



CONFLICT OF INTEREST POLICY

Approved 2018.04.19

The Governing Board desires to maintain the highest ethical standards and help ensure that decisions are made in the best interest of the charter's and the public. In accordance with law, Board members shall disclose any conflict of interest and, as necessary, shall abstain from participating in the decision.

Board members shall annually file a Statement of Economic Interest/Form 700 in accordance with the disclosure categories specified in the charter's conflict of interest code. A Board member who leaves office shall, within 30 days, file a revised statement covering the period of time between the closing date of the last statement and the date of leaving office. (Government Codes 87302, 87500)

Conflict of Interest under the Political Reform Act

A Board member shall not make, participate in making, or in any way use or attempt to use his/her official position to influence a governmental decision in which he/she knows or has reason to know that he/she has a disqualifying conflict of interest. A conflict of interest exists if the decision will have a "reasonably foreseeable material financial effect" on one or more of the Board member's "economic interests," unless the effect is indistinguishable from the effect on the public generally or the Board member's participation is legally required. (Government Codes 87100, 87101, 87103; 2 CCR 18700-18709)

A Board member makes a governmental decision when, acting within the authority of his/her office or position, he/she votes on a matter, appoints a person, obligates or commits the charter's to any course of action, or enters into any contractual agreement on behalf of the charter's. (2 CCR 18702.1)

A Board member who has a disqualifying conflict of interest on an agenda item that will be heard in an open meeting of the Board shall abstain from voting on the matter. He/she may remain on the dais, but his/her presence shall not be counted towards achieving a quorum for that matter. A Board member with a disqualifying conflict of interest shall not be present during a closed session meeting of the Board when the decision is considered and shall not obtain or review a recording or any other nonpublic information regarding the issue. (2 CCR 18702.1)

Conflict of Interest under Government Code 1090

Board members, employees, or charter's consultants shall not be financially interested in any contract made by the Board on behalf of the charter's, including in the development, preliminary discussions, negotiations, compromises, planning, reasoning, and specifications and solicitations for bids. If a Board member has such a financial interest, the charter's is barred from entering into the contract. (Government Code 1090; *Klistoff v. Superior Court*, (2007) 157 Cal.App. 4th 469)

A Board member shall not be considered to be financially interested in a contract if his/her interest is a "noninterest" as defined in Government Code 1091.5. One such noninterest is when a Board member's spouse/registered domestic partner has been a charter's employee for at least one year prior to the Board member's election or appointment. (Government Code 1091.5)



A Board member shall not be considered to be financially interested in a contract if he/she has only a "remote interest" in the contract as specified in Government Code 1091 and if the remote interest is disclosed during a Board meeting and noted in the official Board minutes. However, a Board member who is considered to have "remote interest" shall not vote or debate on the matter or attempt to influence any other Board member to enter into the contract. (Government Code 1091)

Even if there is not a prohibited conflict of interest, a Board member shall abstain from voting on personnel matters that uniquely affect his/her relatives.

Common Law Doctrine Against Conflict of Interest

A Board member shall abstain from any official action in which his/her private or personal interest may conflict with his/her official duties.

Rule of Necessity or Legally Required Participation

On a case-by-case basis and upon advice of legal counsel, a Board member with a financial interest in a contract may participate in the making of the contract if the rule of necessity or legally required participation applies pursuant to Government Code 87101 and 2 CCR 18708.

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 charter's. (Government Codes 1099, 1126)

Gifts

Board members may accept gifts only under the conditions and limitations specified in Government Code 89503, 2 CCR 18730 and Board Policy 2300.

The limitation on gifts does not apply to wedding gifts and gifts exchanged between individuals on birthdays, holidays, and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value. (Government Code 89503)

Gifts of travel and related lodging and subsistence shall be subject to the current gift limitation except as described in Government Code 89506.

A gift of travel does not include travel provided by the charter's for Board members and designated employees. (Government Code 89506)

Honoraria



Board members 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 gathering, in accordance with law. (Government Codes 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 charter's for donation into the general fund without being claimed as a deduction from income for tax purposes.

Conflict of Interest Code for the members of the Board of Golden Valley Charter Schools

The provisions of 2 CCR 18730 and any amendments to it adopted by the Fair Political Practices Commission are incorporated by reference and shall constitute the charter's conflict of interest code.

Board members shall file a Statement of Economic Interest/Form 700 in accordance with the disclosure categories listed below. The Statement of Economic Interest shall be filed with the charter's filing officer and/or, if so required, with the charter's code reviewing body. The charter's filing officer shall make the statements available for public review and inspection.

Disclosure Categories

It has been determined that Members of the Golden Valley Charter Schools Board shall file a statement of economic interests in all categories of the Conflict of Interest Code on Form 700.