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Board of Trustees' Standards of Conduct

As a public body, the Board of Trustees of the ERFC is governed by the laws of the Commonwealth of Virginia, the Board of Supervisors of Fairfax County, and the School Board of Fairfax County. In regard to conduct of Board members, Virginia Code sections 2.2-3103.1 (Certain Gifts Prohibited) and 2.2-3103 (Prohibited Conduct) and School Board Policy 4430.5 (Conflict of Interest) are the required guidelines under which a Trustee must operate.

For the sake of clarity the following guidelines have been adopted by the Board of Trustees to assist individual Trustees to operate within both these laws and the fiduciary standards commensurate with the position of trustee. Because retirement issues and the investing of funds are not the normal realm of local and state government, the laws do not define clearly some of the relationships that are required to do due diligence and to gain the knowledge required of Trustees. It is the expectation, however, that each Trustee shall adhere to the highest fiduciary standards and not simply the letter of the law.

In order to assure that Trustees' actions are free from conflicts of interest, as well as an unacceptable perception of a conflict of interest, the general rule is that Trustees and members of their immediate families may not solicit or accept gifts from persons described in paragraph 2, unless an exception described in paragraphs 2-4 applies. "Gifts" and "immediate families" are defined in paragraph 1. In addition, certain gifts that may be accepted must be disclosed to the Board of Trustees, as described in paragraph 5.

1. Definitions. These terms are defined as follows for purposes of these Standards of Conduct:

- a. **Gift.** A gift means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value, for which the Trustee neither paid nor rendered services in exchange. It includes services as well as gifts of transportation, travel, lodgings and meals, whether provided in-kind, by purchase of a ticket, payment in advance or reimbursement after the expense has been incurred. It does **not** include:
 - i. an offer of a ticket, coupon, admission or pass that is not used;
 - ii. an honorary degree;

- iii. a scholarship or financial aid awarded by a public or private school, institution of higher education, or other educational program pursuant to such institution's financial aid standards and procedures applicable to the general public;
 - iv. a campaign contribution properly received and reported pursuant to Virginia Code §§24.2-945 *et seq.*;
 - v. any gift related to the private profession or occupation of a Trustee or the private profession or occupation of a member of the Trustee's immediate family, or to the volunteer service of a Trustee or a member of the Trustee's immediate family;
 - vi. food or beverages consumed while attending an event at which a Trustee is performing official duties related to ERFC;
 - vii. food or beverages consumed at, or registration or attendance fees waived, for any event at which a Trustee is a featured speaker, presenter, or lecturer;
 - viii. attendance at a reception or similar function serving only food and beverages "that can be conveniently consumed by a person while standing or walking";
 - ix. unsolicited awards of appreciation or recognition in the form of a plaque, trophy, wall memento, or similar item that a Trustee receives in recognition of the Trustee's public, civic, charitable, or professional service; or
 - x. gifts from relatives or personal friends.
- b. **Relative**. A relative includes the Trustee's spouse or a person to whom the Trustee is engaged to be married; a child, parent, step-parent, grandparent, step-grandparent, grandchild, or step-grandchild of the Trustee or the Trustee's spouse; and the Trustee's brother, step-brother, sister, step-sister, niece, nephew, aunt, uncle, brother-in-law, sister-in-law, son-in-law, daughter-in-law, or first cousin.
- c. **Immediate Family**. Immediate family includes the Trustee's spouse and any other person who resides in the Trustee's household and is a dependent of the Trustee.
- d. **Personal Friend**. Four factors will be considered when determining whether a donor is a personal friend of a Trustee: (i) the circumstances under which the gift was offered; (ii) the history of the relationship between the Trustee and the donor, including the nature and length of the friendship and any previous exchange of gifts between them; (iii) to the extent known to the Trustee, whether the donor personally paid for the gift or sought a tax deduction or business reimbursement for the gift; and (iv) whether the donor has given the same or similar gifts to other persons required to file the disclosure form prescribed under certain sections of the Virginia Code.
- e. **Widely Attended Event**. A "widely attended event" is defined as an event which at least 25 persons have been invited to attend, or are expected to attend, and which is open to people who (i) are members of a public, civic, charitable, or

professional organization; (ii) are from a particular industry or profession; or (iii) represent persons interested in a particular issue. In general, if the Board or a Trustee is attending a convention or meeting at which a service provider sponsors an event such as a meal or golf outing for the entire attendance at the conference, it will be considered a widely attended event.

2. Gifts and Entertainment Generally. Trustees and members of their immediate families shall not solicit, accept, or receive gifts with a cumulative value in excess of \$100 in a calendar year from any person that the Trustee knows or has reason to know is a party to a contract with ERFC or is a service provider who would want to become a party to a contract with ERFC (including an officer, employee, or owner of an organization that is party to a contract or would want to become party to a contract with ERFC), or a person who is registered as a lobbyist in Virginia or is the principal of such a registered lobbyist. Gifts with a value of less than \$20 are not subject to aggregation for purposes of the \$100 limit. As an exception, gifts from a personal friend may be accepted in excess of the \$100 limit if they are made on the basis of personal friendship, even though the personal friend is a person that the Trustee knows or has reason to know is a party to a contract with ERFC or is a service provider who would want to become a party to a contract with ERFC (including an officer, employee, or owner of an organization that is party to a contract or would want to become party to a contract with ERFC), or a person who is registered as a lobbyist in Virginia or is the principal of such a registered lobbyist. In addition to the \$100 limit, Trustees shall not solicit or request gifts of material value, including travel or entertainment, that exceed normal and proper business practices nor gratuities that single them out for special favor. For example, Trustees as a Board or as individuals will not accept golf weekends, Super Bowl tickets, etc. A nominal gift from a business, tokens of business identification, or a standard holiday gift given by a business to its clients may be accepted from any source, if it is consistent with the annual \$100 limit. In accepting any such item, it must be clear to the Trustee and the business provider that there is absolutely no indebtedness established by such a token.

3. Invitations from Service Providers. Trustees are invited on occasion to dinners and special events sponsored by businesses that are current service providers or that in the future may be interested in providing services to the Board (but are not actively competing for selection). Trustees may attend, provided that these events are within normal business practices and are for the purpose of better knowing the providers and the services they offer, but only if the value of the food and beverages (or other event costs) per person is consistent with the annual \$100 limit, or if the dinner or special event is a widely attended event. In all cases, it must be clear to prospective service providers that attending the event in no way binds or indebts the Trustees. In general, solicitations to a Trustee by vendors should be referred to the Executive Director/CIO.

4. Invitations from Service Providers that are Actively Seeking Business from ERFC. Trustees should be especially careful in their contact with providers that are actively seeking to do business with ERFC. A Trustee may attend a reception or dinner sponsored by such a prospective provider at a conference or similar meeting, if the value of the reception or dinner is consistent with the annual \$100 limit, or if the reception or dinner is a widely attended event. Trustees, however, must avoid any grounds for an appearance that by accepting a gift, meal, or entertainment they may be unable to vote

impartially on the selection in the interest of ERFC members and beneficiaries. If a Trustee participates in a meeting with such a prospective provider at which the entire Board is not present, such Trustee shall disclose all meetings with such groups to the Board.

5. Reporting of Gifts. Trustees shall report to the Board the following gifts valued in excess of \$100:

- A gift of food, beverages, entertainment, or cost of admission received in connection with a widely attended event.
- A gift from a foreign dignitary provided that the gift is accepted on behalf of the locality and is archived in accordance with established guidelines.

Trustees may use the "Report of Receipt of Gifts" form to report the gift to the Board. The Executive Director/CIO may report on behalf of all Trustees any gifts made to the entire Board, including, for example, sponsorship of a Board reception by a current service provider.

6. Speaking on Behalf of the Board.

- a. The Chairperson of the Board has the authority to represent the Board as appropriate and serve as spokesperson for the Board in announcing Board-stated decisions. The Chairperson may delegate this authority to other Trustees or the Executive Director/CIO when appropriate, but the Chairperson remains accountable for such delegation. When the Chairperson or any person with delegated authority speaks on behalf of the Board, he or she will communicate only explicitly-stated Board decisions.
- b. Trustees are entitled to express themselves publicly on any matter, including issues involving the Board and the school district. Individual Trustees cannot, however, express the position of the Board except as expressly authorized in paragraph (a). A Trustee shall not represent his/her personal opinion as the position of the Board and shall include in all formal expressions in which his/her Board affiliation is likely to be recognized, such as letters to government officials or newspapers, speeches to organizations, public testimony, and the like, a statement that the opinions expressed do not necessarily represent those of the Board.

7. These Standards of Conduct shall be reviewed annually by the members of the Board of Trustees at their organizational meeting.

The undersigned does hereby acknowledge that he/she has read these Standards of Conduct and FCPS School Board Policy 4430.5, that he/she is bound by both these Standards of Conduct and Policy 4430.5, and that he/she will act in accordance with them.

Name

Date

Board of Trustees Report of Receipt of Gifts

Pursuant to the Board of Trustees' Standards of Conduct, this form may be used to report gifts, as defined in the Standards of Conduct, received by a Trustee or a member of the Trustee's immediate family.

Trustee name: _____

I, or a member of my immediate family, received the following gift(s) from the individual, business, or organization identified below:

Name of person who received the gift:

(Name)

Name of individual, business, or organization who gave the gift:

(Name)

(City and state where individual, business, or organization is located)

Tangible Gift

Date tangible gift received: _____

Please describe the gift:

Approximate value:

Meal

Date intangible gift received: _____

Please describe the meal:

Approximate value:

Board of Trustees Report of Receipt of Gifts

Entertainment

Date intangible gift received: _____

Please describe the entertainment:

Approximate value:

Tickets

Date intangible gift received: _____

Please describe the tickets:

Approximate value:

Other

Date intangible gift received: _____

Please describe:

Approximate value:
