

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:

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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;
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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;
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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
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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.

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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.
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45 **B. MISUSE OF INFORMATION**

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47 An employee shall not do any of the following:

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

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57 **C. NON-SCHOOL EMPLOYMENT**

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

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

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

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

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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. TRAINING VIOLATIONS

The superintendent or designee shall ensure that all personnel are aware of the requirements of this policy and applicable conflict of interest laws.

As required by G.S. 115C-335.15, employees who are involved in the making or administering of contracts shall receive conflicts of interest training that includes position-specific education on conflicts of interest and ethical standards of conduct. The training must be provided by qualified sources approved by the board.

F. VIOLATIONS

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; 133-32, -33; 115C-47(17a), -47(18), 335.15; 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)

133 Adopted: April 18, 2016

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135 Revised: December 17, 2018; [DATE]

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