

Rancho Santiago Community College District ADMINISTRATIVE REGULATION

Chapter 2 Board of Trustees

AR 2710 Conflict of Interest

References:

Government Code Sections 87105 and 87200-87210
Title 2 Sections 18700 et seq.
2 Federal Code of Regulations Part 200.318(c)(1) and other citations as listed below

Incompatible Activities (Government Code Sections 1126 and 1099)

Board members and employees shall not engage in any employment or activity that is inconsistent with, incompatible with, in conflict with or inimical to the Board member's duties as an officer of the District. A Board member shall not simultaneously hold two public offices that are incompatible. When two offices are incompatible, a Board member shall be deemed to have forfeited the first office upon acceding to the second.

Financial Interest (Government Code Sections 1090 et seq.)

Board members and employees shall not be financially interested in any contract made by the Board or in any contract they make in their capacity as members of the Board or as employees.

A Board member shall not be considered to be financially interested in a contract if his/her interest meets the definitions contained in applicable law (Government Code Section 1091.5).

A Board member shall not be deemed to be financially interested in a contract if he/she has only a remote interest in the contract and if the remote interest is disclosed during a Board meeting and noted in the official board minutes. The affected Board member shall not vote or debate on the matter or attempt to influence any other member of the Board to enter into the contract. Remote interests are specified in Government Code Section 1091(b); they include, but are not limited to, the interest of a parent in the earnings of his or her minor child.

No Employment Allowed (Education Code Section 72103(b))

An employee of the District may not be sworn in as an elected or appointed member of the Governing Board unless and until he/she resigns as an employee. If the employee does not resign, the employment will automatically terminate upon being sworn into office. This provision does not apply to an individual who is usually employed in an occupation other than teaching and who also is, at the time of election to the Board, employed part time by the District to teach no more than one course per semester or quarter in the subject matter of that individual's occupation (Education Code Section 72103(b)).

Financial Interest in a Decision (Government Code Sections 87100 et seq.)

If a Board member or employee determines that he/she has a financial interest in a decision, as described in Government Code Section 87103, this determination shall be disclosed and made part of the Board's official minutes. In the case of an employee, this announcement shall be

made in writing and submitted to the Board. A Board member, upon identifying a conflict of interest, or a potential conflict of interest, shall do all of the following prior to consideration of the matter:

- Publicly identify the financial interest in detail sufficient to be understood by the public;
- Recuse himself or herself from discussing and voting on the matter;
- Leave the room until after the discussion, vote, and any other disposition of the matter is concluded unless the matter is placed on the agenda reserved for uncontested matters. A Board member may, however, discuss the issue during the time the general public speaks on the issue.

Gifts (Government Code Section 89503)

Board members and any employees who manage public investments shall not accept from any single source in any calendar year any gifts in excess of the prevailing gift limitation specified in law.

Designated employees shall not accept from any single source in any calendar year any gifts in excess of the prevailing gift limitation specified in law if the employee would be required to report the receipt of income or gifts from that source on his/her statement of economic interests.

The above limitations on gifts do not apply to wedding gifts and gifts exchanged between individuals on birthdays, holidays and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value.

Gifts of travel and related lodging and subsistence shall be subject to the above limitations except as described in Government Code Section 89506.

A gift of travel does not include travel provided by the District for Board members and designated employees.

Board members and any employees who manage public investments shall not accept any honorarium, which is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering (Government Code Sections 89501 and 89502).

Designated employees shall not accept any honorarium that is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering, if the employee would be required to report the receipt of income or gifts from that source on his/her statement of economic interests. The term "honorarium" does not include:

- Earned income for personal services customarily provided in connection with a bona fide business, trade, or profession unless the sole or predominant activity of the business, trade or profession is making speeches.
- Any honorarium that is not used and, within 30 days after receipt, is either returned to the donor or delivered to the District for donation into the general fund without being claimed as a deduction from income tax purposes.

Representation (Government Code Section 87406.3)

Elected officials and the Chancellor shall not, for a period of one-year after leaving their position, act as an agent or attorney for, or otherwise represent for compensation, any person appearing before that local government agency.

Contracts Supported by Federal Funds (2 Code of Federal Regulations Part 200.318(c)(1))

No employee, Board member, or agent of the District may participate in the selection, award, or administration of a contract supported by a federal award if he/she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, Board member, or agent, any member of his/her immediate family, his/her partner, or an organization which employees or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The Board members, employees, and agents of the District may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. Disciplinary action will be taken for violations of such standards by Board members, employees, or agents of the District.

Training

The Chancellor shall insure that the Board of Trustees receive annual training on Board Policy/Administrative Regulation 2710 – Conflict of Interest.

Adopted: February 10, 2014
References Updated: November 7, 2016
Revised: March 2, 2020