



Administrative Regulation 4530 ETHICAL STANDARDS / CONFLICT OF INTEREST

Responsible Office: Department of Labor Relations

PURPOSE

This administrative regulation establishes guidelines for all officials and employees to ensure ethical standards are met and conflict of interests are detected, managed, and prevented. The District endeavors "to enhance the public's faith and confidence in government by ensuring that public officers and public employees uphold the public trust by committing themselves to avoid conflicts between their private interests and their public duties." (Nevada Commission on Ethics)

REGULATION

1. The following ethical standards are hereby established as a guide for the conduct of all officials and employees of the District.
 - a. All officers and employees of the District shall also comply with state and federal laws and regulations related to ethical standards.
 - b. For the purposes of conflict of interest and/or ethical standards, the District will recognize relationships within the Third Degree of Consanguinity (see below).
2. Conflict of interests
 - a. No official or employee of the District shall engage in any apparent or actual activities that place them in a conflict of interest between their official activities and any other interest or obligation.
 - i. An actual conflict is a situation where the employee knows that his/her judgment is likely to be compromised.
 - ii. An apparent conflict is one where a reasonable person might think that the employee's judgment is likely to be compromised.
 - b. Conflict of interest requires all officials and employees of the District to disqualify themselves from participating in a decision when a financial or personal interest is present.
3. Prohibited conduct includes, but is not limited to:
 - a. Accepting gifts, services, favors, employment, engagement, emolument, or economic opportunities which would tend improperly to influence a

reasonable person in his/her position to depart from the faithful and impartial discharge of his/her duties in connection with the District;

- b. Receiving or giving unwarranted privileges, preferences, exemptions or advantages for oneself or any member of one's household, any business entity in which he/she has a financial interest or to any other person;
 - c. Using confidential information for personal gain;
 - d. Suppressing information for pecuniary (any economic) interests;
 - e. Using or loaning District resources for personal use, without prior approval of a supervisor where applicable;
 - f. Improperly influencing subordinates;
 - g. Accepting any salary, retainer, augmentation, expense allowance or other compensation from any private source for the performance of his/her duties as an employee of the District.
 - i. No teacher employed by the District shall tutor his/her students for pay in established curriculum subject matter areas during the school year unless special permission for such tutoring has been granted by the Superintendent or his/her Designee.
 - h. No employee of the District shall use his/her knowledge or special information about pupils to solicit funds or to sell products to students or adults.
4. Employee – Vendor Relationships
- a. A District employee and/or relative of an employee, within the third degree of consanguinity, shall not sell or lease goods or contract for services with the District as to create an employee-vendor relationship.
 - b. For purposes of this regulation, an employee-vendor relationship is defined as a relationship in which:
 - i. An employee proposes for consideration a contract with the District;

- ii. A relative of an employee proposes for consideration a contract with the District and the employee is directly involved in the selection process or management of the contract;
 - iii. An employee or a relative of an employee who owns or controls more than a one percent (1%) interest in any business which proposes for consideration a contract with the District and the employee is directly or indirectly involved in the selection process or management of the contract;
 - iv. An employee or a relative of an employee who serves on a board of any organization, including a not-for-profit or other charitable organization, that stands to benefit from any contract, charitable, or other contributions from the District and the employee is directly or indirectly involved in the selection process or management of the contract or contribution; or,
 - v. An employee personally benefits as a result of a contract or any other type of transaction with the District that is in addition to their employment with the District.
- c. Any situation meeting the definition of employee-vendor relationship above is prohibited unless extraordinary circumstances are found to exist, as determined by the Superintendent or his/her designee.
 - d. Unless specifically prohibited by law, an official or employee of the District is not precluded from making a bid on a District contract if the contracting process is controlled by rules of open competitive bidding, the sources of supply are limited, he/she has not taken part in developing the contract plans or specifications, and he/she will not be personally involved in opening, considering, or accepting offers.

5. Disclosure

- a. No employee of the District may approve, disapprove, vote, abstain from voting, or otherwise act upon any matter in which he/she has a financial interest without first disclosing the full nature and extent of such interest. Such a disclosure shall be made before the time when the employee is to perform his/her duty, or concurrently with that performance.

- i. If the employee is a member of any decision-making body, he/she shall make disclosure to the chairperson and other members of the body.
- ii. An employee shall inform his/her supervisor (i.e. Department Head, Principal) of any potential violation of this policy. The supervisor will determine if a conflict exists or if any extraordinary circumstances exist that may influence the conflict determination. An appropriate course of action shall be determined after receiving concurrence from the Chief Human Resources Officer or his/her designee.

6. Suspected Dishonest or Fraudulent Activities

- a. By the nature of its business, the District employs many people in situations and circumstances where irregularities in the handling of money, documents, and equipment are possible.
- b. District administrators should be familiar with types of possible dishonest or fraudulent irregularities which may occur in their departments and among those under their supervision, and they should also be alert for any indication that such an irregularity might exist or has occurred.
- c. If an individual suspects an irregularity in the handling of money, documents, and/or equipment, it should be identified and investigated promptly in order to protect the interests of the District and the taxpayers. In some cases, the District insurance carriers require it; in every case, business practice makes it essential.
- d. Any employee suspecting irregularity should notify the Superintendent and/or Internal Auditor. The Superintendent or designee shall determine whether or not the irregularity should be investigated by the Internal Audit Department, the School Police Department, or both.
 - i. If the suspected irregularity involves the Superintendent, then the President of the Board of Trustees should be notified. The Internal Audit Department will then be responsible for coordinating investigations into such matters with legal counsel.
- e. Any employee suspecting an irregularity may make a report by:
 - i. Contacting the District's Anonymous Reporting System; or

