

# POLICY

## BOARD OF EDUCATION OF ANNE ARUNDEL COUNTY

**Related Entries:** DEC, DEC-RA

**Responsible Office:** BOARD OF EDUCATION OF ANNE ARUNDEL COUNTY AND OFFICE OF THE SUPERINTENDENT

### ETHICS AND CONFLICT OF INTEREST

#### A. PURPOSE

This document may be cited as the Board of Education of Anne Arundel County Ethics Policy.

#### B. ISSUE

1. The Board of Education of Anne Arundel County (Board), recognizing that our system of representative government is dependent in part upon the people maintaining the highest trust in their public officials and their employees, finds and declares that the people have a right to be assured that the impartiality and independent judgment of public officials and employees shall be maintained.
2. It is evident that this confidence and trust is eroded when the conduct of public business is subject to improper influence and even the appearance of improper influence.
3. For the purpose of guarding against improper influence, the Board adopts this ethics policy to require school officials and employees to disclose their financial affairs and to set minimum standards for the conduct of school system business.
4. It is the intention of the Board that this policy be liberally construed to accomplish this purpose.

#### C. DEFINITIONS

In this policy, the following terms have the meanings indicated:

1. **Board** – the Board of Education of Anne Arundel County.
2. **Business Entity** – a corporation, general or limited partnership, sole proprietorship, joint venture, unincorporated association or firm, institution, trust, foundation, or other organization, whether or not operated for profit. “Business Entity” does not include a governmental entity.

3. **Compensation** – any money or thing of value, regardless of form, received or to be received by any individual covered by this policy from an employer for services rendered. For the purposes of Part 4. of this chapter, if lobbying is only a portion of a person’s employment, “compensation” means a prorated amount based on the time devoted to lobbying compared to the time devoted to other employment duties.
4. **Doing Business With** –
  - a. Having or negotiating a contract that involves the commitment, either in a single or combination of transactions, of \$100.00 or more of school system funds;
  - b. Being subject to the authority of the school system; or
  - c. Being registered as a lobbyist under this policy.
5. **Designated Second Home** –
  - a. If an individual owns one second home, the individual’s second home; or
  - b. If an individual owns more than one second home, any one second home the individual identifies to the Board of Education of Anne Arundel County Ethics Panel as the individual’s designated second home.
6. **Employee** – an employee of the Board or the school system, including the Superintendent.
7. **Financial Interest** –
  - a. Ownership of any interest as the result of which the owner has received within the past 3 years or is presently receiving, or in the future is entitled to receive, more than \$1,000 per year; or
  - b. Ownership, or the ownership of securities of any kind representing or convertible into ownership, of more than three percent of a business entity by an official or the spouse of an official.
8. **Gift** – the transfer of anything of economic value, regardless of the form, without adequate and lawful consideration. “Gift” does not include political campaign contributions regulated under the Elections Law Article of the Annotated Code of Maryland, or any other provision of State or local law regulating the conduct of elections or the receipt of political campaign contributions.
9. **Home Address** – the address of an individual’s principal home and designated second home, if any.
10. **Immediate Family** – a spouse and dependent children.

11. **Interest** – a legal or equitable economic interest, whether or not subject to an encumbrance or a condition, that is owned or held, in whole or in part, jointly or severally, directly or indirectly. For the purposes of Part 3. of this policy, “interest” includes any interest held at any time during the reporting period. Interest does not include:
- a. An interest held in the capacity of a personal agent, custodian, fiduciary, personal representative, or trustee, unless the holder has an equitable interest in the subject matter;
  - b. An interest in a time or demand deposit in a financial institution;
  - c. An interest in an insurance policy, endowment policy, or annuity contract under which an insurer promises to pay a fixed amount of money either in a lump sum or periodically for life or a specified period;
  - d. A common trust fund or a trust which forms part of the pension or profit sharing plan which has more than 25 participants and which has been determined by the Internal Revenue Service to be a qualified trust under the Internal Revenue Code;
  - e. A college savings plan under the Internal Revenue Code; or
  - f. A mutual fund or exchange-traded fund that is publicly traded on a national scale unless the mutual fund or exchange-traded fund is composed primarily of holdings of stocks and interests in a specific sector or area that is regulated by the individual’s governmental unit.
12. **Lobbying** –
- a. Communicating in the presence of an official with the intent to influence any official action of that official; and
  - b. Spending over \$100.00 for food, entertainment, or other gifts during the calendar year in connection with the communication or intent to influence; or
  - c. Engaging in activities having the express purpose of soliciting others to communicate with an official with the intent to influence that official; and
  - d. Spending over \$100.00 in connection with the activities or intent to influence.
13. **Lobbyist** – a person required to register and report expenses relating to lobbying under Part 4. of this policy.
14. **Member of the Board** – a member of the Board of Education of Anne Arundel County.

