

NEPOTISM, CONFLICT OF INTEREST, GIFTS, AND USE OF CORPORATION RESOURCES

The maintenance of unusually high standards of honesty, integrity, impartiality, and professional conduct by Bluffton-Harrison Metropolitan School District (“BHMSD” or “Corporation”) employees, officers, and agents is essential to ensure the proper performance of school business as well as to earn and keep public confidence in the Corporation.

Nepotism

The Board of School Trustees of BHMSD believes that careful contemplation should be given to the implications of employing individuals who are related to the Corporation’s policy making and administrative personnel. Nepotism can complicate an employee/employer relationship in several, undesirable aspects. Although hiring relatives is permissible under law, the Board expresses a concern that favoritism should have no influence in the hiring process.

While the Corporation does not prohibit the employment of relatives of current Corporation employees or Board members, it does require that serious and extensive consideration be given to concerns, problems, and consequences relating to such decisions. However, the Corporation shall not employ an individual in a position which results in one (1) relative being in the direct line of supervision of the other relative.

For purposes of this policy, a “relative” is defined as:

- (1) The employee’s spouse
- (2) A parent of the employee or a parent of the employee’s spouse
- (3) A child of the employee or a child of the employee’s spouse
- (4) A sibling of the employee or a sibling of the employee’s spouse
- (5) A stepparent of the employee or the employee’s spouse
- (6) A stepsibling of the employee or the employee’s spouse

Conflict of Interest

A conflict of interest occurs when a Board member or employee knowingly or intentionally may benefit financially from a contract with the Corporation or a purchase made by the Corporation.

Employees shall not engage in, or have a financial interest in (directly or indirectly), any activity that conflicts or raises a reasonable question of conflict with his or her responsibilities to the Corporation.

Any employee who has reason to believe that he or she may have a conflict of interest is required to disclose the potential conflict.

The Board shall not knowingly approve a contract or purchase in which a Board member, Corporation employee, or agent of the Board or their spouse or dependent profits or has a pecuniary interest unless the member, employee, or agent with the profit or pecuniary interest makes the

required written disclosure, and the disclosure is approved by vote of the Board before the Board votes on the contract or purchase. For the purpose of this policy the terms “pecuniary interest” and “profit” have the meaning given to those terms under Indiana law.

A Board member may participate in the discussion on the acceptance of their disclosure; however, a Board member will abstain during the vote on disclosure and the contract or purchase addressed by their disclosure.

A Corporation employee or agent of the Board may be called upon to contribute to or participate in the Board’s discussion on the acceptance of a disclosure and the contract or purchase addressed by their disclosure.

Staff Gifts and Use of Corporation Resources

Employees, officers, and agents of the Board shall not make use of materials, equipment, facilities, or any other resources of BHMSD for any unauthorized purpose. In order to assure that Corporation assets are appropriately safeguarded, the Corporation will employ appropriate methods such as vehicle/equipment use logs. The Superintendent may permit school equipment to be loaned to staff members when such use is directly or peripherally related to their employment and to students when the equipment is to be used in connection with their studies or extracurricular activities. Proper controls shall be established to assure the borrower’s responsibility for, and return of, all such equipment.

Employees, officers, and agents of the Board shall not solicit gifts, travel packages, or other incentives from prospective contractors.

Employees, officers, and agents of the Board should *not* expect or accept gifts for carrying out the duties of his/her position.

Employees, officers, and agents of the Board shall not accept any form of compensation from vendors that might influence their recommendations on or raise a conflict of interest with respect to the purchase of equipment, supplies, or services. In addition, staff members who recommend purchases shall not enter into a contractual arrangement with a vendor seeking to do business with the Corporation or a vendor with whom the Corporation is doing business, whereby an individual professional staff member receives compensation in any form for services rendered.

Such compensation includes, but is not limited to cash, checks, stocks, or any other form of securities, and gifts such as electronic equipment, appliances, discount certificates, travel vouchers, tickets, passes, and other such things of more than nominal value. In the event that a staff member receives such compensation, albeit unsolicited, from a vendor, the professional staff member shall notify the Superintendent, in writing, that s/he received such compensation and the compensation has been returned to the vendor.

If a staff member has provided an unusual amount of extra help for a student and the family would like to express appreciation, small non-monetary gifts may be accepted.

The Board acknowledges that gift-giving to staff members as part of holiday celebrations is in keeping with the spirit of such celebrations and gift-giving at the close of an academic year is traditional. In these circumstances, gifts other than money may be accepted; however, teachers should not open gift(s) in class or comment on item(s) in front of students.

The Board authorizes the following people to receive complimentary or reduced rate tickets to interscholastic athletic events or other school related programs and activities:

- Members of the Board
- Administrators
- Regular employees who are issued employee badges
- Community dignitaries or others, as designated by the building principal or Superintendent.

