STAFF ETHICS/CONFLICTS OF INTEREST/NEPOTISM

1.0 **General.** Public employment is a public trust. Upon accepting employment with the District, an employee also accepts the responsibility to act honestly and objectively for the benefit of the public in matters affecting the District. Therefore, no employee of the District shall engage in or have a financial interest, directly or indirectly, in any activity that conflicts with, or raises a reasonable question of conflict with, his or her duties and responsibilities in the school system.

1.1 It is the intent of this policy to protect the public trust by avoiding situations which would interfere with an employee’s duty to act objectively to fulfill his or her responsibilities. Incompatibility arises when the public is deprived of the independent judgment of a public official or employee. Because the maintenance of public confidence is of the utmost importance to the District, actual or potential conflicts of interest creating the appearance of impropriety or irregularity must be avoided.

1.2 In general, for purposes of this policy, a conflict of interest is any involvement in a matter of personal or financial interest that is incompatible with the District employee’s assigned duties and responsibilities. A potential conflict of interest is a relationship or situation that tends to influence, or appears to influence, an employee to advance interests other than the District’s interests in fulfilling the employee’s duties and responsibilities.

1.3 All employees are expected to perform the duties of the position to which they are assigned and to observe rules of conduct and ethical principles established by state law and District policies and procedures.

1.4 Failure by an employee to comply with the terms of this policy or its implementing procedure shall constitute good and just cause for discipline, up to and including termination of employment.

2.0 **Clarification of Potential Conflicts.** Examples of circumstances in which a conflict of interest for any employee might arise include those listed in Section 2.0 below. The list is not intended to be all encompassing.

2.1 An employee should seek written direction from the employee’s supervisor, appropriate Chief, or General Counsel in all matters in which a third party may reasonably perceive that the employee has a personal or financial interest that is incompatible with the employee’s assigned duties or responsibilities. An employee may apply in writing to her/his supervisor for a decision as to whether a particular activity violates this administrative procedure and its related policy. The supervisor, after consultation with the District’s Executive Director of Operations, the appropriate Chief, or General Counsel, shall inform the employee of the decision in writing.

2.2 If the employee concludes that the written decision is contrary to the terms of law, this policy, or applicable master agreement, the decision can be appealed to the Superintendent through the grievance procedures described in the applicable master agreement or, if the employee is not governed by a master agreement, by submitting a written appeal statement to the Superintendent within seven (7) business days following receipt of the written decision. The appeal statement should explain the basis for contending that the written decision was contrary to law or this policy.
3.0 **Prohibited Conduct.**

3.1 A District employee shall not participate in or attempt to influence the selection or retention of a contracted services provider, or the procurement of goods or services by the District, a school or a department from a vendor or contracted services provider in which the employee holds a financial interest. “Financial interest” means ownership of more than five (5) percent of any class of the outstanding securities of a corporation or an ownership interest of five (5) percent or more of a limited liability company, partnership or other business.

3.2 Serving as an employee or as a paid director, officer, consultant or agent to a vendor or contracted services provider, or potential vendor or contracted services provider to the District, or with an agent or person closely related to such party or entity.

3.3 Accepting a gift or benefit tantamount to a gift that is intended to, or would tend to, improperly influence a reasonable person in the employee’s position or that the employee knows or should know is primarily intended to reward the employee in the performance of duties or the exercise of discretionary authority for the District. The phrase “economic benefit tantamount to a gift” includes a loan at a rate of interest substantially lower than the prevailing commercial rate and compensation received for private services rendered at a rate substantially exceeding fair market value, and discounts not available to the public, other than through District sanctioned discount programs. For a period of ninety days prior to the response date for proposals or bids to provide goods or services to the District, no District supervisory or administrative employee, nor any employee who may be involved in the review of such bids or proposals, shall accept any gift or benefit of any nature whatsoever from any potential bidder or party which may reasonably be expected to submit a proposal to the District.

3.4 Receiving any compensation, in addition to regular salary and benefits, whether the compensation is financial or otherwise, for the performance of duties with respect to which the employee already receives payment from the District. (This paragraph would ordinarily not prohibit part-time employment where an employee performs services away from the District, so long as the employee is not paid both by the District and by another for the same work.) Moreover, this paragraph would not ordinarily prohibit an employee from engaging in paid consulting services informed by work previously completed for the benefit of the District provided that the employee uses vacation or temporary leave days during the fiscal year to provide such consulting services and such vacation/temporary leave days are approved by the supervisor. It would be improper, however, to use software, curriculum, training materials, publications, or other intellectual property prepared during work hours for employee’s financial gain as a consultant or service provider.)