15. **Official** – a member of the Board of Education of Anne Arundel County, an employee of the Board of Education of Anne Arundel County, and the Superintendent.
16. **Panel** – the Board of Education of Anne Arundel County Ethics Panel, established under section D. 1. a. of this policy.
17. **Person** – an individual or business entity.
18. **Principal Home** – the sole residential property that an individual occupies as the individual’s primary residence, whether owned by the individual or in which the individual is a tenant or otherwise resides.
19. **Qualified Relative** – a spouse, parent, child, or sibling.
20. **Quasi-Governmental Entity** – an entity that is created by State statute, performs a public function, and is supported in whole or in part by the State but is managed privately.
21. **Second Home** – a residential property that an individual occupies for some portion of the filing year and is not a rental property or a time share.
22. **School System** – the educational system under the authority of the Board of Education of Anne Arundel County.

## **D. POSITION**

### **Part 1. Ethics Panel**

1. a. There is a Board of Education of Anne Arundel County Ethics Panel (Panel) that consists of five members appointed by the Board.
  - b. The Panel members shall serve 3-year overlapping terms.
  - c. A Panel member may serve until a successor is appointed and qualifies.
2. a. The Panel shall elect a chair from among its members.
  - b. The term of the chair is 1 year.
  - c. The chair may be re-elected.
3. a. The Board Attorney shall assist the Panel in carrying out its duties.
  - b. If a conflict of interest under Part 2. of this section or another conflict prevents the Board Attorney from assisting the Panel in a specific matter:

- i. The Panel shall identify other counsel to assist the Panel in the matter; and
  - ii. The Board shall provide sufficient funds to hire counsel.
4. The Panel is the advisory board responsible for interpreting this policy and advising persons subject to this policy regarding its application.
5. The Panel shall implement a public information and education program regarding the purpose and implementation of this policy.
6. The Panel, assisted by the Superintendent and the Executive Assistant to the Board, shall be the custodians of all forms submitted by any person under this policy.
7.
  - a. Any official, employee, or other person subject to this policy may request an advisory opinion from the Panel concerning the application of this policy.
  - b. The Panel shall respond promptly to a request for an advisory opinion and shall provide interpretations of this policy within 60 days of the request, based on the facts provided or reasonably available to the Panel.
  - c. In accordance with applicable State laws regarding public records, the Panel shall publish or otherwise make available to the public copies of the advisory opinions with the identities of the individuals who are the subjects of the opinions deleted.
8.
  - a. Any person may file a complaint with the Panel alleging a violation of any of the provisions of this policy.
  - b. A complaint shall be in writing and under oath and be submitted to the Ethics Panel via the Board Office in accordance with procedures provided upon request by the Executive Assistant to the Board.
  - c. The Panel may refer a complaint to the Board Attorney or other legal counsel, if appropriate, for review and investigation.
  - d. If the Panel determines that there are insufficient facts upon which to base a determination of a violation, the Panel shall recommend to the Board that the complaint be dismissed.
  - e. If there is a reasonable basis for believing that a violation has occurred, the subject of the complaint shall be given an opportunity for a hearing conducted by the Panel in a manner not inconsistent with the applicable provisions of the Board's *Rules of Procedure for Appeals*.
  - f.
    - i. A respondent may propose a settlement or cure to the Panel before a hearing.
    - ii. If the Panel determines that a proposed settlement or cure is consistent with

the purposes of this policy, the Panel shall recommend that the Board accept the proposed settlement or cure.

- iii. If the Board concurs with the recommendation of the Panel, the Board shall accept the proposed settlement or cure.
- g. The Panel’s findings of a violation resulting from a hearing shall include findings of fact and conclusions of law.
- h. The Panel shall report its findings and recommendations for action to the Board.
- i. If the Board concurs with the findings of a violation and recommendations of the Panel, the Board may take enforcement action as authorized in this policy.
- j. The Board may dismiss a complaint:
  - i. On the recommendation of the Panel; or
  - ii. If the Board disagrees with a finding of a violation by the Panel.
- k. i. After a complaint is filed and until a final determination by the Board, all actions regarding a complaint are confidential; provided, however, that upon request of the respondent or the respondent’s legal representative, the Panel shall disclose the identity of the complainant to the respondent or the respondent’s legal representative. In the event of such disclosure, the respondent or the respondent’s legal representative may not redisclose any information about the complainant’s identity to any other party.
- ii. Concurrence by the Board with the finding of a violation by the Panel is public information.
- l. i. Members of the Panel may be suspended or removed from the Panel for just cause as determined by the Board.
- ii. The Board may suspend Panel members for just cause as determined by the Board.
- iii. The Board may remove and replace Panel members in the event of:
  - a) Death;
  - b) Resignation; or
  - c) Just cause, as determined by the Board.