- ii. Notify the Superintendent and/or Internal Auditor.
 - 1. The Superintendent or designee shall determine whether or not the irregularity should be investigated by the Internal Audit Department, the School Police Department, or both.
 - 2. If the suspected irregularity involves the Superintendent, then the President of the Board of Trustees should be notified.
 - 3. The Internal Audit Department will be responsible for coordinating investigations into such matters with legal counsel.

f. Possible dishonest or fraudulent activities may include, but are not limited to, the following:

- i. Intentional alteration or misstatement of school district reports and records;
- ii. Forgery or alteration of checks, drafts, promissory notes, securities, shipping or receiving documents or records, etc.;
- iii. Any misappropriation or misapplication of funds, securities, supplies, or any other assets of the school district;
- iv. Any irregularity in the handling or reporting of money transactions involving school district funds;
- v. Unauthorized sale or other disposal of school district furniture, fixtures, or equipment; or
- vi. Intentional alteration or misstatement in reporting of items such as employee expenses, vacation time, personal time, sick leave, overtime, or of other records such as licenses or in-service credits, etc.

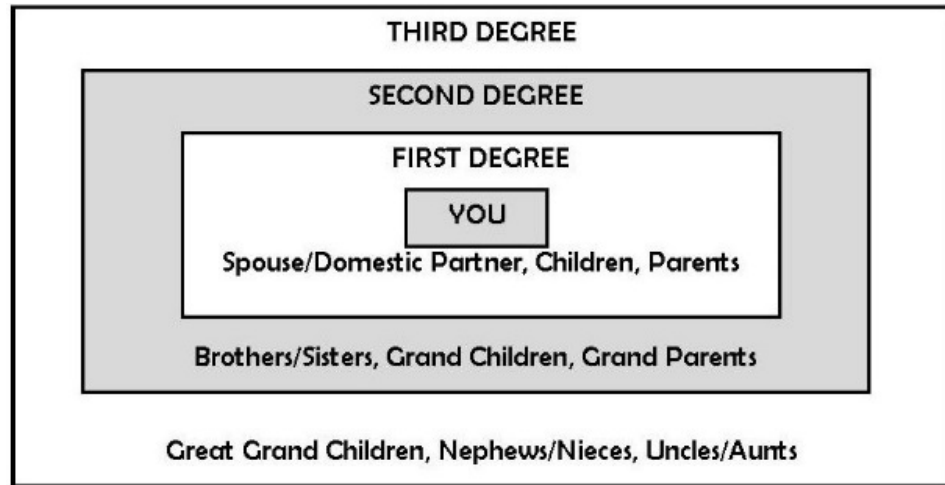
7. Acknowledgement and Compliance

- a. All District employees shall be responsible for compliance with Board Policy 4505, Standards of Professional Conduct, this regulation and any applicable state and federal laws and regulations. Failure to comply may result in disciplinary action.

- b. Staff shall, on an annual basis, acknowledge receipt and understanding of their responsibilities related to ethical standards and conflict of interest.

DEFINITIONS

- 1. Conflict of Interest is “[a] real or seeming incompatibility between one’s private interests and one’s public or fiduciary duties.” (Black’s Law Dictionary)
- 2. Consanguinity refers to a relationship by blood or law:
 - i. A husband and wife/domestic partners are related in the First Degree of Consanguinity by marriage.
 - ii. For other relationships by marriage, the degree of relationship is the same as the degree of underlying relationships by blood.
- b. Third Degree of Consanguinity



- 3. “Public employee” means any person who performs public duties under the direction and control of a public officer for compensation paid by the State or any county, city or other political subdivision. (NRS 281A.150)
- 4. Contract includes any contract, agreement, lease or other legal document between the District and another entity that involves the donation, lease, or sale of goods or services.
- 5. Compensation is any money, thing of value or economic benefit conferred on or received by any person in return for services rendered, personally or by another.

6. Nepotism and Cronyism

- a. Nepotism refers to favoritism granted to relatives regardless of merit
- b. Cronyism refers to partiality to friends or acquaintances

DESIRED OUTCOMES

1. Through implementation of this administrative regulation, the District seeks to encourage and strengthen the community's confidence related to financial stewardship of public funds by avoiding conflicts by and between its employees.

IMPLEMENTATION GUIDELINES & ASSOCIATED DOCUMENTS

1. This regulation reflects the goals of the District's Strategic Plan and aligns with the governing documents of the District, to include:
 - a. Board Policy 4505, Standards of Professional Conduct
2. This regulation complies with Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC), to include:
 - a. Chapter 281A, Ethics in Government
3. This regulation complies with the standards developed by the State of Nevada Commission on Ethics.
4. This regulation complies with federal laws and regulations, to include:
 - a. Title 34, Education, Conflict of Interest: Participation in a Project (34 CFR § 75.525)

REVIEW AND REPORTING

1. This administrative regulation shall be reviewed as part of the bi-annual review and reporting process, following each regular session of the Nevada Legislature. The Board of Trustees shall receive notification of any required changes to the guiding policy as well as an audit of the accompanying governing documents.
2. Additional administrative regulations and/or other associated documents may be developed as necessary to implement and support this administrative regulation.

REVIEW HISTORY

Date	Revision	Modification
6-6-1990	1.0	Adopted
10-27-1992	2.0	Revised
7-14-1998	3.0	Revised
12-19-2016	4.0	Revised: changed from Administrative Regulation 4111.4, added 3 rd degree of consanguinity