

**CONFLICT OF INTEREST**

The Governing Board desires to maintain the highest ethical standards and help ensure that decisions are made in the best interest of the district and the public. Accordingly, no "District Official," defined as a Board member or position designated in the district's conflict of interest code, shall participate in the making of any decision for the district when the decision will or may be affected by the District Official's financial, family, or other personal interest or consideration, as defined by law.

Additionally, a Board member shall abstain from voting on personnel matters that uniquely affect the Board member's relatives. However, a Board member may vote on collective bargaining agreements and personnel matters that affect a class of employees to which the Board member's relative belongs. Relative means an adult who is related to the Board member by blood or affinity within the third degree, as determined by common law, or an individual in an adoptive relationship within the third degree. (Education Code 35107)

A relationship within the third degree includes an individual's parents, grandparents, great-grandparents, children, grandchildren, great-grandchildren, brothers, sisters, aunts, uncles, nieces, nephews, and the similar family of the individual's spouse/registered domestic partner, unless the individual is widowed or divorced.

**Conflict of Interest Code**

The Board shall adopt a conflict of interest code for the district that incorporates the provisions of 2 CCR 18730 by reference, delineates the District Officials, and provides the disclosure categories required for each position. The conflict of interest code shall be submitted to the district's code reviewing body for approval, in accordance with Government Code 87303 and within the deadline for submission established by the code reviewing body.

Upon direction by the code reviewing body, the Board shall review its conflict of interest code and submit any changes to the code reviewing body or, if no change is required, the Board shall submit a written statement to that effect. (Government Code 87306.5)

When a change in the district's conflict of interest code is necessitated due

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to changed circumstances, such as the creation of new District Officials or changes to the duties of District Officials, the Board shall amend the code, which shall then be submitted to the code reviewing body within 90 days after the changed circumstances necessitating the amendments have become apparent. (Government Code 87306)

When reviewing and preparing the district's conflict of interest code, the Superintendent or designee shall provide officers, employees, consultants, and members of the community adequate notice and a fair opportunity to present their views. (Government Code 87311)

**Conflict of Interest under the Political Reform Act**

A District Official shall not make, participate in making, or in any way use or attempt to use an official position to influence a governmental decision in which the District Official knows or has reason to know that there is a disqualifying conflict of interest. A disqualifying conflict of interest exists if the decision will have a "reasonably foreseeable material financial effect," which is distinguishable from the effect on the public generally, on the District Official's immediate family, or any financial interest described in 2 CCR 18700. (Government Code 87100, 87101, 87103; 2 CCR 18700-18707)

A District Official makes a governmental decision when, acting within the authority of the office or position, the District Official authorizes or directs any action on a matter, votes or provides information or opinion on it, contacts or appears before other District Officials for the purpose of affecting the decision, or takes any other action specified in 2 CCR 18704.

However, a District Official is not prohibited from participating in the making of a contract in which the District Official has a financial interest if such participation is required by the rule of necessity or legally required participation pursuant to Government Code 87101 and 2 CCR 18705.

**Conflict of Interest from Campaign Contributions**

Prior to the district rendering a decision in a proceeding before the district involving a contract, license, permit, or other entitlement for use, as defined by Government Code 84308, a Board member whose campaign committee

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received a contribution of more than \$500 from any party or participant to the proceeding, or from an agent of such a party or participant, in the prior 12 months, and the party who made such a contribution, shall both publicly disclose that fact on the record of the proceeding. Additionally, if a Board member willfully or knowingly received a contribution to the Board member's campaign committee of more than \$500 from any party or participant to such a proceeding, or from an agent of a party or participant, in the prior 12 months, and knows or has reason to know that the participant has a financial interest in the district's decision, the Board member shall not make, participate in making, or in any way attempt to use the Board member's official position to influence the district's decision in the proceeding. However, a Board member may make, participate in making, or attempt to use the Board member's official position to influence the decision if the contribution is returned within 30 days after the decision was made or after the Board member knows or should have known about the contribution and the proceeding, whichever is later.