Provision of complimentary tickets is contingent on their availability.

The Superintendent shall develop such procedures as are necessary to provide appropriate safeguards in accordance with this policy, including the development of forms and procedures necessary to make any disclosures required under Indiana law.

I.C. 31-9-2-107

I.C. 2-2.2-1-17

I.C. 20-26-3-4

I.C. 20-26-5-4

I.C. 35-44.1-1-1, 35-44.1-1-2, 35-44.1-1-4, 35-44.1-1-5

I.C. 36-1-20.2

I.C. 36-1-21

2 C.F.R. 200.112, 200.113, 200.318

7 C.F.R. 3016.36(b)(3) and 3019.42

SBOA Uniform Compliance Guidelines Manual for Schools, Chapter 1

Bluffton-Harrison Metropolitan School District

Adopted: [date]

Revised: [date]

STAFF CONFLICTS OF INTEREST

A conflict of interest occurs when a Bluffton-Harrison Metropolitan School District (“BHMSD” or “Corporation”) employee or Board member knowingly or intentionally benefits financially from a contract with the Corporation, or a purchase made by the Corporation. Many conflicts of interest arise from “innocent” dealings made with good intentions, but the employee did not understand the potential for a conflict. Corporation employees who engage in an impermissible conflict of interest are subject to felony criminal charges and may be subject to discipline, up to and including termination.

Employees shall not engage or have a financial interest (directly or indirectly), in any activity that conflicts or raises a reasonable question of conflict with his or her responsibilities to the Corporation.

Any employee who has reason to believe that he or she **may** have a conflict of interest is required to disclose the potential conflict to his or her principal or immediate supervisor. The principal or immediate supervisor may counsel the employee on the appropriate next steps, which may include disclosing the conflict of interest to the School Board.

Activities which are Potentially Acceptable through Disclosure

Some potential conflicts of interest may be permissible if the employee provides the appropriate disclosure to the Board. The disclosure must be written and signed under penalties of perjury, then submitted to and accepted by the Board in a public meeting before the Board may approve the contract or purchase in question. If the Board accepts the disclosure, the employee must then submit the disclosure form to the Indiana State Board of Accounts and to the County Clerk. The disclosure form may be found [here](#).

Employees shall appropriately disclose any situation which the employee has reason to believe may fall into one of the categories below:

1. Employees shall appropriately disclose a contract or purchase, current or future, which involves the Corporation employing or paying fees to the employee’s spouse, child, or any other dependent.
2. Employees shall appropriately disclose a contract or purchase which involves the Corporation and may directly or indirectly benefit the employee, but the employee a) does not have the power to make contract or purchases on behalf of the Corporation, *and* b) the contract or purchase is unrelated to the employee’s regular job duties.

If the contract or purchase is ongoing, the employee must re-submit the disclosure form to the Board, State Board of Accounts, and County Clerk every twelve (12) months.

Activities Prohibited at all Times

Some conflicts of interest are prohibited in totality and no disclosure to the Board is able to alleviate the impermissible conflict. The following list is for illustrative purposes and does not limit impermissible conflicts of interest:

- Employees shall not use Corporation materials, equipment, or facilities in private practice.
- Employees shall not accept gifts, favors, services, entertainment, food, or drink that exceed an aggregate value of \$250 in any calendar year from a person or entity desiring to do business or at the time engaged in business with the Corporation.
- Employees may only engage in business, private practice of their profession, rendering of services, or sale of goods or information when doing so would not take advantage of, or compromise, any professional relationship they may have with any student, client, contracted service provider, volunteer, or parents of such students or clients in the course of their employment with the Corporation.
- Employees shall not refer any student or parents of such student for lessons or services to any private business or professional practitioner if there is any expectation of reciprocal referrals, sharing of fees, or other remuneration for such referrals.
- Employees shall not require any student or parents of such student to purchase any goods or services provided by an employee, or any specific business or professional practitioner with whom the employee has a financial or familial relationship, as a condition of receiving a grade, credit, promotion, approval, or recommendation. This does not include nominal gifts given by a student or parent to an employee as a gesture of goodwill.
- Employees shall notify Superintendent of honorariums or payments exceeding \$250 received in exchange for speeches, presentations, or articles provided as a representative of the Corporation.

These guidelines shall not prohibit political contributions which are reported in accordance with applicable law. These guidelines shall not prohibit contributions to the Corporation, the Education Foundation, or any other nonprofit associated with the Corporation. These guidelines shall not be interpreted as intending to discourage acts of generosity in usual situations.

