

1 The Transylvania County Board of Education (the “board”) expects employees to avoid  
2 engaging in any conduct that creates or gives the appearance to the public of creating a conflict  
3 of interest with their job responsibilities. Employees shall not engage in or have a financial  
4 interest, directly or indirectly, in any activity that conflicts with duties and responsibilities in the  
5 school system. Although conflicts of interest are not limited to those described in this policy, at  
6 a minimum employees must comply with the board directives established below. In addition,  
7 employees engaged directly or indirectly in the school system’s procurement, purchasing, and/or  
8 contracting process must comply with policy 6401/9100, Ethics and the Purchasing Function.  
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10 **A. CONTRACTS WITH THE BOARD**

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12 An employee shall not do any of the following:

- 13  
14 1. obtain a direct benefit from a contract that he or she is involved in making or  
15 administering on behalf of the board, unless an exception is allowed pursuant to  
16 G.S. 14-234 or other law;
- 17  
18 2. participate in the selection, award, or administration of a contract supported in  
19 whole or in part by federal funds if the employee has a real or apparent conflict of  
20 interest as described in policy 8305, Federal Grant Administration;
- 21  
22 3. influence or attempt to influence anyone who is involved in making or  
23 administering a contract on behalf of the board when the employee will obtain a  
24 direct benefit from the contract; or
- 25  
26 4. solicit or receive any gift, favor, reward, service, or promise of reward, including  
27 a promise of future employment, in exchange for recommending, influencing, or  
28 attempting to influence the award of a contract by the board.

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30 An employee is involved in administering a contract if he or she oversees the  
31 performance of the contract or has authority to interpret or make decisions regarding the  
32 contract. An employee is involved in making a contract if he or she participates in the  
33 development of specifications or terms of the contract or participates in the preparation or  
34 award of the contract.

35  
36 An employee derives a direct benefit from a contract if the employee or his or her spouse  
37 does any of the following: (1) has more than a ten percent (10%) ownership or other  
38 interest in an entity that is a party to the contract; (2) derives any income or commission  
39 directly from the contract; or (3) acquires property under the contract. An exception is  
40 allowed for employment contracts between the board and the spouse of the  
41 superintendent if approved by the board in an open session meeting in accordance with  
42 the requirements of state law and subsection D.2 of policy 7100, Recruitment and  
43 Selection of Personnel.  
44

**B. MISUSE OF INFORMATION**

An employee shall not do any of the following:

1. use information, which was learned in the employee's role as an employee and which has not been made public, to acquire a financial interest or gain a financial benefit, or to intentionally help another do so; or
2. acquire or gain, or intentionally help another person to acquire or gain, a financial interest or benefit in contemplation of official action by the employee or the school system.

**C. NON-SCHOOL EMPLOYMENT**

The board recognizes that some employees may pursue additional compensation on their own time. Any such employee shall not engage in the following:

1. non-school employment that adversely affects the employee's availability or effectiveness in fulfilling job responsibilities;
2. work of any type in which the sources of information concerning customer, client, or employer originate from any information obtained through the school system;
3. work of any type that materially and negatively affects the educational program of the school system;
4. any type of private business using system facilities, equipment, or materials, unless prior approval is provided by the superintendent; or
5. any type of private business during school time or on school property, unless prior approval is provided by the superintendent.

The superintendent may grant prior approval for work performed under subsections C.4 and C.5 above if such work enhances the employee's professional ability or professional growth for school-related work. The superintendent may establish reporting procedures that require employees to notify the school system of any non-school employment.

Except as otherwise provided in the superintendent's contract, the superintendent is subject to the provisions of this section on non-school employment and shall seek prior approval from the board before engaging in consulting or other employment activities outside the school system. The board expects the superintendent to comply with all sections of this policy and all state and federal laws regarding conflicts of interest in his or her position as superintendent.

**D. RECEIPT OF GIFTS**

No employee may solicit or accept any gifts from any potential or current provider of E-rate services or products in violation of federal E-rate program gifting rules.

No employee may solicit or accept trips, meals, favors, or other gifts or items of monetary value from any other person or group desiring to do or doing business with the school system, unless such gifts are of nominal value (\$50 or less) and (1) are instructional products or advertising items that are widely distributed; (2) are honorariums for participating in a meeting; (3) are meals served at a banquet; or (4) are approved for receipt by the superintendent or designee. These exceptions for gifts of nominal value do not apply to employees involved in purchasing and procurement activities except as provided in policies 6401/9100, Ethics and the Purchasing Function, and 8305, Federal Grant Administration, and applicable state and federal law.