All Board members and the Superintendent are prohibited from accepting, soliciting, or directing a contribution of more than \$500 to a candidate or ballot measure campaign committee from any party or participant to a proceeding before the district involving a contract, license, permit, or other entitlement for use, as defined by Government Code 84308, or from an agent of a party or participant, while the proceeding is pending before the district and for 12 months following the date the district renders a final decision in the proceeding, if the Board member or Superintendent knows or has reason to know that the participant has a financial interest in the district's decision. However, if a Board member or the Superintendent does accept, solicit, or direct such a contribution during those 12 months but did not do so knowingly or willingly, the Board member or the Superintendent may cure the violation by ensuring that the contribution, or the portion exceeding \$500, is returned within 30 days of accepting, soliciting, or directing the contribution. The Board member or Superintendent shall maintain records of curing the violation. (Government Code 84308)

For a Board member or the Superintendent, a proceeding becomes "pending" when an item involving the contract, license, permit, or other entitlement for use, as defined by Government Code 84308, is placed on a Board agenda for discussion or decision or when it is reasonably foreseeable that the proceeding will come before the district for a decision. For a party

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or participant, and the agent of a party of participant, a proceeding becomes "pending" when an application is filed with the district, or, if the proceeding process does not require an application, when the proceeding is before the district for a decision or other action. (Government Code 84308)

The contributions disclosure requirements and restrictions above do not apply to contracts that are required to be competitively bid, labor contracts, personal employment contracts, contracts valued under \$50,000, contracts where no party receives financial compensation, or contracts with another governmental agency. (Government Code 84308)

**Form 700**

Each District Official shall annually file a Statement of Economic Interest/Form 700 in accordance with the disclosure categories specified in the district's conflict of interest code. An individual who ceases to be a District Official shall, within 30 days, file a revised statement covering the period of time between the closing date of the last required statement and the date the individual ceased to be a District Official. (Government Code 87302)

**Conflict of Interest under Government Code 1090 - Financial Interest in a Contract**

A District Official shall not be financially interested in any contract made by the district, including in the development, internal discussions, negotiations, modifications, planning, deliberation of issues, and specifications and solicitations for bids. If a District Official has such a financial interest in a contract made by the district, the contract is void. (Government Code 1090)

**Remote Interest Exception to Government Code 1090**

A Board member shall not be considered to be financially interested in a contract in which there is only a "remote interest," as specified in Government Code 1091, if the interest is disclosed during a Board meeting and noted in the official Board minutes. The affected Board member shall not vote or debate on the matter or attempt to influence any other Board

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member to enter into the contract. (Government Code 1091)

## **Noninterest Exception to Government Code 1090**

A District Official shall not be considered to be financially interested in a contract if the interest is reimbursement for actual and necessary expenses incurred in the performance of official duties, in the employment of a spouse/registered domestic partner who has been a district employee for at least one year prior to the Board member's election or appointment, or in any other "noninterest" specified in Government Code 1091.5.

## **Common Law Doctrine Against Conflict of Interest**

A District Official shall abstain from any official action in which the District Official's private or personal interest may conflict with official duties pursuant to the common law doctrine against conflict of interest.

## Incompatible Offices and Activities

Board members shall not engage in any employment or activity or hold any office which is inconsistent with, incompatible with, in conflict with, or inimical to the Board member's duties as an officer of the district. (Government Code 1099, 1126)

## Gifts

District Officials may accept gifts only under the conditions and limitations specified in law including, but not limited to, Government Code 89503 and 2 CCR 18730.

Gifts of travel and related lodging and subsistence shall be subject to the current gift conditions and limitations, except when: (Government Code 89506)

1. The travel is in connection with a speech given by a District Official, provided the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech and the travel is within the United States

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2. The travel is provided by a person or agency specified in Government Code 89506, including a government, governmental agency or authority, bona fide public or private educational institution, as defined in Revenue and Taxation Code 203, or nonprofit organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code

Gifts of travel exempted from the gift limitation, as described in Items #1 and 2 above, shall nevertheless be reportable on the recipient's Statement of Economic Interest/Form 700 as required by law.

A gift of travel does not include travel provided by the district for District Officials. (Government Code 89506)

**Honoraria**

District Officials shall not accept any honorarium, which is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. (Government Code 89501, 89502)

The term honorarium does not include: (Government Code 89501)

1. Earned income for personal services customarily provided in connection with a bona fide business, trade, or profession, unless the sole or predominant activity of the business, trade, or profession is making speeches
2. Any honorarium which is not used and, within 30 days after receipt, is either returned to the donor or delivered to the district for donation into the general fund without being claimed as a deduction from income for tax purposes

**Advice**

Any District Official, who, in good faith, believes that they may be subject to the requirements of this Bylaw and has questions, is unclear, or is unsure regarding the application of the requirements of this Bylaw to any particular instance or situation, may seek advice from the district's legal counsel with

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the permission of the Superintendent, Board President, or majority of the Board.