Bluffton-Harrison Metropolitan School District

Adopted: [date]

Revised: [date]



UNIFORM CONFLICT OF INTEREST DISCLOSURE STATEMENT

State Form 54266 (R2 / 6-15) / Form 236
STATE BOARD OF ACCOUNTS

Indiana Code 35-44.1-1-4

A public servant who knowingly or intentionally has a pecuniary interest in or derives a profit from a contract or purchase connected with an action by the governmental entity served by the public servant commits conflict of interest, a Class D Felony. A public servant has a pecuniary interest in a contract or purchase if the contract or purchase will result or is intended to result in an ascertainable increase in the income or net worth of the public servant or a dependent of the public servant. "Dependent" means any of the following: the spouse of a public servant; a child, stepchild, or adoptee (as defined in IC 31-9-2-2) of a public servant who is unemancipated and less than eighteen (18) years of age; and any individual more than one-half (1/2) of whose support is provided during a year by the public servant.

The foregoing consists only of excerpts from IC 35-44.1-1-4. Care should be taken to review IC 35-44.1-1-4 in its entirety.

1. **Name and Address of Public Servant Submitting Statement:** _____

2. **Title or Position With Governmental Entity:** _____

3. a. **Governmental Entity:** _____

b. **County:** _____

4. **This statement is submitted (check one):**

a. as a "single transaction" disclosure statement, as to my financial interest in a specific contract or purchase connected with the governmental entity which I serve, proposed to be made by the governmental entity with or from a particular contractor or vendor; or

b. as an "annual" disclosure statement, as to my financial interest connected with any contracts or purchases of the governmental entity which I serve, which are made on an ongoing basis with or from particular contractors or vendors.

5. **Name(s) of Contractor(s) or Vendor(s):** _____

6. **Description(s) of Contract(s) or Purchase(s)** *(Describe the kind of contract involved, and the effective date and term of the contract or purchase if reasonably determinable. Dates required if 4(a) is selected above. If "dependent" is involved, provide dependent's name and relationship.):*

7. **Description of My Financial Interest** *(Describe in what manner the public servant or "dependent" expects to derive a profit or financial benefit from, or otherwise has a pecuniary interest in, the above contract(s) or purchase(s); if reasonably determinable, state the approximate dollar value of such profit or benefit.):*

(Attach extra pages if additional space is needed.)

8. **Approval of Appointing Officer or Body** *(To be completed if the public servant was appointed by an elected public servant or the board of trustees of a state-supported college or university.):*

I (We) being the _____ of
(Title of Officer or Name of Governing Body)

_____ and having the power to appoint
(Name of Governmental Entity)

the above named public servant to the public position to which he or she holds, hereby approve the participation to the appointed disclosing public servant in the above described contract(s) or purchase(s) in which said public servant has a conflict of interest as defined in Indiana Code 35-44.1-1-4; however, this approval does not waive any objection to any conflict prohibited by statute, rule, or regulation and is not to be construed as a consent to any illegal act.

_____	_____
_____	_____
_____	_____
Elected Official	Office

9. **Effective Dates** *(Conflict of interest statements must be submitted to the governmental entity prior to final action on the contract or purchase.):*

Date Submitted *(month, day, year)*

Date of Action on Contract or Purchase *(month, day, year)*

10. **Affirmation of Public Servant:** This disclosure was submitted to the governmental entity and accepted by the governmental entity in a public meeting of the governmental entity prior to final action on the contract or purchase. I affirm, under penalty of perjury, the truth and completeness of the statements made above, and that I am the above named public servant.

Signed: _____
(Signature of Public Servant)

Date: _____
(month, day, year)

Printed Name: _____
(Please print legibly.)

Email Address: _____

Within fifteen (15) days after final action on the contract or purchase, copies of this statement must be filed with the State Board of Accounts by uploading it here https://gateway.ifionline.org/sboa_coi/ which is the preferred method of filing, or by mailing it to the State Board of Accounts, Indiana Government Center South, 302 West Washington Street, Room E418, Indianapolis, Indiana, 46204-2765 and the Clerk of the Circuit Court of the county where the governmental entity took final action on the contract or purchase.

NO TOBACCO

The Board of School Trustees of the Bluffton-Harrison Metropolitan School District prohibits the use of tobacco in any form and the use of e-cigarettes or “vaping” in any building owned or leased by Bluffton-Harrison Metropolitan School District (“BHMSD” or “Corporation”), on Corporation property, in Corporation owned or operated vehicles, or at any school-related events

The Superintendent is directed to develop rules and regulations to enforce this Policy. These rules shall include provisions consistent with state law regarding the posting of notice, requesting persons to refrain from using tobacco in violation of this Policy, and removing from Corporation buildings or property persons who refuse to comply with the Policy after being requested to do so.

Pursuant to state law, persons who violate this Policy commit a criminal infraction punishable in an action brought by the prosecuting attorney.

I.C. 7.1-5-12-4

I.C. 7.1-5-12-7

I.C. 7.1-5-12-12

20 U.S.C. 6081 et. seq.

Bluffton-Harrison Metropolitan School District

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