

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

Public office is a trust created in the interest of the common good and for the benefit of the people. As public officials holding the respect and trust of the community, board members will not use the office for personal advantage.

A Board member will not have any direct pecuniary interest in a contract with the school district; nor furnish directly any labor, equipment or supplies to the district; nor be employed for pay as a teacher or substitute teacher in the same school district in which he/she is a board member.

Exceptions to the above involve contracts of less than \$5,000 or contracts of less than the amount which would require bidding if no other source of supply is available within the school district and the amount paid is reasonable and just or the contract is allowed under the provisions of SDCL 6-1-2(1) through (8) or SDCL 6-1-2.1.

A board member may not hold any other political office the duties of which are incompatible or inconsistent with the duties of a school board member.

Each member shall decide if any potential conflict of interest requires disqualification from participation in board discussion or action. No board member may participate in discussion or vote on any issue in which the member has a conflict of interest if the following circumstances apply:

- 1) "Direct pecuniary interests," when a school board member votes on a matter benefiting the board member's own property or affording a direct financial gain.
- 2) "Indirect pecuniary interests," when a school board member votes on a matter that financially benefits one closely tied to the official, such as an employer, or family member.
- 3) "Direct personal interest," when a school member votes on a matter that benefits a blood relative or close friend in a non-financial way.
- 4) "Indirect personal interest," when a school board member votes on a matter in which an individual's judgment may be affected because of membership in some organization and a desire to help that organization further its policies; or
- 5) At least two-thirds of the Board votes that a member has an identifiable conflict of interest that should prohibit the member from voting on a specific matter.

## Nepotism

The Board will not employ any teacher or other employee if the teacher or other employee is a relative of any Board member by consanguinity within the third degree; nor will the Board employ the spouse of a member, except by unanimous vote of the Board.

Established by law.

### Legal References

Constitution of the State of South Dakota, Art. III, Sec. 23, Art. VIII, Sec. 17, SDCL 3-16-1; 6-1-1, 6-1-2, 6-1-17, 13-7-3, 13-20-2.1, 13-43-1

### Cross References

BBBA, Board Member Qualifications  
BCC, Appointed Board Officials

### Policy

Adopted: 10/23/95  
Revised: 2/13/12; 7/13/15  
Revised: 02/2020