



CONFLICT OF INTEREST CODE AND DESIGNATED REPORTING POSITIONS **Adopted 2013, Revised 10/014/2024**

The BOARD OF DIRECTORS desires to maintain the highest ethical standards and help ensure that decisions are made in the best interest of the school and the public. Accordingly, no Board member, school employee, or other person in a designated position shall participate in the making of any decision for the school when the decision will or may be affected by the Board member's, school employee's, or other designated persons financial, family, or other personal interest or consideration.

Even if a prohibited conflict of interest does not exist, a Board member shall abstain from voting on personnel matters that uniquely affect the Board member's relatives. However, a Board member may vote on collective bargaining agreements and personnel matters that affect a class of employees to which the Board member's relative belongs. Relative means an adult who is related to the Board member by blood or affinity within the third degree, as determined by the common law, or an individual in an adoptive relationship within the third degree. (Education Code 35107)

A relationship within the third degree includes an individual's parents, grandparents, great-grandparents, children, grandchildren, great-grandchildren, brothers, sisters, aunts, uncles, nieces, nephews, and the similar family of the individual's spouse/registered domestic partner unless the individual is widowed or divorced.

The Board shall adopt for the school a conflict of interest code that incorporates the provisions of 2 CCR 18730 by reference, specifies the school's designated positions, and provides the disclosure categories required for each position. The conflict of interest code shall be submitted to the school's code reviewing body for approval, in accordance with Government Code 87303 and within the deadline for submission established by the code reviewing body. (Government Code 87303)

Upon direction by the code reviewing body, the Board shall review the school's conflict of interest code and submit any changes to the code reviewing body or, if no change is required, the Board shall submit a written statement to that effect. (Government Code 87306.5)

When a change in the school's conflict of interest code is necessitated due to changed circumstances, such as the creation of new designated positions, changes to the duties assigned to existing positions, amendments, or revisions, the amended code shall be submitted to the code reviewing body within 90 days after the changed circumstances necessitating the amendments have become apparent. (Government Code 87306)

When reviewing and preparing the school's conflict of interest code, the Executive Director or designee shall provide officers, employees, consultants, and members of the community adequate notice and a fair opportunity to present their views. (Government Code 87311)

Board members and designated employees shall annually file a Statement of Economic Interest/Form 700 in accordance with the disclosure categories specified in the school's conflict of interest code. A Board member who leaves office or a designated employee who leaves school employment shall, within 30 days, file a revised statement covering the period of time between the closing date of the last required statement and the date of leaving office or school employment. (Government Code 87302, 87302.6)

Conflict of Interest under the Political Reform Act

A school official, including a Board member, designated employee, or other person in a designated position shall not make, participate in making, or in any way use or attempt to use an official position to influence a governmental decision in which the school official knows or has reason to know that there is a disqualifying conflict of interest. A disqualifying conflict of interest exists if the decision will have a "reasonably foreseeable material financial effect," which is distinguishable from the effect on the public generally, on the school official, the school official's immediate family, or any financial interest described in 2 CCR 18700. (Government Code 87100, 87101, 87103; 2 CCR 18700-18707)

A school official makes a governmental decision when, within the authority of the office or position, the school

official authorizes or directs any action on a matter, votes or provides information or opinion on it, contacts or appears before another school official for the purpose of affecting the decision, or takes any other action specified in 2 CCR 18704.

However, a school official shall participate in the making of a contract in which the school official has a financial interest if such participation is required by the rule of necessity or legally required participation pursuant to Government Code 87101 and 2 CCR 18705.

Conflict of Interest from Campaign Contributions

To avoid improper influence over the Board's decision-making involving the issuance of a license, permit, or other entitlements for use, including a contract, school officers, which includes Board members or agency heads, shall comply with Government Code 84308, including the following: (Government Code 84308)

1. A school officer is prohibited from accepting, soliciting, or directing a contribution of more than \$250 from any party or participant to a proceeding involving a license, permit, or other entitlement for use, including a contract, or from that person's agent, while the proceeding is pending before the Board and for 12 months following the date a final decision is rendered in the proceeding, if the Board member knows or has reason to know that the party or participant has a financial interest in the Board's decision.
2. Any school officer who received a contribution of more than \$250 from a party or participant in the preceding 12 months shall disclose that fact on the record of the proceeding prior to the Board rendering a decision in the proceeding. If the school officer willfully or knowingly received the contribution and knows or has reason to know that the participant has a financial interest in the Board's decision, the school officer shall not make, participate in making, or in any way attempt to use the official position to influence the Board's decision.
3. A school officer who receives a contribution that would otherwise require disqualification as described in Item #2 above may participate in the proceeding if the contribution is returned within 30 days from the time the school officer knows or should have known about the contribution and the proceeding.
4. A school officer who unknowingly accepts, solicits, or directs a contribution of more than \$250 during the 12 months after the date of the Board's final decision on the proceeding may cure the violation by returning the contribution, or the portion exceeding \$250, within 14 days of accepting, soliciting, or directing the contribution, provided the school officer did not knowingly or willfully accept, solicit, or direct the prohibited contribution. The school officer shall maintain records of curing the violation.

The provisions in Government Code 84308 as specified above do not apply to labor contracts, competitively bid contracts, and personal employment contracts. (Government Code 84308)

Conflict of Interest under Government Code 1090 - Financial Interest in a Contract

Board members, employees, or school consultants shall not be financially interested in any contract made by the Board on behalf of the school, including in the development, preliminary discussions, negotiations, compromises, planning, reasoning, and specifications and solicitations for bids. If a Board member has such a financial interest in a contract made by the Board, the contract is void. (Government Code 1090)

A Board member shall not be considered to be financially interested in a contract in which there is only a "remote interest," as specified in Government Code 1091, if the interest is disclosed during a Board meeting and noted in the official Board minutes. The affected Board member shall not vote or debate on the matter or attempt to influence any other Board member or school official to enter into the contract. (Government Code 1091)

In addition, a Board member shall not be considered to be financially interested in a contract in which the interest is a "noninterest" as defined in Government Code 1091.5. Noninterest includes a Board member's interest in being reimbursed for actual and necessary expenses incurred in the performance of official duties, in the employment of a spouse/registered domestic partner who has been a school employee for at least one year prior to the Board member's election or appointment, or in any other applicable circumstance specified in Government Code 1091.5.

Common Law Doctrine Against Conflict of Interest

A Board member shall abstain from any official action in which the Board member's private or personal interest may conflict with official duties.

Incompatible Offices and Activities

Board members shall not engage in any employment or activity or hold any office which is inconsistent with, incompatible with, in conflict with, or inimical to the Board member's duties as an officer of the school. (Government Code 1099, 1126)

Gifts

Board members and designated employees may accept gifts only under the conditions and limitations specified in Government Code 89503 and 2 CCR 18730.

The limitation on gifts does not apply to wedding gifts and gifts exchanged between individuals on birthdays, holidays, and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value. (Government Code 89503)

In addition, the limitation on gifts does not apply to informational materials such as books, reports, pamphlets, calendars, and periodicals. (Government Code 82028)

Gifts of travel and related lodging and subsistence shall be subject to the current gift limitation, except when: (Government Code 89506)

1. The travel is in connection with a speech given by a Board member or designated employee, provided the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech and the travel is within the United States.
2. The travel is provided by a person or agency specified in Government Code 89506, including a government, governmental agency or authority, bona fide public or private educational institution, as defined in Revenue and Taxation Code 203, or nonprofit organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

Gifts of travel exempted from the gift limitation, as described in Items #1 and 2 above, shall nevertheless be reportable on the recipient's Statement of Economic Interest/Form 700 as required by law.