**Training**

Unless a Board member's term expires prior to January 1, 2026, each Board member shall complete ethics training in accordance with Government Code 53234-53235.2 by January 1, 2026, and at least once every two years thereafter as specified in Board Bylaw 9240 - Board Training.

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*Policy Reference Disclaimer:*

*These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.*

**State**

2 CCR 18110-18997  
 2 CCR 18438.1-18438.8  
 2 CCR 18700-18760  
 2 CCR 18722-18740  
 2 CCR 18753-18756  
 2 CCR 18940.2  
 Ed. Code 1006

Ed. Code 35107  
 Ed. Code 35230-35240  
 Ed. Code 35233  
 Ed. Code 41000-41003  
 Ed. Code 41015  
 Fam. Code 297.5

Gov. Code 1090-1099  
 Gov. Code 1125-1129  
 Gov. Code 53234-53235.2  
 Gov. Code 81000-91014  
 Gov. Code 82011  
 Gov. Code 82019  
 Gov. Code 82028  
 Gov. Code 82030  
 Gov. Code 82033  
 Gov. Code 82034  
 Gov. Code 84308

**Description**

Regulations of the Fair Political Practices Commission  
[Campaign contribution-based conflicts of interest](#)  
 Conflicts of Interest  
[Disclosure of interests](#)  
[Conflict of interest codes](#)  
 Gift limit amount  
[Prohibition against school district employees serving on county board of education](#)  
[School district employees](#)  
[Corrupt practices](#)  
[Prohibitions applicable to members of governing boards](#)  
[Moneys received by school districts](#)  
[Investments](#)  
[Rights, protections, and benefits of registered domestic partners](#)  
[Prohibitions applicable to specified officers](#)  
[Incompatible activities](#)  
[Ethics training](#)  
[Political Reform Act](#)  
[Code reviewing body](#)  
[Definition; designated employee](#)  
[Definition; gift](#)  
[Definition; income](#)  
[Definition; interest in real property](#)  
[Definition; investment](#)  
[Campaign Disclosure](#)

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Gov. Code 87100-87505  
 Gov. Code 89501-89503  
 Gov. Code 89506  
 Gov. Code 91000-91014  
 Pen. Code 85-88  
 Pub. Cont. Code 6102  
 Rev. & Tax Code 203

**Management Resources**

Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Attorney General Opinion  
 Court Decision

Court Decision  
 Court Decision

Court Decision

Court Decision

CSBA Publication

Fair Political Practices Commission  
 Publication

Fair Political Practices Commission  
 Publication

Institute For Local Government  
 Publication

Institute for Local Government  
 Publication

Website

Political Reform Act; conflict of interest  
[Honoraria and gifts](#)  
[Ethics; travel](#)  
[Enforcement](#)  
[Bribes](#)  
[Bribery of public official; voidable contract](#)  
[Taxable and exempt property - colleges](#)

**Description**

105 Ops.Cal.Atty.Gen.69 (2022)  
 63 Ops.Cal.Atty.Gen. 868 (1980)  
 65 Ops.Cal.Atty.Gen. 606 (1982)  
 68 Ops.Cal.Atty.Gen. 171 (1985)  
 69 Ops.Cal.Atty.Gen. 255 (1986)  
 80 Ops.Cal.Atty.Gen. 320 (1997)  
 81 Ops.Cal.Atty.Gen. 327 (1998)  
 82 Ops.Cal.Atty.Gen. 83 (1999)  
 85 Ops.Cal.Atty.Gen. 60 (2002)  
 86 Ops.Cal.Atty.Gen. 138(2003)  
 89 Ops.Cal.Atty.Gen. 217 (2006)  
 92 Ops.Cal.Atty.Gen. 19 (2009)  
 92 Ops.Cal.Atty.Gen. 26 (2009)  
 Davis v. Fresno Unified School District (2015) 237  
 Cal.App.4th 261  
 Klistoff v. Superior Court (2007) 157 Cal.App.4th 469  
 Kunec v. Brea Redevelopment Agency (1997) 55  
 Cal.App.4th 511  
 McGee v. Balfour Beatty Construction, LLC, et al. (2016)  
 247 Cal. App. 4th 235  
 Thorpe v. Long Beach Community College District (2000)  
 83 Cal.App.4th 655  
 Conflict of Interest: Overview of Key Issues for  
 Governing Board Members, Fact Sheet, July 2010  
 Advice Letter: A-96-314 (December 18, 1996)  
 Can I Vote? A Basic Overview of Public Officials'  
 Obligations Under the Conflict-of-Interest Rules, 2005  
 Understanding the Basics of Public Service Ethics:  
 Personal Financial Gain Laws, 2009  
 Understanding the Basics of Public Service Ethics:  
 Transparency Laws, 2009  
[CSBA District and County Office of Education Legal  
 Services](#)



