

## **Executive Board Governance and Operations**

### **Executive Board Member Conflict of Interest**

No Executive Board member shall: (1) have a beneficial interest directly or indirectly in any contract, work or business of the District unless permitted by State or federal law; or (2) solicit or accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to agreements or contracts with the District. Situations in which the interest is not substantial or the gift is an unsolicited item of nominal value must comply with State law and Board Policy 2:106, *Ethics and Gift Ban*.

In the event an Executive Board member is employed by a corporation or business or has a secondary interest in a corporation or business which furnishes goods or services to the District, the Executive Board member shall declare his/her interest and refrain from debating or voting upon the question of contracting with the company.

It is not the intent of this policy to prevent the District from contracting with corporations or businesses because an Executive Board member is an employee of the firm. The policy is designed to prevent placing an Executive Board member in a position where his/her interest in the District and his/her interest in the place of employment (or other indirect interest) might conflict and to avoid appearances of conflict of interest even though such may not exist.

Board members must annually file a *Statement of Economic Interests* as required by the Illinois Governmental Ethics Act. Each Board member is responsible for filing the statement with the county clerk of the county in which the District's main office is located by May 1.

### **Federal and State Grant Awards**

No Board member shall participate in the selection, award, or administration of a contract supported by a federal award or State award governed by Grant Accountability and Transparency Act (GATA) (30 ILCS 708/) if he or she has a real or apparent conflict of interest. A conflict of interest arises when a Board member or any of the following individuals has a financial or other interest in the entity selected for the contract.

1. Any person that has a close personal relationship with a Board member that may compromise or impair the Board member's fairness and impartiality, including a member of the Board member's immediate family or household.
2. The Board member's business partner, or
3. An entity that employs or is about to employ the Board member or one of the individuals listed in one or two above.

LEGAL REF.: 5 ILCS 420/4A-101, 420/4A-105, 420/4A-106, and 420/4A-107.  
30 ILCS 708/, Grant Accountability and Transparency Act.  
50 ILCS 105/3.  
105 ILCS 5/10-9.  
2 C.F.R. §200.318(c)(1).

CROSS REF.: 2:106 (Ethics and Gift Ban), 4:60 (Purchases and Contracts), 5:120 (Employee  
Ethics; Conduct; and Conflict of Interest)

ADOPTED: August 24, 2004

REVISED: November 18, 2009; January 27, 2011; May 25, 2017; June 3, 2020

REVIEWED: June 3, 2020

GB Policy: 2:100