

**Billings School District 2**

**THE BOARD OF TRUSTEES**

Conflict of Interest

1. A trustee may not engage in a substantial financial transaction for the trustee's private business purpose with a person whom the trustee inspects or supervises in the course of official duties.
2. A trustee may not perform an official act directly and substantially affecting, to its economic benefit, a business or other undertaking in which the trustee either has a substantial financial interest or is engaged as counsel, consultant, representative or agent.
3. A trustee may not act as an agent or solicitor in the sale or supply of goods or services to a district.
4. A trustee may not have a pecuniary interest, directly or indirectly, in any contract made by the Board, when the trustee has more than a ten percent (10%) interest in the corporation. A contract does not include: 1) merchandise sold to the highest bidder at public auctions; 2) investments or deposits in financial institutions that are in the business of loaning or receiving money, when such investments or deposits are made on a rotating or ratable basis among financial institutions in the community or when there is only one (1) financial institution in the community; or 3) contracts for professional services other than salaried services or for maintenance or repair services or supplies when the services or supplies are not reasonably available from other sources, if the interest of any Board member and a determination of such lack of availability are entered in the minutes of the Board meeting at which the contract is considered.
5. A trustee may not be employed in any capacity by the District, with the exception of officiating at athletic competitions under the auspices of the Montana Officials Association.
6. A trustee may not appoint to a position of trust or emolument any person related or connected by consanguinity within the fourth (4th) degree or by affinity within the second (2nd) degree.
  - a. This prohibition does not apply to the issuance of an employment contract to a person as a substitute teacher who is not employed as a substitute teacher for more than thirty (30) consecutive school days.
  - b. This prohibition does not apply to the renewal of an employment contract of a person related to a Board member who was initially hired before the Board member assumed the trustee position.
  - c. This prohibition does not apply if trustees comply with the following requirements: 1) all trustees, except the trustee related to the person to be

employed or appointed, vote to employ the related person; 2) the trustee related to the person to be employed abstains from voting; and 3) the trustees give fifteen

(15) days written notice of the time and place of their intended action in a newspaper of general circulation in the county where the school is located.

Degrees of Affinity

Affinity is the legal relationship arising as the result of marriage. Relationship by affinity terminates upon the death of one of the spouses or other dissolution of marriage, except when the marriage has resulted in issue still living.

Degrees of Consanguinity

			<b>4</b> Great Great Grandparent	
		<b>3</b> Great Grandparent		<b>5</b> Great Great Uncle Great Great Aunt
	<b>2</b> Grandparent		<b>4</b> Great Uncle Great Aunt	<b>6</b> Child of Great Uncle Child of Great Aunt
<b>1</b> Parent		<b>3</b> Uncle Aunt	<b>5</b> Child of GG Uncle Child of GG Aunt	<b>7</b> Grandchild of GG Uncle Grandchild of GG Aunt

Appointing  
Power

	<b>2</b> Brother Sister	<b>4</b> 1 <sup>st</sup> Cousin	<b>6</b> 2 <sup>nd</sup> Cousin	<b>8</b> 3 <sup>rd</sup> Cousin
<b>1</b> Child		<b>3</b> Nephew Niece	<b>5</b> 1 <sup>st</sup> Cousin once removed	<b>7</b> 2 <sup>nd</sup> Cousin once removed
	<b>2</b> Grandchild		<b>4</b> Grand Nephew Grand Niece	<b>6</b> 1 <sup>st</sup> Cousin twice removed
		<b>3</b> Great Grandchild		<b>5</b> Great Grand Nephew Great Grand Niece
			<b>4</b> Great Great Grandchild	

**Degrees of Affinity**

			<b>3</b> Great Grandfather-in-law Great Grandmother-in-law
		<b>2</b> Grandfather-in-law Grandmother-in-law	
	<b>1</b> Father-in-law Mother-in-law		<b>3</b> Uncle-in-law Aunt-in-law
<b>Spouse of Appointing Power</b>		<b>2</b> Brother-in-law Sister-in-law	
	<b>1</b> Step Child		<b>3</b> Nephew-in-law Niece-in-law
		<b>2</b> Step Grandchild	
			<b>3</b> Step Great Grandchild

**Legal References:** § 20-9-204, MCA  
§ 2-2-302, MCA

**Policy History:**  
First Reading: January 19, 2004 – Board of Trustees  
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