

NORTHEAST COMMUNITY COLLEGE POLICY MANUAL

SECTION 2 - BOARD OF GOVERNORS SUBSECTION 22 – DUTIES AND RESPONSIBILITIES

POLICY NUMBER: BP – 2225

CONFLICT OF INTEREST

1. POLICY REASON/PURPOSE/INTENT

To establish conflict of interest principles for members of the Board of Governors.

2. DEFINITIONS

- 2.1 Immediate Family – a child residing in an individual’s household, a spouse of an individual, or an individual claimed by that individual or that individual’s spouse as a dependent for federal income tax purposes.
- 2.2 Business with which the individual is associated or business association –a business:
 - 2.2.1 in which the individual is a partner, limited liability company member, director, or officer;
 - 2.2.2 in which the individual or a member of the individual’s immediate family is a stockholder of closed corporation stock worth \$1,000 or more at fair market value or which represents more than a 5% equity interest, or is a stockholder of publicly traded stock worth \$10,000 or more at fair market value or which represents more than a 10% equity interest, or
 - 2.2.3 which employs the individual or a member of the individual’s immediate family.

3. POLICY

- 3.1 The College Board of Governors recognized that members of the Board must avoid placing themselves in a position where their personal interests are or may be in conflict with their duties (BP-2210 Board Duties and Expectations) to the College.
- 3.2 Under express provisions of the Nebraska Political Accountability and Disclosure Act, or consistent with the principles of the Act, the following prohibitions and restrictions also apply to members of the Board of Governors:
 - 3.2.1 A Board member shall disclose any potential conflict(s) of interest when the Board member is required to take any action or make any decision in the discharge of their official duties that may cause financial benefit or detriment to themselves, to a member of their immediate family, or to a business with which they are associated, when the potential conflict is distinguishable from the

effects of the action on the public generally or a broad segment of the public. The Board member shall notify the Board Recording Secretary in writing of the potential conflict as soon as they become aware of it and shall abstain from voting on any matter in which the Board member has a conflict of interest.

- 3.2.2 A Board member may not employ or have an immediate family member in the employ of the College unless provided for by Nebraska Statute 49-1499.04 or unless the immediate family member was employed by the College prior to the election or appointment of the Board member to the Board. In the latter case, the Board member shall make a full disclosure of the immediate family member's employment status to the Board Secretary as soon as reasonably possible.
 - 3.2.3 A Board member may not solicit or accept anything of value, including a gift, loan, contribution, reward, or promise of future employment based on an agreement that a vote, official action, or judgment of the Board member would be influenced thereby.
 - 3.2.4 A Board member may not use or authorize the use of their public office or any confidential information received through the holding of a public office to obtain financial gain, other than compensation provided by law, for themselves, a member of their immediate family, or a business with which they are associated.
 - 3.2.5 A Board member may not use or authorize the use of public resources (i.e., College personnel, property, resources or funds) for the purpose of campaigning for or against the nomination or election of a candidate or the qualification, passage, or defeat of a ballot question, except as expressly allowed by law.
 - 3.2.6 Use of public resources by a Board member which is incidental or *de minimis* shall not be considered to violate subsection 3.2.4 or 3.2.5 above.
 - 3.2.7 A Board member, member of the immediate family of a Board member, or business with which the Board member or their immediate family member is associated, shall not enter into a contract with the College valued at \$2,000 or more in any one year unless the contract is awarded through an open and public process as described by law.
- 3.3 Each Board member will annually sign a conflict of interest statement at the January monthly meeting of the Board.

4. APPLICABILITY

N/A

EFFECTIVE DATE: 09/13/2018

ORIGINAL ADOPTION DATE: 01/12/1995 (item #7082) Policy 2035

REVISION DATE (AND BOARD OF GOVERNORS' MINUTES ITEM NUMBER): 02/09/1995
(Item #7106) replaced 2035; 12/12/2013 (Item #11363); 01/15/2015 (Item #11575);
09/13/2018 (Item #12356)

PRIOR POLICY/PROCEDURE NUMBER: 8035

SCHEDULE FOR REVIEW: 2023

DIVISIONS/DEPARTMENT RESPONSIBLE FOR REVIEW & UPDATE: Board/President

SPONSORING DIVISION/DEPARTMENT: Board of Governors

RESCINDED DATE: none

LEGAL REFERENCE: Political Accountability and Disclosure Act: State Statute 49-1499.04

CROSS REFERENCE: none

PROCEDURE(S) FOR POLICY: AP-2225.0

RELATED POLICIES/REFERENCES: BP-2210; BP-2220; BP-2221

POLICY KEY WORDS: board, conflict of interest