3.5 Contracting with the District to supply it with service or merchandise related to the employee’s ordinary job assignment(s) with the District where the employee will be supplying the District and will be paid for doing so.
3.6 Execution of a contract between the District and an immediate family member of an employee to supply the District with merchandise or services if the employee is involved in or attempts to influence the decision to award the contract. “Immediate family” shall mean husband, wife, parent, stepparent, child, stepchild, brother, sister, stepbrother, stepsister, brother-and-sister-in-law, mother-and-father-in-law, daughter-and-son-in-law, grandparents, and grandchildren.

3.7 Using District facilities, equipment, materials, supplies or resources for any purpose other than primarily for advancement of the interests of the District. It shall not be considered a breach of conduct for an employee to use District computers, telephones, or personal communication devices to communicate or correspond with family members or business associates on an occasional basis which does not interfere with the performance of assigned duties, increase the District’s costs, cause excessive wear and tear to the equipment, or otherwise place the asset at risk of loss.

3.8 Instructing, teaching or coaching students assigned to a staff member’s class or team, for pay or in exchange for something of value from the student, parent, or a third party. (This paragraph would ordinarily not prohibit teaching, instructing or coaching at events sponsored by independent organizations, such as summer music and athletic camps, where the primary purpose of the instruction is not the fulfillment of regular course or coaching work.)

3.9 Receiving for personal use any proceeds from the sale of District property.

3.10 Purchasing an item of District property by a person who has given the property a “surplus” or similar designation. (Employees outside the Resource Operations Department are not authorized to give property a “surplus” designation.) This provision shall not preclude an employee who was not involved in assigning property a surplus designation from purchasing surplus property posted for sale in accordance with Superintendent policy.

3.11 Disclosing or using confidential information acquired in the course of employment to further personal financial interests.

3.12 Engaging in a material financial transaction for the employee’s private business purposes with a person whom the employee supervises.

3.13 Influencing other employees, patrons, or students to participate in any activity or business venture in order to positively affect evaluations, promotions or grades given or assigned by the employee. Actions or comments by employees that may be reasonably interpreted as an invitation for a gift are unethical.

3.14 Participating in the selection or employment of any person who is a member of his or her immediate family or with whom the individual is involved in a romantic relationship. For purposes of this policy, a “romantic relationship” is a consensual romantic, physically intimate, or sexual relationship.
3.15 Supervisory Relationships
3.15.1 Engaging in a direct or indirect supervisory relationship over an immediate family member or individual with whom the supervisor is involved in a romantic relationship, except as an exception may be granted by the Superintendent in writing upon receipt of satisfactory evidence demonstrating that the supervisory relationship has not adversely affected, and/or is unlikely to adversely affect, the professional duties of either party. Direct supervision shall include all cases in which the supervisor has written evaluation responsibilities, and indirect supervision shall include all cases in which supervision occurs through one or more intermediate supervisors.

3.15.2 An employee who is currently in a romantic relationship with a District employee, but who is not in a supervisor-supervisee romantic relationship, shall not be hired, transferred, or promoted into a position that would create a supervisor-supervisee relationship except as authorized by the Superintendent in writing. The employee with supervisory duties shall immediately notify the Chief Human Resources Officer after receiving notice that his/her romantic partner has applied for or is a candidate for hire, transfer, or promotion.

3.16 Requesting reimbursement from the District for expenses incurred in attending a seminar, conference, or other programming when the employee has been or will be reimbursed for the expenses by a third-party organization or association.

3.17 Engaging in conduct during employment with another employer, or during the employee’s personal activities, which results in a conviction or plea of guilty or nolo contendere to a charge of fraud, deceit, misrepresentation, or other crime concerning unethical conduct or dishonesty by the employee.

4.0 Waivers Permitting Employees to Serve as Vendors/Contracted Service Providers. The prohibitions in items 3.5 and 3.6 concerning an employee or immediate family member supplying the District with goods or services may be waived only where the following conditions are met:

4.1 The employee/immediate family member must first submit a proposal to the Executive Director of Operations stating the nature of the goods and services that s/he would supply to the District, the price s/he would charge, date by which the work would be completed, and anything else that s/he believes is pertinent to the matter (e.g., sole source provider of the good or services) or that is then or later required by the supervisor, the Executive Director of Operations, or the District’s internal auditor.