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Website	<a href="#"><u>Institute for Local Government</u></a>
Website	<a href="#"><u>Fair Political Practices Commission</u></a>
Website	<a href="#"><u>CSBA</u></a>

**Cross References**

<b>Policy</b>	<b>Description</b>
1340	<a href="#"><u>Access To District Records</u></a>
1340	<a href="#"><u>Access To District Records</u></a>
1700	<a href="#"><u>Relations Between Private Industry And The Schools</u></a>
3230	<a href="#"><u>Federal Grant Funds</u></a>
3230	<a href="#"><u>Federal Grant Funds</u></a>
3300	<a href="#"><u>Expenditures And Purchases</u></a>
3311	<a href="#"><u>Bids</u></a>
3311	<a href="#"><u>Bids</u></a>
3400	<a href="#"><u>Management Of District Assets/Accounts</u></a>
3400	<a href="#"><u>Management Of District Assets/Accounts</u></a>
3430	<a href="#"><u>Investing</u></a>
3430	<a href="#"><u>Investing</u></a>
3470	<a href="#"><u>Debt Issuance And Management</u></a>
3600	<a href="#"><u>Consultants</u></a>
4112.8	<a href="#"><u>Employment Of Relatives</u></a>
4117.2	<a href="#"><u>Resignation</u></a>
4136	<a href="#"><u>Nonschool Employment</u></a>
4212.8	<a href="#"><u>Employment Of Relatives</u></a>
4217.2	<a href="#"><u>Resignation</u></a>
4236	<a href="#"><u>Nonschool Employment</u></a>
4312.8	<a href="#"><u>Employment Of Relatives</u></a>
4317.2	<a href="#"><u>Resignation</u></a>
4336	<a href="#"><u>Nonschool Employment</u></a>
6161.1	<a href="#"><u>Selection And Evaluation Of Instructional Materials</u></a>
6161.1	<a href="#"><u>Selection And Evaluation Of Instructional Materials</u></a>
6161.1-E(1)	<a href="#"><u>Selection And Evaluation Of Instructional Materials</u></a>
7140	<a href="#"><u>Architectural And Engineering Services</u></a>
7140	<a href="#"><u>Architectural And Engineering Services</u></a>
7214	<a href="#"><u>General Obligation Bonds</u></a>
7214	<a href="#"><u>General Obligation Bonds</u></a>
9000	<a href="#"><u>Role Of The Board</u></a>
9005	<a href="#"><u>Governance Standards</u></a>
9140	<a href="#"><u>Board Representatives</u></a>
9200	<a href="#"><u>Limits Of Board Member Authority</u></a>
9220	<a href="#"><u>Governing Board Elections</u></a>
9220-E(1)	<a href="#"><u>Governing Board Elections</u></a>

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9222	<a href="#"><u>Resignation</u></a>
9230	<a href="#"><u>Orientation</u></a>
9240	<a href="#"><u>Board Training</u></a>
9320	<a href="#"><u>Meetings And Notices</u></a>
9321	<a href="#"><u>Closed Session</u></a>
9321-E(1)	<a href="#"><u>Closed Session</u></a>
9321-E(2)	<a href="#"><u>Closed Session</u></a>
9323	<a href="#"><u>Meeting Conduct</u></a>

**Bylaw**

**PASADENA UNIFIED SCHOOL DISTRICT**

**Adopted:** March 26, 1996

Pasadena, California

**Revised:** 11/12/96; 3/12/13; 6/30/16; 5/25/23; 05/22/2025