## Part 2. Prohibited Conduct and Interests

### 1. Participation

- a. Except as permitted by Board regulations or in the exercise of an administrative or ministerial duty that does not affect the disposition or decision in the matter, an official may not participate in:
  - i. Any matter in which, to the knowledge of the official, the official or a qualified relative of the official has an interest; or
  - ii. Any matter in which any of the following is a party:
    - a) A business entity in which the official has a direct financial interest of which the official may reasonably be expected to know;
    - b) A business entity for which the official or a qualified relative of the official is an officer, director, trustee, partner, or employee;
    - c) A business entity with which the official or, to the knowledge of the official, a qualified relative of the official is negotiating or has any arrangement concerning prospective employment;
    - d) A business entity that is a party to an existing contract with the school official or which, to the knowledge of the official, a qualified relative of the official, if the contract reasonably could be expected to result in a conflict between the private interests of the official and the school system or Board duties of the official;
    - e) An entity doing business with the Board or school system, in which a direct financial interest is owned by another entity in which the official has a direct financial interest, if the official may be reasonably expected to know of both direct financial interests; or
    - f) A business entity that:
      - i) The official knows is a creditor or obligee of the official or a qualified relative of the official with respect to a thing of economic value; and
      - ii) As a creditor or obligee, is in a position to directly and substantially affect the interest of the official or qualified relative of the official.
- b. An official who is disqualified from participating under this subsection shall disclose the nature and circumstances of the conflict and it may participate or act if:

- i. The disqualification leaves a body with less than a quorum capable of action;
  - ii. The disqualified official is required by law to act; or
  - iii. The disqualified official is the only person authorized to act.
- c. The prohibitions established in Part 2. of this section do not apply if participation is allowed by opinion of the Panel.
- d. A former regulated lobbyist who is or becomes subject to this policy as an employee or official, other than a member of the Board, may not participate in a case, contract, or other specific matter as an employee or official, other than a member of the Board, for 1 calendar year after the termination of the registration of the former regulated lobbyist if the former regulated lobbyist previously assisted or represented another party for compensation in the matter.

## **2. Employment and Financial Interests**

- a. Except as permitted by regulation of the Board when the interest is disclosed and when the employment does not create a conflict of interest or appearance of a conflict of interest as determined by the Panel, an official may not:
- i. Be employed by or have a financial interest in an entity that is:
    - a) Subject to the authority of the school system or Board; or
    - b) Negotiating or has entered a contract with the school system or Board; or
  - ii. Hold any other employment relationship that would impair the impartiality or independence of judgment of the official.
- b. This prohibition does not apply to:
- i. An official whose duties are ministerial, if the private employment or financial interest does not create a conflict of interest or the appearance of a conflict of interest, as permitted in accordance with policies or regulations adopted by the Board;
  - ii. Subject to other provisions of policy, regulation and law, a member of the Board in regard to a financial interest or employment held at the time of the oath of office, if the financial interest or employment was disclosed on the financial discloser statement filed with the certificate of candidacy to be a candidate to be a member of the Board; or
  - iii. Employment of financial interest allowed by opinion of the Panel if the



employment does not create a conflict of interest or the appearance of a conflict of interest or the financial interest is disclosed.

### 3. **Post-employment**

A former official may not assist or represent any party other than the Board or school system for compensation in a case, contract, or other specific matter involving the Board or the school system if that matter is one in which the former official significantly participated as an official.

### 4. **Contingent Compensation**

Except in a judicial or quasi-judicial proceeding, an official may not assist or represent a party for contingent compensation in any matter before or involving the Board or the school system.