**E. VIOLATIONS**

The superintendent or designee shall ensure that all personnel are aware of the requirements of this policy and applicable conflict of interest laws. Any individual aware of any violation of this policy, policy 2121, Board Member Conflict of Interest, policy 6401/9100, Ethics and the Purchasing Function, the conflict of interest provisions of policy 8305, Federal Grant Administration, or applicable conflict of interest laws shall report such violation in accordance with policy 1760/7280, Prohibition Against Retaliation. Employees who violate this policy, policy 6401/9100, or the conflict of interest provisions of policy 8305, will be subject to disciplinary action.

Legal References: 2 C.F.R. 200.318(c)(1); 47 C.F.R. 54.503; FCC Sixth Report and Order 10-175; G.S. 14-234, -234.1; 115C-47(17a), -47(18); 133-32, -33; Attorney General Opinion requested by L.W. Lamar regarding G.S. 133-32, the Applicability to Attorneys and Law Firms Providing Professional Services to Local Boards of Education, dated May 13, 1993

Cross References: Prohibition Against Retaliation (policy 1760/7280), Board Member Conflict of Interest (policy 2121), Ethics and the Purchasing Function (policy 6401/9100), Recruitment and Selection of Personnel (policy 7100), Federal Grant Administration (policy 8305)

~~The Transylvania County Board of Education (the "board") expects employees to avoid engaging in any conduct that creates or gives the appearance to the public of creating a conflict of interest with their job responsibilities with the school system. Although there may be other conflicts of interests, employees must follow board directives in the following areas.~~

**F. ~~FINANCIAL INTERESTS~~**

~~An employee shall not engage in or have a financial interest, directly or indirectly, in any activity that conflicts with duties and responsibilities in the school system.~~

133  
134 **1. ~~Contracts with the Board~~**  
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136 An employee shall not do any of the following:  
137

- 138 a. ~~obtain a direct benefit from a contract that he or she is involved in making~~  
139 ~~or administering on behalf of the board, unless an exception is allowed~~  
140 ~~pursuant to G.S. 14-234 or other law;~~  
141  
142 b. ~~influence or attempt to influence anyone who is involved in making or~~  
143 ~~administering a contract on behalf of the board; or~~  
144  
145 c. ~~solicit or receive any gift, favor, reward, service, or promise of reward,~~  
146 ~~including a promise of future employment, in exchange for~~  
147 ~~recommending, influencing, or attempting to influence the award of a~~  
148 ~~contract by the board.~~  
149

150 ~~An employee is involved in administering a contract if he or she oversees the~~  
151 ~~performance of the contract or has authority to interpret or make decisions~~  
152 ~~regarding the contract. An employee is involved in making a contract if he or she~~  
153 ~~participates in the development of specifications or terms of the contract or~~  
154 ~~participates in the preparation or award of the contract. An employee derives a~~  
155 ~~direct benefit from a contract if the employee or his or her spouse does any of the~~  
156 ~~following: (1) has more than a 10 percent (10%) ownership or other interest in an~~  
157 ~~entity that is a party to the contract; (2) derives any income or commission~~  
158 ~~directly from the contract; or (3) acquires property under the contract.~~  
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160 **2. ~~Non-School Employment~~**  
161

162 The board recognizes that some employees may pursue additional compensation  
163 on their own time. Any such employee shall not engage in the following:  
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- 165 a. ~~non-school employment that adversely affects the employee's availability~~  
166 ~~or effectiveness in fulfilling job responsibilities;~~  
167  
168 b. ~~work of any type in which the sources of information concerning~~  
169 ~~customer, client, or employer originate from any information obtained~~  
170 ~~through the school system;~~  
171  
172 c. ~~work of any type that materially and negatively affects the educational~~  
173 ~~program of the school system;~~  
174  
175 d. ~~any type of private business using system facilities, equipment, or~~  
176 ~~materials, unless prior approval is provided by the superintendent; or~~

177  
178 e. ~~any type of private business during school time or on school property.~~

179  
180 The superintendent may grant prior approval for work performed under  
181 subsections d and e above if such work enhances the employee's professional  
182 ability or professional growth for school-related work. The superintendent may  
183 establish reporting procedures that require employees to notify the school system  
184 of any non-school employment.

185  
186 **G. ~~RECEIPT OF GIFTS~~**

187  
188 No school employee may accept gifts from any person or group desiring to do or doing  
189 business with the school system, unless such gifts are instructional products or  
190 advertising items of nominal value that are widely distributed. No school employee may  
191 solicit or accept any gifts from any potential provider of E-rate services or products in  
192 violation of federal gifting rules.

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194 ~~Legal References: G.S. 14-234, 234.1; 115C-47(18); 133-32; 47 C.F.R. 54.503; FCC Sixth~~  
195 ~~Report and Order 10-175~~

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197 ~~Cross References: Board Member Conflict of Interest (policy 2121)~~

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199 Adopted: April 18, 2016

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201 Revised: [DATE]

