

Board Member Ethics and Conflicts of Interest

1. Definitions

“Gift” means something of economic value given to a public official or the public official’s relative without valuable consideration of equivalent value, including the full or partial forgiveness of indebtedness, which is not extended to others who are not public officials or the relatives of public officials on the same terms and conditions; and something of economic value given to a public official or the public official’s relative for valuable consideration less than that required from others who are not public officials. However, “gift” does not mean:

- a. Campaign contributions, as described in ORS chapter 260;
- b. Gifts from family members;
- c. The giving or receiving of food, lodging and travel when participating in an event which bears a relationship to the public official’s office and when appearing in an official capacity, subject to the reporting requirement of ORS 244.060 (6);
- d. The giving or receiving of food or beverage if the food or beverage is consumed by the public official or the public official’s relatives in the presence of the purchaser or provider thereof;
- e. The giving or receiving of entertainment if the entertainment is experienced by the public official or the public official’s relatives in the presence of the purchaser or provider thereof and the value of the entertainment does not exceed \$ 50 per person on a single occasion and is not greater than \$250 in any one calendar year.

“Honoraria” means a payment or something of economic value given to a public official in exchange for services upon which custom or propriety prevents the setting of a price. Services include, but are not limited to, speeches or other services rendered in connection with an event at which the public official appears in an official capacity.

“Income” means income of any nature derived from any source, including, but not limited to, any salary, wage, advance, payment, dividend, interest, rent, honoraria, return of capital, forgiveness of indebtedness or anything of economic value.

“Legislative or administrative interest” means an economic interest, distinct from that of the general public, in one or more bills, resolutions, regulations, proposals or other matters subject to the action or vote of a person acting in the capacity of a public official.

“Legislative official” means any member or member-elect of the Legislative Assembly, any member of an agency, board or committee that is part of the legislative branch and any staff person, assistant or employee thereof.

“Member of household” means any relative who resides with the public official.

“Planning commission” means a county planning commission created under ORS chapter 215 or a city planning commission created under ORS chapter 227.

“Public official” means any person who, when an alleged violation of this chapter occurs, is serving the state of Oregon or any of its political subdivisions or any other public body of the state as an officer, employee, agent or otherwise, and irrespective of whether the person is compensated for such services.

“Statement of economic interest” means a statement as described by ORS 244.060 to 244.080.

2. Conflict of Interest Disclosure Form

- a. Although Board members are not required to file an annual “Statement of Economic Interest” as more fully enumerated in ORS 244.050, it is the practice of the district that its Board members file a similar document to help ensure the Board’s actions comply with the provisions of ORS 244.040, are binding, appropriately transparent, and for the public’s benefit.
- b. Annually, at the start of each fiscal year, but no later than September 1 of each fiscal year, each Board member shall file with the executive secretary the attached “Conflict of Interest Disclosure Form.” Said form shall be made available for inspection to any member of the public upon reasonable advance notice during district regular business hours.

3. Procedures for Addressing Actual or Potential Conflict of Interest

In addition to the filing of the aforementioned Disclosure Form, the following procedures shall be followed when a Responsible Person has an actual or potential conflict of interest with a contract or transaction under Board discussion or deliberation:

- a. Prior to Board action on a contract or transaction involving a conflict of interest, a Responsible Person who has a conflict of interest and who is in attendance at the meeting shall disclose all facts material to the conflict of interest. Such disclosure shall be reflected in the minutes of the meeting.
- b. A Responsible Person who does not plan to attend a meeting at which he or she has reason to believe that the Board will act on a matter in which the responsible person has a conflict of interest shall disclose to the chair of the meeting all facts material to the conflict of interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting. If the responsible person having the conflict of interest is the chair, then the required disclosure shall be made to, and the required report to the board shall be made by, the vice chair.
- c. A responsible person who has a conflict of interest shall not participate in the Board’s discussion of the matter except to disclose material facts and to respond to questions. Such Responsible Person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- d. The Board member having a conflict of interest may not vote on the contract or transaction unless the Board member is otherwise eligible to vote and the Board member’s vote is necessary to meet a requirement of a minimum number of votes to take official action. The Board member may not participate in any discussion or debate on the issue out of which the

conflict arises. The Board member's eligibility or ineligibility to vote and the reasons therefore shall be reflected in the minutes of the meeting.

- e. If it is not entirely clear whether or not a conflict of interest exists, then the responsible person with the potential conflict shall disclose the circumstances to the chair or the chair's designee, who shall consult with legal counsel, as appropriate, to determine whether there exists a conflict of interest that is subject to this regulation.

4. Voting on Contracts or Transactions Involving Conflict of Interest

A contract or transaction involving a conflict of interest may be approved by the Board if the material facts as to the contract or transaction and the conflict of interest are fully disclosed or known to the Board and the Board approves the contract or transaction in good faith by the affirmative vote (without counting the interested Board member) of a majority of the entire Board at a meeting at which there is a quorum present, again without counting the interested Board member unless that Board member's vote is necessary as above therein.