### 5. **Use of Prestige of Office**

- a. i. An official may not intentionally use the prestige of office or public position:
  - a) For the private gain of that official or the private gain of another; or
  - b) To influence, except as part of the official duties of the official or as an usual and customary constituent service by a member of the Board without additional compensation, the award of a State or local contract to a specific person.
- ii. An official may not directly or indirectly initiate a solicitation for a person to retain the compensated services of a particular regulated lobbyist or lobbying firm.
- b. This subsection does not prohibit the performance of usual and customary constituent services by a member of the Board without additional compensation.
- c. i. An official, other than a member of the Board, may not use public resources or the title of the official to solicit a contribution as that term is defined in the Election Law Article.
- ii. A member of the Board may not use public resources to solicit a contribution as that term is defined in the Election Law Article.

### 6. **Gifts**

- a. An official may not solicit any gift.
- b. An official may not directly solicit or facilitate the solicitation of a gift, on behalf

of another person, from an individual lobbyist.

- c. An official may not knowingly accept a gift, directly or indirectly, from a person that the official knows or has reason to know:
  - i. Is doing business with or seeking to do business with the school system or Board;
  - ii. Is subject to the authority of the school system;
  - iii. Is a lobbyist with respect to matters within the jurisdiction of the official;
  - iv. Has financial interests that may be substantially and materially affected, in a manner distinguishable from the public generally, by the performance or nonperformance of the school system duties of the official; or
  - v. Is an association, or any entity acting on behalf of an association, that is engaged only in representing counties or municipal corporations.
- d. i. An official may not accept a gift:
  - a) That would tend to impair the impartiality and independence of judgment of the official receiving the gift;
  - b) Of significant value that would give the appearance of impairing the impartiality and independent judgment of the official; or
  - c) Of significant value that the recipient official believes or has reason to believe is designed to impair the impartiality and independent judgment of the official.
- ii. Notwithstanding any other provision in this policy, an official may accept:
  - a) Meals and beverages consumed in the presence of the donor or sponsoring entity;
  - b) Ceremonial gifts or awards that have insignificant monetary value;
  - c) Unsolicited gifts of nominal value that do not exceed \$20.00 in cost or trivial items of informational value;
  - d) Reasonable expenses for food, travel, lodging, and scheduled entertainment of the official at a meeting which is given in return for the participation of the official in a panel or speaking engagement at the meeting;

- e) Gifts of tickets or free admission extended to members of the Board to attend a charitable, cultural, or political event, if the purpose of the gift or admission is a courtesy or ceremony extended to the Board;
- f) A specific gift or class of gifts which the Panel exempts from the operation of this subsection upon a finding, in writing, that acceptance of the gift or class of gifts would not be detrimental to the impartial conduct of the business of the school system or Board and that the gift is purely personal and private in nature;
- g) Gifts from a person related by blood or marriage, or any other individual who is a member of the household of the official; or
- h) An honorarium for speaking to or participating in a meeting, providing that the offering of the honorarium is in no way related to the school system or Board position of the official.

## **7. Disclosure of Confidential Information**

- a. Other than in the discharge of official duties, an official or former official may not disclose or use confidential information that the official acquired by reason of the official's public position or former public position and that is not available to the public, for the economic benefit of the official or the economic benefit of another person.
- b. An official may not retaliate against an individual for reporting or participating in an investigation of a potential violation of this policy.

## **8. Procurement**

- a. An individual or person that employs an individual who assists the school system or Board in the drafting of specifications, an invitation for bids, or a request for proposals for a procurement may not submit a bid or proposal for that procurement or assist or represent another person, directly or indirectly, who is submitting a bid or proposal for the procurement.
- b. The Panel may establish exemptions from the requirements of this section for providing descriptive literature, sole source procurements, and written comments solicited by the procuring unit of the school system.

## **Part 3. Financial Disclosure**

- 1. This part applies to all members of the Board, all candidates to be members of the Board, and the following employees:
  - a. Superintendent;

- b. Executive Team, Senior Staff, and Board employees;
  - c. Certificated administrative employees, as defined by Code of Maryland Regulations; and
  - d. Buyers in the Purchasing Division.
2. Except as provided in subsection 4. of this section, a member of the Board, candidate to be a member of the Board, and an identified Anne Arundel County Public Schools (AACPS) employee shall file the electronic financial disclosure statement required under this subsection:
- a. On a form provided by the Panel;
  - b. Under oath or affirmation; and
  - c. With the Panel or the office designated by the Panel.

