

BOARD MEMBER CONFLICT OF INTEREST

Public office is a trust created in the interest of the common good and for the benefit of the people. As public officials holding the respect and trust of the community, board members will not use the office for personal advantage.

A board member will not have any direct pecuniary interest in a contract with the school district or furnish directly any labor, equipment or supplies to the district unless the amount involved is less than five thousand dollars (\$5,000).

Each member shall decide if any potential conflict of interest requires disqualification from participation in board discussion or action. No board member may participate in discussion or vote on any issue in which the member has a conflict of interest if the following circumstances apply:

1. "Direct pecuniary interests," when a school board member votes on a matter benefiting the board member's own property or affording a direct financial gain;
2. "Indirect pecuniary interests," when a school board member votes on a matter that financially benefits one closely tied to the official, such as an employer, or family member;
3. "Direct personal interest," when a school board member votes on a matter that benefits a blood relative or close friend in a non-financial way; and
4. "Indirect Personal Interest," when a school board member votes on a matter in which an individual's judgment may be affected because of membership in some organization and a desire to help that organization further its policies; or
5. At least two-thirds of the Board votes that a member has an identifiable conflict of interest that should prohibit the member from voting on a specific matter.

Legal References:

SD Constitution Article 8 §17 (Interest in sale of school equipment prohibited)
SDCL 13-20-2.1 (Interest in sale of school equipment unlawful)
SDCL 13-43-1 (Employment of board member in same district prohibited)
SDCL 13-7-3 (Public offices incompatible with board membership)
SDCL 3-16 (Malfeasance, misfeasance, and nonfeasance in office)
SDCL 6-1-1 (Local officer's interest in public purchase or contract unlawful)
SDCL 6-1-17 (Prohibition from discussion or voting on issue if conflict of interest exists)
SDCL 6-1-2 (Conditions which contract with local officer permitted)
POLICY BDDF (Voting Method)
POLICY BBBA (Board member qualifications)
POLICY BBF (Board member code of ethics)
POLICY GBCA (Staff conflict of interest)

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