

Descriptor Term:
BOARD MEMBER CONFLICT OF INTEREST

Descriptor Code:
2.1210

Legal References: G.S. 14-234, -235, -236, -237, 133-32

Cross References: 2.1200 Code of Ethics for School Board Members

All board members are subject to the criminal laws related to conflicts of interest in public office, including strict restrictions against having a pecuniary interest in any business of the board. In addition, board members shall not let any personal or business interest interfere with his/her duties as a public official, including ethical duties as specified in the Code of Ethics for School Board Members, policy 2.1200.

A member of the board shall not do any of the following:

1. obtain a direct benefit from a contract that he/she is involved in making or administering on behalf of the board, unless an exception is allowed pursuant to N.C.G.S. 14-234 or other law;
2. influence or attempt to influence anyone who is involved in making or administering a contract on behalf of the board; or
3. solicit or receive any gift, reward or promise for recommending, influencing or attempting to influence the award of a contract.

A board member is involved in administering a contract if he/she oversees the performance of the contract or has authority to interpret or make decisions regarding the contract. A board member is involved in making a contract if he/she participates in the development of specifications or terms of the contract or participates in the preparation or award of the contract.

A board member derives a direct benefit from a contract if the board member or his/her spouse does any of the following:

1. has more than a 10 percent ownership or other interest in an entity that is a party to the contract;
2. derives any income or commission directly from the contract; or
3. acquires property under the contract.

An exception is allowed for employment contracts between the board of education and the spouse of a board member. However, the board member involved will not deliberate or vote on the contract or attempt to influence any other person who is involved in making or administering the contract.