4.2 The District would pay less for the goods or services it would receive from the employee than it would if it were to be supplied by one outside the District. The goods and services should be of equal or better quality than those available from outside parties and should include warranties and other terms equal to or more favorable than those offered by outside parties.
4.3 The fact that the District would save money by contracting with the employee rather than an outsider must be verified unless the Executive Director of Operations reasonably estimates the value of the good or service to be less than $500 and reasonably concludes that other qualified parties are unlikely to have interest in providing the good or service. The verification may be either by formal bidding or by written quotes from at least two (2) outsiders who are asked to estimate the cost at which they would supply the goods or services to the District. If the employee would receive any advantage by virtue of being a District employee, that advantage should be taken into account in comparing the bids or quotes.

4.4 The Executive Director of Operations must approve the waiver in writing, must detail the bids or quotes that were received, and verify that the District will save money by entering into the contract with the employee. The Executive Director of Operations shall maintain a file including documentation of all waivers granted and denied.

4.5 No waiver shall be granted where the employee would need to take an unpaid leave from her/his regular job with the District in excess of five (5) working days, or would need to quit her/his job with the District, in order to fulfill the contract.

4.6 The District shall not contract with a former District employee for goods or services for a period of not less than six (6) months following the employee’s separation from employment. This restriction shall also apply to contracts with an entity which employs a former District employee unless the entity provides evidence to the Executive Director of Operations demonstrating that the former employee has not/will not participate in the solicitation of or the performance of the District contract during the six month period.

5.0 Employee Certification and Monitoring. All District employees shall comply with the terms of the Staff Ethics/Conflicts of Interest/Nepotism policy and this administrative procedure. Because employees serving in supervisory, management, administrative, and purchasing positions have decision-making responsibilities which pose a greater risk of engaging in conflicted conduct, individuals holding the following positions within the District shall be provided an annual notice regarding their obligation to review and comply with this policy:

- Superintendent
- Chief Academic Officer, Chief Operating Officer, Chief Information Technology Officer, Chief Human Resources Officer, Chief Financial Officer, and General Counsel, Executive Directors
- Senior Executive Assistants to the Superintendent and Board of Education
- All District staff with a title of director, assistant director, manager, or project manager
- All employees in the Business Services Operations Department
- All principals, assistant principals, and deans
- All classified employees with the title of supervisor or with supervisory responsibilities

5.1 The Chief Human Resources Officer or her/his designee shall be responsible for providing these annual notices. The notice may be incorporated into an employee’s employment contract.

5.2 An annual audit shall be completed by an internal or external auditor to determine whether required notices have been provided and whether employees have engaged in conduct prohibited by this policy.
5.3 The internal or external audits shall also examine whether contracts and agreements between the District and third parties conform with this policy, constitute reasonable investment or payment for goods and services, and do not result in impermissible private benefit to District employees.

5.4 The internal or external auditor shall report these findings to the Superintendent and to General Counsel on or before July 1 of each year. The District’s independent external auditor shall also be tasked with completing such an audit every five (5) years or more frequently as directed by the Superintendent.

6.0 **Criminal Misconduct.** An employee’s criminal misconduct may also constitute a violation of applicable ethical standards and may indicate that the employee is unfit to perform assigned duties. Accordingly, an employee shall provide written notice to the Chief Human Resources Officer if the employee has been arrested or charged in any of the following criminal matters: any felony charge; indecent exposure; sexual assault; unlawful sexual conduct; child abuse or neglect; contributing to the delinquency of a minor; a crime involving domestic violence, when the employee has a prior conviction for such conduct; a charge alleging unlawful sale, distribution, or possession of a controlled substance or driving while impaired by a controlled substance; driving while impaired by or under the influence of alcohol, if the employee’s assigned duties include operation of a motor vehicle or transportation of students; physical assault or battery; theft; or fraud. The employee shall provide the notice prior to reporting for duty in the District immediately following employee’s receipt of notice of the charge, or within five (5) days after receipt of notice of the charge, whichever is earlier.

**LEGAL REFERENCES:**
C.R.S. 18-8-308
C.R.S. 22-63-204
C.R.S. 24-18-105

Adams 12 Five Star Schools  Most Recent Adoption: July 5, 2019