

**Definitions**

For purposes of this policy, the following definitions apply:

“Business” means any form of business organization, including but not limited to, a sole proprietorship, any form of partnership or corporation, limited liability companies, nonprofit organizations and beneficial interests in trusts except for disclosed blind trusts. Ownership is measured by stock ownership (either voting power or value) of a corporation, profits or capital interest in a partnership or limited liability company, membership interest in a nonprofit organization or beneficial interest in a trust. Ownership includes indirect ownership (e.g., ownership in an entity that has ownership in the entity in question); there may be ownership through multiple tiers of entities.

“Direct or indirect pecuniary interest or participation” means involvement through decision, approval, disapproval, recommendation, or formulation of any part of a purchase request, influencing the content of any specification, investigation, auditing or the rendering of advice in connection with procurements or other matters requiring official Board action.

“Financial interest” means:

- A. holding a position in a business as officer, director, trustee or partner or holding any position in management; or
- B. ownership of more than five percent (5%) interest in a business.

“Immediate family member” means the spouse, father, father-in-law, mother, mother-in-law, son or daughter (whether natural or adopted), son-in-law, daughter-in-law, brother, brother-in-law, sister or sister-in-law of a Board member.

**Prohibited Business Relationships**

Except as provided in the New Mexico Procurement Code, NMSA 1978 §§ 13-1-1, et seq. and Public School Code § 22-5-6 and §§ 22-21-1 through 22-21-2, a Board member shall not have any direct or indirect pecuniary interest or participation in a contract with the District, nor shall a Board member furnish directly or indirectly any labor, equipment, services or supplies to the District.

It shall be unlawful for a Board member to participate directly or indirectly in a procurement when the Board member knows that the Board member or any member of the Board member’s immediate family has a financial interest in the business seeking or obtaining a contract.

Each Board member shall annually complete a Conflict of Interest Statement for filing with the District which reports the Board member's family relationships and business relationships which may constitute a conflict of interest.

**Nepotism Prohibited.**

The Superintendent shall not initially employ nor shall a Board member recommend for initial employment, in any capacity, a person who is within an immediate family relationship with a member of the Board. This provision shall not apply to prohibit the continued employment of a person employed on or before July 1, 2008.

**Waiver of Conflicts of Interest.**

The Board may waive any conflict of interest in procurement prohibited by New Mexico Procurement Code §§ 13-1-190 and 13-1-1923 upon making a determination that:

- A. the contemporaneous employment or financial interest of the Board member has been publicly disclosed;
- B. the Board member will be able to perform his procurement functions without actual or apparent bias or favoritism; and
- C. the Board member's participation is in the best interests of the District.

References:

NMSA 1978 §§ 13-1-1 et seq.,  
§ 22-5-6, §§ 22-21-1 through 22-21-2  
6.10.7 NMAC, 6.10.8 NMAC