A gift of travel does not include travel provided by the school for Board members and designated employees. (Government Code 89506)

Honoraria

Board members and designated employees shall not accept any honorarium, which is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. (Government Code 89501, 89502)

The term honorarium does not include: (Government Code 89501)

1. Earned income for personal services customarily provided in connection with a bona fide business, trade, or profession, unless the sole or predominant activity of the business, trade, or profession is making speeches
2. Any honorarium which is not used and, within 30 days after receipt, is either returned to the donor or delivered to the school for donation into the general fund without being claimed as a deduction from income for tax purposes

The provisions of 2 CCR 18730 and any amendments to it adopted by the Fair Political Practices Commission, together with the attached Appendix specifying designated positions and disclosure categories, are incorporated by reference and shall constitute the district's conflict of interest code.

Board of Directors members and designated employees shall file a Statement of Economic Interest/Form 700 in accordance with the disclosure categories listed in the attached Appendix. The Statement of Economic Interest shall be filed with the school's filing officer and/or, if so required, with the school's code reviewing body. The school's filing officer shall make the statements available for public review and inspection.

Policy Reference Disclaimer: These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

APPENDIX

Disclosure Categories

1. **Category 1:** A person designated Category 1 shall disclose:
 - a. Interests in real property located entirely or partly within district boundaries, or within two miles of district boundaries, or of any land owned or used by the district.
 - b. Investments or business positions in or income from sources which are engaged in the acquisition or disposal of real property within the district, are contractors or subcontractors which are or have been within the past two years engaged in work or services of the type used by the district, or manufacture or sell supplies, books, machinery, or equipment of the type used by the district.

2. **Category 2:** A person designated Category 2 shall disclose:
 - a. Investments or business positions in or income from sources which are contractors or subcontractors engaged in work or services of the type used by the department which the designated person manages or directs.
 - b. Investments or business positions in or income from sources which manufacture or sell supplies, books, machinery, or equipment of the type used by the department which the designated person manages or directs. For the purposes of this category, a principal's department is his/her entire school.

3. **Full Disclosure:** Because it has been determined that the district's Board members and/or Executive Director manage public investments," they and other persons designated for "full disclosure" shall disclose, in accordance with Government Code 87200:
 - a. Interests in real property located entirely or partly within district boundaries, or within two miles of district boundaries, or of any land owned or used by the district.
 - b. Investments, business positions, and sources of income, including gifts, loans, and travel payments.

Designated Positions

Designated Position	Disclosure Category
Board of Directors Members	1
Executive Director	1
Executive Assistant/Business Manager	1
Director	2
Principal	2
Assistant Principal	2
Maintenance and Operations Director	2
Program Coordinator	2
Project Specialist	2
Supervisor/Lead	2
Dean of Students	2

Disclosures for Consultants

Consultants are designated employees who must disclose financial interests as determined on a case-by-case basis by the Superintendent or designee. The Superintendent or designee's written determination shall include a description of the consultant's duties and a statement of the extent of disclosure requirements based upon that description. All such determinations are public records and shall be retained for public inspection along with this conflict of interest code.

A consultant is an individual who, pursuant to a contract with the district, makes a governmental decision whether to: (2 CCR 18700.3)

1. Approve a rate, rule, or regulation
2. Adopt or enforce a law
3. Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement
4. Authorize the district to enter into, modify, or renew a contract that requires district approval
5. Grant district approval to a contract that requires district approval and in which the district is a party, or to the specifications for such a contract
6. Grant district approval to a plan, design, report, study, or similar item
7. Adopt or grant district approval of district policies, standards, or guidelines

A consultant is also an individual who, pursuant to a contract with the district, serves in a staff capacity with the school and in that capacity participates in making a governmental decision as defined in 2 CCR 18704, subsections (a) and (b), or performs the same or substantially all the same duties for the district that would otherwise be performed by an individual holding a position specified in the district's conflict of interest code. (2 CCR 18700.3)