**3. Deadlines for Filing Statement**

- a. An incumbent official shall file a financial disclosure statement annually no later than April 30 of each year for the preceding calendar year.
- b. An official who is appointed to fill a vacancy in an office for which a financial disclosure statement is required and who has not already filed a financial disclosure statement, shall file a financial disclosure statement for the preceding calendar year within 30 days after appointment.
- c. An individual who, other than by reason of death, leaves an office for which a statement is required shall file a financial disclosure statement within 60 days after leaving the office.
- d. Retiring, resigning, and terminated employees shall complete a financial disclosure statement prior to their separation from employment AACPS, if administratively possible.
- e. The statement shall cover:
  - i. The calendar year immediately preceding the year in which the individual left office, unless a statement covering that year has already been filed by the individual; and
  - ii. The portion of the current calendar year during which the individual held the office.

#### 4. Candidates to be Members of the Board

- a. Except for an official who has filed a financial disclosure statement under another provision of this section for the reporting period, a candidate to be a member of the Board shall file a financial disclosure statement each year beginning with the year in which the certificate of candidacy is filed through the year of election.
- b. A candidate to be a member of the Board shall file a statement required under this section:
  - i. In the year the certificate of candidacy is filed, no later than the filing of the certificate of candidacy;
  - ii. In the year of the election, on or before the earlier of April 30 or the last day for the withdrawal of candidacy; and
  - iii. In all other years for which a statement is required, on or before April 30.
- c. A candidate to be a member of the Board:
  - i. May file the statement required under this policy with the Board of Election Supervisors with the certificate of candidacy or with the Panel prior to filing the certificate of candidacy; and
  - ii. Shall file the statements required under this policy with the Panel or the office designated by the Panel or Board.
- d. If a statement required to be filed by a candidate is overdue and not filed within 8 days after written notice of the failure to file is provided by the Board of Election Supervisors, the candidate is deemed to have withdrawn the candidacy.
- e. The Board of Election Supervisors may not accept any certificate of candidacy unless a statement required under this section has been filed in proper form.
- f. Within 30 days of the receipt of a statement required under this section, the Board of Election Supervisors shall forward the statement to the Panel, or the office designated by the Panel or Board.

#### 5. Public Record

- a. The Panel or office designated by the Panel shall maintain all financial disclosure statements filed under this section.
- b. The Panel or office designated by the Panel shall make financial disclosure statements available during normal office hours, for examination and copying by the public subject to reasonable fees and administrative procedures established by

the Panel or the Board.

- c. If an individual examines or copies a financial disclosure statement, the Panel or the office designated by the Panel shall record:
  - i. The name and home address of the individual reviewing or copying the statement; and
  - ii. The name of the person whose financial disclosure statement was examined or copied.
- d. Upon request by the individual whose financial disclosure statement was examined or copied, the Panel or the office designated by the Panel shall provide the individual with a copy of the name and home address of the person who reviewed the individual's financial disclosure statement.
- e. For statements filed after January 1, 2019, the Panel or the office designated by the Panel may not provide public access to an individual's home address that the individual has designated as the individual's home address.
- f. The Board or office designated by the Board may not provide public access to information related to consideration received from:
  - i. The University of Maryland Medical System;
  - ii. A governmental entity of the State or a local government in the State; or
  - iii. A quasi-governmental entity of the State or local government in the State.

## 6. **Retention Requirements**

The Panel or the office designated by the Panel shall retain financial disclosure statements for 4 years from the date of receipt.

## 7. **Business Name Disclosure**

An individual who is required to disclose the name of a business under this subsection shall disclose any other names that the business is trading as or doing business as.

## 8. **Contents of Statement**

### a. ***Interests in Real Property***

- i. A statement filed under this section shall include a schedule of all interests in real property wherever located.

- ii. For each interest in real property, the schedule shall include:
  - a) The nature of the property and the location by street address, mailing address, or legal description of the property;
  - b) The nature and extent of the interest held, including any conditions and encumbrances on the interest;
  - c) The date when, the manner in which, and the identity of the person from whom the interest was acquired;
  - d) The nature and amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired;
  - e) If any interest was transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received for the interest, and the identity of the person to whom the interest was transferred; and
  - f) The identity of any other person with an interest in the property.

b. ***Interests in Corporations and Partnerships***

- i. A statement filed under this section shall include a schedule of all interests in any corporation, partnership, limited liability partnership, or limited liability corporation, regardless of whether the corporation or partnership does business with the school system or Board.
- ii. For each interest reported under this paragraph, the schedule shall include:
  - a) The name and address of the principal office of the corporation, partnership, limited liability partnership, or limited liability corporation;
  - b) The nature and amount of the interest held, including any conditions and encumbrances on the interest;
  - c) With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received for the interest, and, if known, the identity of the person to whom the interest was transferred; and
  - d) With respect to any interest acquired during the reporting period:
    - i) The date when, the manner in which, and the identity of the person

from whom the interest was acquired; and

- ii) The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.
- iii. An individual may satisfy the requirement to report the amount of the interest held under subparagraph ii. b. of this paragraph by reporting, instead of a dollar amount:
  - a) For an equity interest in a corporation, the number of shares held and, unless the corporation's stock is publicly traded, the percentage of equity interest held; or
  - b) For an equity interest in a partnership, the percentage of equity interest held.

***c. Interests in Business Entities Doing Business with the School System or Board***

- i. A statement filed under this section shall include a schedule of all interests in any business entity that does business with the school system or Board, other than interests reported under paragraph b. of this subsection.
- ii. For each interest reported under this paragraph, the schedule shall include:
  - a) The name and address of the principal office of the business entity;
  - b) The nature and amount of the interest held, including any conditions to and encumbrances on the interest;
  - c) With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received in exchange for the interest, and, if known, the identity of the person to whom the interest was transferred; and
  - d) With respect to any interest acquired during the reporting period:
    - i) The date when, the manner in which, and the identity of the person from whom the interest was acquired; and
    - ii) The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.



d. *Gifts*

- i. A statement filed under this section shall include a schedule of each gift in excess of \$20.00 in value or a series of gifts totaling \$100.00 or more received during the reporting period from, or on behalf of, directly or indirectly, any one person who does business with the school system or Board or from an association or any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations.
- ii. For each gift reported, the schedule shall include:
  - a) A description of the nature and value of the gift; and
  - b) The identity of the person from whom, or on behalf of whom, directly or indirectly, the gift was received.

e. *Employment with or Interests in Entities Doing Business with the School System or Board*

- i. A statement filed under this section shall include a schedule of all offices, directorships, and salaried employment by the individual or member of the immediate family of the individual held at any time during the reporting period with entities doing business with the school system or Board.
- ii. For each position reported under this paragraph, the schedule shall include:
  - a) The name and address of the principal office of the business entity;
  - b) The title and nature of the office, directorship, or salaried employment held and the date it commenced; and
  - c) The name of each school system or Board unit with which the entity is involved as indicated by identifying one or more of the three categories of “doing business,” as defined in this policy.

f. *Indebtedness to Entities Doing Business with or Regulated by the Individual’s School System Unit or Department*

- i. A statement filed under this section shall include a schedule of all liabilities, excluding retail credit accounts, to persons doing business with or regulated by the individual’s school system unit or department owed at any time during the reporting period:
  - a) By the individuals; or
  - b) By a member of the immediate family of the individual if the individual

was involved in the transaction giving rise to the liability.

- ii. For each liability reported under this paragraph, the schedule shall include:
  - a) The identity of the person to whom the liability was owed and the date the liability was incurred;
  - b) The amount of the liability owed as of the end of the reporting period;
  - c) The terms of payment of the liability and the extent to which the principal amount of the liability was increased or reduced during the year; and
  - d) The security given, if any, for the liability.

g. ***Employment with the School System or Board***

A statement filed under this section shall include a schedule of the immediate family members of the individual employed by the school system or Board in any capacity at any time during the reporting period.

h. ***Sources of Earned Income***

- i. A statement filed under this section shall include a schedule of the name and address of each place of employment and of each business entity of which the individual or a member of the individual's immediate family was a sole or partial owner and from which the individual or member of the individual's immediate family received earned income at any time during the reporting period.
- ii. A minor child's employment or business ownership need not be disclosed if the Board or school system does not regulate, exercise authority over, or contract with the place of employment or business entity of the minor child.
- iii. For a statement filed on or after January 1, 2019, if the individual's spouse is a lobbyist regulated by the Board, the individual shall disclose the entity that has engaged the spouse for lobbying purposes.

i. ***Disclosure of Relationships with University of Maryland Medical System, State or Local Government, or Quasi-Governmental Entity***

- i. An individual shall disclose the information specified in Section 5-607(j)(1) of the General Provisions Article for any financial or contractual relationship with:
  - a. The University of Maryland Medical System;

- b. A governmental entity of the State or a local government in the State; or
  - c. A quasi-governmental entity of the State or local government in the State.
- ii. For each financial or contractual relationship reported, the schedule shall include:
    - a. A description of the relationship;
    - b. The subject matter of the relationship; and
    - c. The consideration.
  - j. A statement filed under this section may also include a schedule of additional interests or information that the individual making the statement wishes to disclose.
9. For the purposes of the contents of the statement of this policy, the following interests are considered to be the interests of the individual making the statement:
- a. An interest held by a member of the individual's immediate family, if the interest was, at the time during the reporting period, directly or indirectly controlled by the individual.
  - b. An interest held, at any time during the applicable period, by a business entity:
    - i. In which the individual held a 10% or greater interest;
    - ii. Described in item i. of this paragraph in which the business entity held a 25% or greater interest;
    - iii. Described in item ii. of this paragraph in which the business entity held a 50% or greater interest; and
    - iv. In which the individual directly or indirectly, through an interest in one or a combination of other business entities, holds a 10% or greater interest.
  - c. An interest held by a trust or an estate in which, at any time during the reporting period:
    - i. The individual held a reversionary interest or was a beneficiary; or
    - ii. If a revocable trust, the individual was a settlor.
10. a. The Panel shall review the financial disclosure statements submitted under this section for compliance with the provisions of this section and shall notify an

individual submitting the statement of any omissions or deficiencies.

- b. The Board may take appropriate enforcement action to ensure compliance with this section.

#### **Part 4. Lobbying**

1. Except as provided in subsections 2. and 3. of this section, a person or entity who engages in lobbying, as defined in this policy, shall file a lobbying registration with the Panel, or the office designated by the Panel or the Board.
2. The following activities are exempt from regulation under this section:
  - a. Professional services in advising and rendering opinions to clients as to the construction and effect of proposed or pending Board actions when the services do not otherwise constitute lobbying;
  - b. Appearances before the Board upon its specific invitation or request if the person or entity engages in no further or other activities in connection with the passage or defeat of Board actions;
  - c. Appearances before an organizational unit of the school system upon the specific invitation or request of the unit if the person or entity engages in no further or other activities in connection with the passage or defeat of school system or Board actions;
  - d. Appearance as part of the official duties of a duly elected or appointed official or employee of the State or a political subdivision of the State, or of the United States, and not on behalf of any other entity;
  - e. Actions of a publisher or working member of the press, radio or television, in the ordinary course of business of disseminating news or making editorial comment to the general public who does not engage in further or other lobbying that would directly and specifically benefit the economic, business, or professional interest of the person or entity or the employer of the person or entity;
  - f. Appearances by an individual before the Board at the specific invitation or request of a registered lobbyist if the person performs no other lobbying act and notifies the Board that the person or entity is testifying at the request of the lobbyist;
  - g. Appearances by an individual before the Board or an organizational unit of the school system at the specific invitation or request of a registered lobbyist if the person or entity performed no other lobbying act and notifies the unit that the person or entity is testifying at the request of the lobbyist;
  - h. The representation of a *bona fide* religious organization solely for the purpose of

protecting the right of its own members to practice the doctrine of the organization; and

- i. Appearance as part of the official duties of an officer, director, member, or employee of an association engaged exclusively in lobbying for counties and municipalities and not on behalf of any other entity.
3. ***Limited Exemption – Employer of a Lobbyist***
- a. A person or entity who employs one or more lobbyists and who would otherwise be required to register as a lobbyist is not required to file a registration and submit lobbying reports if the person or entity reasonably believes that all expenses incurred in connection with the lobbying activities shall be reported by a properly registered person or entity acting on behalf of the person or entity.
  - b. A person or entity exempted under this section becomes subject to this section immediately upon failure of the lobbyist to report any information required under this section.
4. The registration filed under this section shall be filed on or before the later of the beginning of the calendar year in which the person or entity expects to lobby and within 5 days of first engaging in lobbying activities in the calendar year.
- a. The registration filed under this section:
    - i. Shall be dated and on a form developed by the Panel; and
    - ii. Shall include:
      - a) The lobbyist's full and legal name and permanent address;
      - b) The name, address, and nature of business of any person or entity on whose behalf the lobbyist acts;
      - c) The written authorization of any person or entity on whose behalf the lobbyist acts or an authorized officer or agent, who is not the lobbyist, of the person or entity on whose behalf the lobbyist acts;
      - d) A statement of whether the person or entity on whose behalf the lobbyist acts is exempt from registration under subsection 3. of this section;
      - e) The identification, by formal designation, if known, of matters on which the lobbyist expects to act;
      - f) Identification of the period of time within a single calendar year during which the lobbyist is authorized to engage in these activities, unless

terminated sooner; and

- g) The full legal signature of the lobbyist and, when appropriate, the person or entity on whose behalf the lobbyist acts or an agent or authorized office of the person or entity on whose behalf the lobbyist acts.
5. A lobbyist shall file a separate registration for each person or entity that has engaged or employed the lobbyist for lobbying purposes.
  6. A lobbyist may terminate the lobbyist's registration by providing written notice to the Panel and submitting all outstanding reports and registrations.
  7. A person or entity may not engage in lobbying activities on behalf of another person or entity for compensation that is contingent upon the passage or defeat of any action by the Board or the outcome of any school system action.

