

1 _____ **School District**

2

3 **THE BOARD OF TRUSTEES**

4

5 Conflict of Interest

6

7 A trustee may not:

8

9 1. Engage in a substantial financial transaction for the trustee’s private business purpose,
10 with a person whom the trustee inspects or supervises in the course of official duties.

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12 2. Perform an official act directly and substantially affecting, to its economic benefit, a
13 business or other undertaking in which the trustee either has a substantial financial
14 interest or is engaged as counsel, consultant, representative, or agent.

15

16 3. Act as an agent or solicitor in the sale or supply of goods or services to a district.

17

18 4. Have a pecuniary interest, directly or indirectly, in any contract made by the Board, when
19 the trustee has more than a ten percent (10%) interest in the corporation. A contract does
20 not include: 1) merchandise sold to the highest bidder at public auctions; 2) investments
21 or deposits in financial institutions that are in the business of loaning or receiving money,
22 when such investments or deposits are made on a rotating or ratable basis among
23 financial institutions in the community or when there is only one (1) financial institution
24 in the community; or 3) contracts for professional services other than salaried services or
25 for maintenance or repair services or supplies when the services or supplies are not
26 reasonably available from other sources, if the interest of any Board member and a
27 determination of such lack of availability are entered in the minutes of the Board meeting
28 at which the contract is considered.

29

30 5. Be employed in any capacity by the District, with the exception of officiating at athletic
31 competitions under the auspices of the Montana Officials Association.

32

33 6. Appoint to a position of trust or emolument any person related or connected by
34 consanguinity within the fourth (4th) degree or by affinity within the second (2nd) degree.

35

36 a. This prohibition does not apply to the issuance of an employment contract to a
37 person as a substitute teacher who is not employed as a substitute teacher for more
38 than thirty (30) consecutive school days.

39

40 b. This prohibition does not apply to the renewal of an employment contract of a
41 person related to a Board member, who was initially hired before the Board
42 member assumed the trustee position.

42

43 c. This prohibition does not apply if trustees comply with the following
44 requirements: 1) **All trustees**, except the trustee related to the person to be
45 employed or appointed, vote to employ the related person; 2) the trustee related to
46 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

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6 Degrees of Affinity

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8 Affinity is the legal relationship arising as the result of marriage. Relationship by affinity

9 terminates upon the death of one of the spouses or other dissolution of marriage, except when the

10 marriage has resulted in issue still living.

11

12 Degrees of Consanguinity

13

14

4

15

Great Great Grandparent

16

17

3

5

18

Great Grandparent

Great Great Uncle/Aunt

19

20

2

4

6

Grandparent

Great Uncle/Aunt

Child of Great Uncle/Aunt

22

23

1

3

5

7

Uncle/Aunt

Child of GG Uncle/Aunt

Grandchild of GG Uncle/Aunt

25

26

27 **Trustee**

28

2

4

6

8

Brother/Sister

1st Cousin

2nd Cousin

3rd Cousin

30

31

1

3

5

7

Nephew/Niece

1st Cousin

2nd Cousin

once removed

once removed

34

35

2

4

6

Grandchild

Grand Nephew/Niece

1st Cousin

twice removed

38

39

3

5

40

Great Grandchild

Great Grand Nephew/Niece

41

42

4

43

Great Great Grandchild

44

45

newspaper of general circulation in the county where the school is located.

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4Degrees of Affinity

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3

Great Grandparent-in-law

7

8

2

Grandparent-in-law

10

11

1

Father/Mother-in-law

3

Uncle/Aunt-in-law

12

13

14

1

Spouse

2

Brother/Sister-in-law

15

16**Trustee**

17

18

1

Step Child

3

Nephew/Niece-in-law

19

20

21

2

Step Grandchild

22

23

24

3

Step Great Grandchild

25

26

27

28

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30Policy History:

31Adopted on:

32Reviewed on:

33Revised on: