



## BOARD PROCEDURE

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**TITLE: CONFLICT OF INTEREST**

**BOARD PROCEDURE # 2710** *(was 104)*

**RELATED TO POLICY # 2710 CONFLICT OF INTEREST**

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Board of Education members shall publicly announce the nature of a financial conflict of interest on the record prior to taking action on the issue before the Board as required by Oregon law. The type and nature of the conflict shall be recorded in the official minutes of the meeting.

Board of Education members may participate in discussion and may vote on an issue after announcing a **potential** conflict of interest publicly prior to taking action. If a Board of Education member announces an **actual** conflict of interest, the Board of Education member must refrain from any discussion or debate on the issue out of which the actual conflict arises and may not vote on the issue.

**A. "Potential Conflict of Interest"** – means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which **could** be to the private financial benefit or detriment of the person or the person's relative, or a business with which the person or the person's relative is associated, unless the financial benefit or detriment arises out of the following:

1. An interest or membership in a particular business, industry, occupation or other class required by law as a prerequisite to the holding by the person of the office or position.
2. Any action in the person's official capacity which would affect to the same degree a class consisting of all inhabitants of the state, or a smaller class consisting of an industry, occupation or other group including one of which or in which the person, or the person's relative or business with which the person or the person's relative is associated, is a member or is engaged.
3. Membership in or membership on the board of directors of a nonprofit corporation that is tax-exempt under section 501(c) of the Internal Revenue Code.

- B. “Actual Conflict of Interest”** – means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which **would** be to the private financial benefit or detriment of the person or the person’s relative or any business with which the person or a relative of the person is associated unless the financial benefit or detriment arises out of circumstances described above.
- C. “Relative”** – means spouse, parents, step-parents, children, siblings, step-siblings, sons-in-laws, daughters-in-laws, individuals for whom the board member has a legal support obligation, or anyone for whom the board member provides benefits arising from their service.
- D. “Business”** – means any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual and any other legal entity operated for economic gain but excluding any income-producing not-for-profit corporation that is tax exempt under section 501(c) of the Internal Revenue Code with which a public official or a relative of the public official is associated only as a member or board director or in a non-remunerative capacity.

**E. Gifts**

Board of Education members and their relatives are prohibited from accepting gifts of a value greater than \$50 from a single source during a calendar year from any person that can reasonably be known to have a legislative or administrative interest in a decision before the Board of Education. Meals (food and beverage) and entertainment are considered gifts and are subject to the annual limitation.

1. The following are not considered gifts:
2. Campaign contributions.
3. Gifts from relatives or members of the public official’s household.
4. Unsolicited tokens or awards of appreciation if value is less than \$25.
5. Admission and meals provided to a public official when they are invited to attend a reception, meal or meeting held by an organization when the public official is attending as representative of the college. This exception does not apply to “private meals with small numbers of participants.”
6. Informational material, publications or subscriptions related to the public official’s position.
7. Expenses paid by a government entity, membership organization to which the college pays dues, or a non-profit corporation for attendance at a convention, fact-finding trip, or other meeting if the public official is delivering a speech, making a presentation, participating in a panel, or representing the college.

- a. "Representing" the college means that the public official is participating in an event on behalf of the college in their capacity as a public official.
  8. Food, travel or lodging expenses paid to a public official, a relative, member of the household, or staff when the public official is representing the college on an "officially sanctioned" trade-promotion or fact-finding mission, or in official negotiations or economic development activities.
    - a. "Officially sanctioned" means written approval given by a person authorized by the public body to give approval such as a supervisor or the college's Board of Education.
  9. Expenses provided by a public official to another public official for travel in state to and from an event that is related to the person's official office and in which that person participates in their official capacity.
  10. Food and beverage provided at a reception (e.g. social gathering) where the food and beverage are an incidental part of the reception.
  11. Entertainment that is an incidental part of another event or in which the public official has been invited to participate in their official capacity (i.e., throwing out the first ball at a baseball game).
  12. Gifts offered as part of the usual and customary practice of a person's private business, employment or volunteer position that bears no relationship to the public official's official position.
- F. "Gift"** means something of economic value that is offered to a public official or to relatives or members of the household of a public official or candidate without cost or at a discount or as forgiven debt and the same offer is not made or available to the general public who are not public officials.
- G. "Legislative or administrative interest"** means an economic interest, distinct from that of the general public, in any matter subject to the decision or vote of the public official acting in the public official's capacity as a public official.

#### **H. Nepotism**

A Board of Education member is prohibited from participating in any personnel action taken by Umpqua Community College that would impact the employment of a relative or member of the public official's household, and must follow the conflict of interest requirements above. A Board of Education member may not participate in the following personnel actions: appointing, employing or promoting; discharging, firing or demoting; interviewing; discussing or debating the appointment, employment, promotion, discharge, firing or demotion of a relative or member of the household. This prohibition does not apply to relatives or members of the household who serve Umpqua Community College as an unpaid volunteer.

- I. Contracts Supported by Federal Funds** (2 Code of Federal Regulations Part 200.318(c)(1))
- J.** No Board of Education member or agent of Umpqua Community College may participate in the selection, award, or administration of a contract supported by a federal award if they have a real or apparent conflict of interest. Such a conflict of interest would arise when the Board member, or agent, any member of their immediate family, their partner, or an organization which employs 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 and agents of Umpqua Community College 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 or agents of Umpqua Community College.

**References:**

NWCCU Standards 2.D.3 (*updated 3/18/2021*)  
ORS 244.010 to 244.047; ORS 244.120 to 244.130; ORS 244.175 to 244.179  
ORS 244.050 to 244.115  
OAR 199, Division 5 (Gifts)  
Oregon Government Ethics Commission "Guide for Public Officials"

**RESPONSIBILITY:**

The Board Chair is responsible for implementing and updating this procedure.

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**NEXT REVIEW DATE:**

**DATE OF ADOPTION: 3/11/2020**

**DATE(S) OF REVISION:**

**DATE(S) OF PRIOR REVIEW:**