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State References

2 CCR 18110-18997
2 CCR 18438.1-18438.8
2 CCR 18700-18760
2 CCR 18722-18740
2 CCR 18753-18756

Ed. Code 1006

Ed. Code 35107

Ed. Code 35230-35240

Ed. Code 35233

Ed. Code 41000-41003

Ed. Code 41015

Fam. Code 297.5

Gov. Code 1090-1099

Gov. Code 1125-1129

Gov. Code 53234-53235.2

Gov. Code 81000-91014

Gov. Code 82011

Gov. Code 82019

Description

Regulations of the Fair Political Practices Commission

Campaign contribution-based conflicts of interest

Conflicts of Interest

Disclosure of interests

Conflict of interest codes

[Prohibition against school school employees serving on county board of education](#)

[School school employees](#)

[Corrupt practices](#)

[Prohibitions applicable to members of governing boards](#)

[Moneys received by school schools](#)

[Investments](#)

[Rights, protections, and benefits of registered domestic partners](#)

[Prohibitions applicable to specified officers](#)

[Incompatible activities](#)

[Ethics training](#)

[Political Reform Act](#)

[Code reviewing body](#)

[Definition; designated employee](#)

Gov. Code 82028	Definition; gift
Gov. Code 82030	Definition; income
Gov. Code 82033	Definition; interest in real property
Gov. Code 82034	Definition; investment
Gov. Code 84308	Campaign Disclosure
Gov. Code 87100-87103.6	General prohibitions
Gov. Code 87200-87210	Disclosure
Gov. Code 87300-87313	Conflict of interest code
Gov. Code 87500	Statement of economic interests
Gov. Code 89501-89503	Honoraria and gifts
Gov. Code 89506	Ethics; travel
Gov. Code 91000-91014	Enforcement
Pen. Code 85-88	Bribes
Pub. Cont. Code 6102	Bribery of public official; voidable contract
Rev. & Tax Code 203	Taxable and exempt property - colleges

Management Resources References

Attorney General Opinion
Attorney General Opinion
Attorney General Opinion
Attorney General Opinion
Attorney General Opinion

Description

105 Ops.Cal.Atty.Gen.69 (2022)
63 Ops.Cal.Atty.Gen. 868 (1980)
65 Ops.Cal.Atty.Gen. 606 (1982)
68 Ops.Cal.Atty.Gen. 171 (1985)
69 Ops.Cal.Atty.Gen. 255 (1986)

Management Resources References

Attorney General Opinion
Attorney General Opinion
Attorney General Opinion
Attorney General Opinion
Attorney General Opinion
Attorney General Opinion
Attorney General Opinion
Attorney General Opinion

Description

80 Ops.Cal.Atty.Gen. 320 (1997)
81 Ops.Cal.Atty.Gen. 327 (1998)
82 Ops.Cal.Atty.Gen. 83 (1999)
85 Ops.Cal.Atty.Gen. 60 (2002)
86 Ops.Cal.Atty.Gen. 138(2003)
89 Ops.Cal.Atty.Gen. 217 (2006)
92 Ops.Cal.Atty.Gen. 19 (2009)
92 Ops.Cal.Atty.Gen. 26 (2009)

Court Decision
Court Decision
Court Decision
Court Decision
Court Decision

Davis v. Fresno Unified School School (2015) 237 Cal.App.4th 261
Klistoff v. Superior Court (2007) 157 Cal.App.4th 469
Kunec v. Brea Redevelopment Agency (1997) 55 Cal.App.4th 511
McGee v. Balfour Beatty Construction, LLC, et al. (2016) 247 Cal. App. 4th 235
Thorpe v. Long Beach Community College School (2000) 83 Cal.App.4th 655

CSBA Publication

Conflict of Interest: Overview of Key Issues for Governing Board Members, Fact Sheet, July 2010

Fair Political Practices Commission Publication

Can I Vote? A Basic Overview of Public Officials' Obligations Under the Conflict-of-Interest Rules, 2005

Institute For Local Government Publication

Understanding the Basics of Public Service Ethics: Personal Financial Gain Laws, 2009

Institute for Local Government Publication

Understanding the Basics of Public Service Ethics: Transparency Laws, 2009

Website

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