

**Policy Type: Governance Process****Board Member Conflict of Interest**

Board members are expected to avoid conflicts of interest involving any matter pending before the board. A conflict of interest is deemed to exist when a member is confronted with an issue in which the member has a personal or pecuniary interest or an issue or circumstance that could render the member unable to devote complete loyalty and singleness of purpose to the public interest.

Accordingly:

1. If a Board member has a direct personal or private interest in any matter pending before the Board, the member shall disclose such interest to the Board, shall not vote on the matter and shall not attempt to influence the decisions of other Board members.

If a Board member has an indirect personal or private interest, then that member may vote on the matter if he/she publicly acknowledges such interest prior to the vote. However, any member's pecuniary interest in the sale of items listed in T.C.A. §49-6-2003 to public schools in the state of Tennessee expressly prohibits that member from voting on those matters whether the interest is direct or indirect.

2. A member of the Board shall not also be an employee of the district, nor shall a member receive any compensation for services rendered to the district unless such compensation is set by the Metropolitan Council. This provision shall not prohibit members from receiving reimbursement for authorized expenses incurred during the performance of Board duties.
3. The Board shall not enter into any contract with any of its members or with a firm in which a member has a financial interest unless one or more of the following conditions apply:
  - a. The contract is awarded to the lowest responsible bidder based upon established competitive bidding procedures;
  - b. The board member is the highest bidder for merchandise sold at a public auction;
  - c. If the additional cost for the Board to make alternate contractual commitments would be greater than \_\_\_\_\_ percent of the amount of the

contract with the interested member, or if the contract is for services that must be performed within a limited time period and no other contractor is available to perform the services.

4. A Board member is expected to avoid conflict of interest in the exercise of the member's fiduciary responsibility. Accordingly, a Board member may not:
  - a. disclose or use confidential information acquired during the performance of official duties as a means to further the Board member's own personal financial interests or the interests of a member of the Board member's immediate family;
  - b. accept a gift of substantial value or economic benefit which would tend to improperly influence a reasonable person, or which the Board member knows or should know is primarily for the purpose of a reward for official action;
  - c. engage in a substantial financial transaction for private business purposes with a person whom the Board member directly or indirectly supervises;
  - d. perform an official act which directly confers an economic benefit on a business in which the Board member has a substantial financial interest or is engaged as a counsel, consultant, representative or agent.

Adopted: 4/22/03

**Monitoring Method: Board self-assessment**  
**Monitoring Frequency: Annually in March**

Metropolitan Nashville Board of Education