

Conflict of Interest

A trustee may not:

1. 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. 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. act as an agent or solicitor in the sale or supply of goods or services to a district.
4. 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 which 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 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. be employed in any capacity by the District.
6. appoint to a position of trust or emolument any person related or connected by consanguinity within the fourth degree or by affinity within the second degree.
 - a. This prohibition does not apply to the issuance of an employment contract of a person as a substitute teacher who is not employed as a substitute teacher for more than 30 consecutive school days.
 - b. This prohibition does not apply to the renewal of an employment contract of a person who was initially hired before the Board member to whom he/she is related assumed the position.
 - c. This prohibition does not apply if the 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 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 or marriage except when the marriage has resulted in issue still living.

Legal Reference	§ 2-2-125, MCA	Rules of conduct for local government officers
	§ 2-2-201, MCA	Public officers, employees of former employees not to have interest in contracts
	§ 2-2-302, MCA	Appointment of relative to office of trust - employment unlawful
	§ 2-2-303, MCA	Agreement to appoint relative to office unlawful
	§ 20-1-201, MCA	School officers not to act as agent
	§ 20-9-204, MCA	Conflicts of interest, letting contracts and calling for bids

Policy History:

Adopted on: August 1998

Revised on: