

## EMPLOYEE STANDARDS OF ETHICS

### **1. Declaration of Policy:**

It is the policy of the District that no employee shall have any interest, financial or otherwise, direct or indirect, or engage in any business transaction or professional activity or incur any obligation of any nature which is in substantial conflict with the proper discharge of his/her duties in the public interest. To implement this policy and to strengthen the faith and confidence of the citizens in the District, there are provided standards of conduct and disclosure requirements to be observed by persons owing a responsibility to the people of this District in the performance of their official duties. It is the intent of the Board that this policy shall serve not only as a guide for official conduct of these covered persons but also as a basis for discipline of those who refuse to abide by its terms.

### **2. Definitions: In this policy:**

- a. "Business Entity" means a sole proprietorship, partnership, firm, corporation, holding company, joint stock company, receivership, trust, or any other entity recognized in law through which business for profit is conducted.
- b. An individual has a "substantial interest" in a business entity if he:
  - 1) Has controlling interest in the business entity;
  - 2) Has ownership in excess of 10 percent of the voting interest in the business entity or in excess of \$25,000 of the fair market value of the business entity;
  - 3) Has any participating interest, either direct or indirect, by shares, stock, or otherwise, whether or not voting rights are included, in the profits, proceeds, or capital gains of the business entity in excess of 10% of them;
  - 4) Holds the position of a member of the board of directors or other governing board of the business entity;
  - 5) Serves as an elected officer of the business entity; or
  - 6) Is an employee of the business entity
- c. "Dependent child" means a person's natural child, adopted child or stepchild, if during the calendar year, the employee provides for 50% of

the child's support.

- d. An "employee" is any full-time or part-time, permanent or temporary employee of the District.
- e. The term "transact any business", as used in 3(e) of this policy, shall include the preparation of specifications, evaluation, recommendation, execution or administration of any purchase or contract for the purchase of goods or services by the District, other than Board-approved employment contracts.
- f. For the purpose of this policy, a substantial interest in a business entity of any employee's spouse or dependent child shall be deemed a substantial interest of the employee.

### **3. Standards of Conduct:**

- a. No employee shall accept or solicit any gift, favor, or service that might reasonably tend to influence him in the discharge of his official duties or that he knows or should know is being offered him with the intent to influence his official conduct.
- b. No employee shall use his official position to secure special privileges or exemptions for himself or others, except as may be otherwise provided by law.
- c. No employee shall accept other employment or engage in any business professional activity which he might reasonably expect would require or induce him to disclose confidential information acquired by him by reason of his employment with the District.
- d. No employee shall disclose confidential information gained by reason of his official position, nor shall he otherwise use such information for his personal gain or benefit.
- e. No employee shall transact any business in his official capacity with any business entity of which he is an officer, agent, or member, or in which he owns a substantial interest.
- f. No employee shall make personal investments in any enterprise which will create a substantial conflict between his private interests and the public interest.
- g. No employee shall accept other employment which might impair his independence of judgment in the performance of his public duties.

- h. No employee shall intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the employee's official powers or performed official duties in favor of another.

#### **4. Disclosure of Interest:**

- a. Certification of No Interest: Any employee engaged in the preparation of specifications, evaluation, recommendation, execution, or administration of any purchase or contract for the purchase of goods or services by the District (other than employment contracts) shall certify, in writing, that he does not have a substantial interest in any business entity which is a party to or receives direct financial benefit from the District's purchase or contract.
- b. Non-certification: If in any case an employee is or anticipates that he will be unable to make the certification prescribed in a. above, he shall immediately notify his immediate supervisor of such fact, identifying the business entity in which he has a substantial interest and the nature and extent thereof. Such employee shall immediately be removed from any involvement in the transaction, and the Chancellor shall take such other action as he may deem necessary to avoid a potential conflict of interest with regard to such transaction.
- b. Financial Statements: Any employee routinely involved in activities covered by this policy may, at his option, make a disclosure of his personal interest by filing the Chancellor (or, in the case of the Chancellor, with the Board) a financial statement substantially complying the content requirements of Section 4, Article 6252-9b, V.A.T.S. Any such statement shall be updated annually. The Chancellor may require the filing of such financial statement by an employee routinely or extensively involved in the type of business transactions contemplated by this policy.

#### **5. Instructional Materials:**

- a. The Chancellor shall establish procedures governing the required purchase by students of instructional materials (including textbooks, study guides, syllabi, and supplies) either (i) from District employees; or (ii) from which a District employee may receive direct financial benefit.
- b. An employee who believes he or she has or may have a conflict of interest shall disclose the interest to the Chancellor, College President, location chief administrator, or designee, who shall take whatever action is necessary, if any, to ensure that the District's best interests are protected.

**6. Non-compliance:**

- a. The failure of any employee to comply with one or more of the provisions of this policy which apply to him shall constitute grounds for termination of employment.