

**WYANDOTTE PUBLIC SCHOOLS
PROCEDURES**

1000.01

Prohibited Conflicts of Interest

The Board of Education has authority to approve or disapprove any School District contract or financial transaction, including any contract or financial transaction involving a Board member or School District employee (whether the Board member or School District employee is acting within or outside of his or her statutory or contractual duties). A Board member or a School District employee (or any entity of which he or she is an owner or employee) who wishes to enter into a contract or financial transaction with the School District that falls outside his or her contractual or statutory duties has the duty to promptly disclose that fact to the Board President and the School District's Superintendent *before* the Board of Education acts on the proposed contract or financial transaction.

Prohibited conflicts of interest include those prohibited by MCL 15.321, *et seq.*, and MCL 380.1203. This Administrative Procedure is intended to summarize these laws for the benefit of the general public, Board members and School District employees. This Procedure is not intended and should not be construed in a manner that is inconsistent with these laws as they may be interpreted or amended from time to time.

MCL 15.321, *et seq.*, prohibits: Board members and School District employees from entering into contracts with the School District. It also prohibits Board members and School District employees from directly or indirectly soliciting contracts between the School District and any firm of which the Board member or School District employee is an owner, stockholder, partner, employee, trustee, etc. There are certain exceptions to this law. Board members and School District employees are encouraged to seek legal advice if they believe they have entered into a contract that is inconsistent with this law or if they believe they do or may fall into an exception to this law.

MCL 380.1203 requires Board members to abstain from voting on contracts and other financial transactions when they believe or have reason to believe they have a conflict of interest. It also requires Board members to disclose the conflict of interest requiring abstention. Board members are presumed to have a conflict of interest requiring abstention if they or a member of their families have a financial interest or competing financial interest in or with respect to the contract or financial transaction before the Board. There are certain exceptions to this law. Board members are encouraged to seek legal advice if they believe they have voted on a contract or financial transaction inconsistent with this law or if they believe they do or may fall into an exception to this law.

If there is a dispute concerning whether a contract or financial transaction constitutes a prohibited conflict of interest or whether notice was promptly provided, as required by

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the law or this administrative regulation, the burden of proof falls on the affected Board member or School District employee.

Effective Date: April 9, 2019