

ADMINISTRATIVE REGULATION 2710

SOUTH ORANGE COUNTY
COMMUNITY COLLEGE DISTRICT

BOARD OF TRUSTEES

CONFLICT OF INTEREST

I. ETHICAL RESPONSIBILITY

Board members hold positions of public trust and shall conduct themselves in a manner that promotes confidence in the integrity, impartiality, and transparency of District decision-making. Board members shall avoid actual conflicts of interest, potential conflicts of interest, and situations that could reasonably create the appearance of a conflict of interest. When questions arise regarding a potential conflict, Board members are encouraged to err on the side of disclosure and seek advice from District legal counsel.

II. INCOMPATIBLE ACTIVITIES

Board members and employees shall not engage in any employment or activity that is inconsistent with, incompatible with, in conflict with, or inimical to the Board member's duties as an officer of the District. A Board member shall not simultaneously hold two public offices that are incompatible. When two offices are incompatible, a Board member shall be deemed to have forfeited the first office upon acceding to the second.

III. FINANCIAL INTEREST

Board members and employees shall not be financially interested in any purchase or contract made by the Board or in any purchase or contract they make in their capacity as members of the Board or as employees.

Board members shall not be considered to be financially interested in a contract if their interest meets the definitions contained in applicable law.

Board members shall be deemed to be financially interested in a contract even if they have only a remote interest in the contract and even if the remote interest is disclosed during a Board meeting and noted in the official Board minutes.

If a Board member has a financial interest or remote interest, the affected Board member shall not vote or debate on the matter or attempt to influence any other member of the Board to enter into the contract. Remote interests are specified in Government Code Section 1091(b); they include, but are not limited to, the interest of a parent in the earnings of their minor child.

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Page 1 of 4

IV. NO EMPLOYMENT ALLOWED

Employees of the District may not be sworn in as an elected or appointed member of the Board unless and until they resign as an employee. If the employee does not resign, the employment will automatically terminate upon being sworn into office. This provision does not apply to an individual who is usually employed in an occupation other than teaching and who is also, at the time of election to the Board, employed part-time by the District to teach no more than one course per semester in the subject matter of that individual's occupation.

V. OUTSIDE EMPLOYMENT

Employees of the District shall not engage in any outside employment or self-employment, activity, or enterprise which is inconsistent, incompatible, or in conflict with or inimical to their District duties, functions, responsibilities, or that of the department in which they are employed by the District. In order to avoid perceived or actual conflicts of interest that may arise from outside employment, all employees must obtain written approval from the Vice Chancellor of Human Resources, or designee, prior to undertaking any outside employment which is inconsistent incompatible, or in conflict with or inimical to their District duties as described in this procedure.

VI. FINANCIAL INTEREST IN A DECISION

If Board members or employees determine that they have a financial interest in a decision, as described in Government Code Section 87103, this determination shall be disclosed and made part of the Board's official minutes. In the case of an employee, this announcement shall be made in writing and submitted to the Board. Board members, upon identifying a conflict of interest, or a potential conflict of interest, shall do all of the following prior to consideration of the matter.

- Publicly identify the financial interest in detail sufficient to be understood by the public;
- Recuse themselves from discussing and voting on the matter;
- Leave the room until after the discussion, vote, and any other disposition of the matter is concluded unless the matter is placed on the agenda reserved for uncontested matters. A Board member may, however, discuss the issue during the time the general public speaks on the issue.

In circumstances where a Board member does not have a financial interest requiring recusal but reasonably believes that an objective observer could perceive the matter as creating a conflict of interest or impairing impartial judgment, the Board member should publicly disclose the relationship or circumstance. Such disclosure supports transparency and helps maintain public confidence in the integrity of Board deliberations.

VII. GIFTS

Board members and any employees who manage public investments shall not accept from any single source in any calendar year any gifts in excess of the prevailing gift limitation specified in law.

Designated employees shall not accept from any single source in any calendar year any gifts or the accumulation of gifts in excess of the prevailing gift limitation specified in law if the employee would be required to report the receipt of income or gifts from that source on their statement of economic interests.

The above limitations on gifts do not apply to wedding gifts and gifts exchanged between individuals on birthdays, holidays, and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value.

Gifts of travel and related lodging and subsistence shall be subject to the above limitations except as described in Government Code Section 89506.

A gift of travel does not include travel provided by the District for Board members and designated employees.

Board members and any employees who manage public investments shall not accept any honorarium, which is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering.

Designated employees shall not accept any honorarium that is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering, if the employee would be required to report the receipt of income or gifts from that source on their statement of economic interests. The term "honorarium" does not include:

- Earned income for personal services customarily provided in connection with a bona fide business, trade, or profession unless the sole or predominant activity of the business, trade, or profession is making speeches.
- Any honorarium that is not used and, within 30 days after receipt, is either returned to the donor or delivered to the District for donation into the general fund without being claimed as a deduction for income tax purposes.

VIII. REPRESENTATION

Elected officials and the Chancellor shall not, for a period of one-year after leaving their position, act as an agent or attorney for, or otherwise represent for compensation, any person appearing before that local government agency.

IX. STATEMENT OF ECONOMIC INTERESTS (FORM 700)

In accordance with Board Policy and Administrative Regulation 2712 – *Conflict of Interest Code*, Board members shall file a Statement of Economic Interest form within 30 days of “assuming” or “leaving” office.

Board members shall also file an “annual” Statement of Economic Interest form.

X. CONTRACTS SUPPORTED BY FEDERAL FUNDS

No Board member, employee, or agent of the District 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 would arise when the Board member, employee, or agent, any member of their immediate family, their partner, or an organization that 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, employees, and agents of the District 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, employees, or agents of the District.

XI. DISPOSITION OF DISTRICT PROPERTY

Board members may not buy property declared surplus.

References:

Government Code Sections 1090 et seq., 1091.5, 1099, 1126, 87100 et seq., 87200-87210, 87406.3, 89501, 89502, 89503, and 89506
California Code of Regulations, Title 2, Sections 18700 et seq.
Education Code Section 72103(b)
2 Code of Federal Regulations Part 200-318 (c)(1)

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