8. ***Activity Report***

- a. A lobbyist shall file with the Panel or the office designated by the Panel:
  - i. By July 31, one report concerning the lobbyist's lobbying activities covering the period beginning January 1 through June 30; and
  - ii. By January 31, one report covering the period beginning July 1 through December 31.
- b. A lobbyist shall file a separate activity report for each person or entity on whose behalf the lobbyist acts.
- c. If the lobbyist is not an individual, an authorized officer or agent of the entity shall sign the form.
- d. The report shall include:
  - i. A complete and current statement of the information required to be supplied with the lobbyist's registration form.
  - ii. Total expenditures on lobbying activities in each of the following categories:
    - a) Total compensation paid to the lobbyist not including expenses reported under items b) through h) below;
    - b) Office expenses of the lobbyist;
    - c) Professional and technical research and assistance not reported in item a);

- d) Publications which expressly encourage persons to communicate with officials;
- e) Names of witnesses, and the fees and expenses paid to each witness;
- f) Meals and beverages for officials;
- g) Reasonable expenses for food, lodging, and scheduled entertainment of officials for a meeting which is given in return for participation in a panel or speaking engagement at the meeting;
- h) Other gifts to or for officials or members of their immediate families; and
- i) Other expenses.

9. ***Special Gift Report***

- a. i. With the 6-month activity report required under this policy a lobbyist shall report, except for gifts reported in item d. ii. g. above of this section, gifts from the lobbyist with a cumulative value of \$75.00 or more during the reporting period to an official or member of the immediate family of an official.
- ii. The lobbyist shall report gifts under this paragraph regardless of whether the gift was given in connection with lobbying activities.
- b. The report shall include the date, beneficiary, amount or value, and nature of the gift.

10. ***Notification to Official and Confidentiality***

- a. If any report filed under this section contains the name of an official or a member of the official's immediate family, the Panel shall notify the official within 30 days.
- b. The Panel shall keep the report confidential for 60 days following receipt by the Panel.
- c. Within 30 days of the notice required under paragraph a. of this subsection, the official may file a written exception to the inclusion in the report of the name of the official or the member of the official's immediate family.

11. The Panel may require a lobbyist to submit other reports the Panel determines to be necessary.

12. a. The Panel or office designated by the Panel shall maintain all registrations and reports filed under this section for 4 years from the date of receipt by the Panel.

- b. The Panel shall make lobbying registrations and reports available during normal office hours, for examination and copying by the public, subject to reasonable fees and administrative procedures established by the Panel or the Board.
13. a. The Panel shall review the registrations and reports filed under this section for compliance with this section and shall notify the persons engaged in lobbying activities of any omissions or deficiencies.
- b. The Panel or the Board may take appropriate enforcement action to ensure compliance with this section.
14. ***Annual Report***
- a. The Panel shall compute and make available a subtotal under each of the 10 required categories in subsection 8. d. ii. g. above.
  - b. The Panel shall compute and make available the total amount reported by all lobbyists for their lobbying activities during the reporting period.

#### **Part 5. Sanctions**

1. An official who violates this chapter is subject to discipline, personnel action, or removal from office, as provided by law and consistent with the procedures set forth in applicable policies, regulations, and collective bargaining agreements.
2. A person who violates this chapter is subject to the provisions or sanctions in law and policy.

#### **Part 6. Vendor Relations**

To the extent that Policy DEC and Regulation DEC-RA – Vendor Relations are more stringent than the provisions of this policy, Policy DEC and Regulation DEC-RA shall govern.

*Policy History:* Adopted on 01/07/15; Revised 05/01/19; 11/02/22

*Note Previous Policy History:* Replaces Policy 200.05, adopted on 8/3/05 and revised 02/01/12

*Legal References:* Title 5 of the General Provisions Article; Code of Maryland Regulations 19A. 19A.05.00.00 Model Board of Education Ethics Regulations