in the development of the specifications or terms of the contract or participates in the preparation or award of the contract.

A board member derives a direct benefit from a contract if the board member or his or her spouse does any of the following: (1) has more than a 10 percent ownership or other interest in an entity that is a party to the contract; (2) derives any income or commission directly from the contract; or (3) acquires property under the contract. An exception is allowed for employment contracts between the board of education and the spouse of a board member. However, the board member involved will not deliberate or vote on the contract or attempt to influence any other person who is involved in making or administering the contract.

LEGAL REF: G.S. 14-234; -234.1; 133-32; 115C-48; 47 C.F.R. 54.503; FCC Sixth Report and Order 10-175

CROSS REF: Code of Ethics for Members (Policy 1110); Conflict of Interest (Policy 5160)

AMENDED: March 5, 2012

**EDENTON-CHOWAN BOARD OF EDUCATION**