



INTERNAL BOARD OPERATIONS: Ethics Code

Financial Disclosure Statements

I. Individuals Required to File

This policy applies to all members of the Board of Education of Baltimore County (Board), candidates to be members of the school board and the following employees:

- A. The Superintendent;
- B. Superintendent's Cabinet Members;
- C. General Counsel;
- D. Community Superintendents;
- E. Principals;
- F. Employees in the positions of senior executive director, executive director, administrator, controller, director, manager, coordinator and fiscal supervisor;
- G. Purchasing agents and minority business enterprise (MBE) consultants;
- H. Any other employees who have authority to make the final decision to commit the school system to the expenditure of public funds; and
- I. Other employees so designated by the Board as periodic review would suggest.

II. Each individual listed above shall file the financial disclosure statement required by this policy on a form provided by the Panel, under oath or affirmation, with the Panel or the office designated by the Board.

III. Deadlines for Filing Statements

- A. Each individual required to file in Paragraph I shall file a financial disclosure statement annually on or before April 30 of each year to cover the calendar year immediately preceding the year of filing.

- B. An individual 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 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 statement within 60 days after leaving the office. The statement shall cover:
 - 1. The calendar year immediately preceding the year in which the individual left office, unless a statement covering the year has already been filed by the individual; and
 - 2. The portion of the current calendar year during which the individual held the office.

IV. Candidates to be Members of the School Board

- A. Except for an official who has filed a financial disclosure statement under another provision of this policy 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 policy:
 - 1. In the year the certificate of candidacy is filed, no later than the filing of the certificate of candidacy;
 - 2. In the year of the election, on or before the earlier of April 30 or the last day for the withdrawal of candidacy; and
 - 3. 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:
 - 1. May file the statement required under Paragraph IV(B)(1) with the Board of Election supervisors with the certificate of candidacy or with the Panel prior to filing the certificate of candidacy; and
 - 2. Shall file the statements required under Paragraph IV(B)(2) and (3) with the panel or the office designated by the Panel or Board.
- D. If a candidate fails to file a statement required by this Paragraph after written notice is provided by the Board of Election supervisors at least 20 days before

the last day for the withdrawal of candidacy, 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 policy has been filed in proper form.
- F. Within 30 days of the receipt of a statement required under this policy, the Board of Election supervisors shall forward the statement to the Panel, or the office designated by the Panel or Board.

V. Public Record

- A. The Panel or office designated by the Board shall maintain all financial disclosure statements filed under this policy.
- B. The Panel or office designated by the Board 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 school system. Requests for copies will be processed in accordance with Superintendent's Rule 2373, *Public Information Act Requests*.
- C. If an individual examines or copies a financial disclosure statement, the Panel or the office designated by the Board shall:
 - 1. Record the name and home address of the individual reviewing or requesting a copy of the statement; and
 - 2. 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 Board shall provide the individual with a copy of the name and home address of the person who reviewed the individual's financial disclosure statement.

VI. Retention Requirements

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

VII. Contents of the Financial Disclosure Statement

A. Interests in Real Property

1. The statement shall include a schedule of all interests in real property wherever located.
2. 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

1. The statement 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 Board or the school system.
2. For each interest in corporations and partnerships, 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:

- (1) The date when, the manner in which and the identity of the person from whom the interest was acquired; and
 - (2) 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.
3. An individual may satisfy the requirements to report the amount of the interest held under Paragraph VII(B)(2), 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 the equity interest held.

C. Interests in Business Entities doing Business with the Board or the School System

1. The statement shall include a schedule of all interests in any business entity that does business with the Board or the school system, other than interests reported under Paragraph VII(B) above.
2. 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:
 - (1) The date when, the manner in which and the identity of the person from whom the interest was acquired; and
 - (2) 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

1. The statement shall include a schedule of each gift in excess of \$20 in value or a series of gifts totaling \$100 or more received during the reporting period from or on behalf of, directly or indirectly, any one person who does business with the Board or the school system.
 2. For each gift reported under this Paragraph, 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 Interest in Entities doing Business with the Board or School System
1. The statement 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 Board or the school system.
 2. 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 Board or school system unit with which the entity is involved as indicated by identifying one or more of the four categories of “doing business with,” as defined in Board Policy 8360, *Applicability and Definitions*.
- F. Indebtedness to Entities doing Business with the Board or School System
1. The statement shall include a schedule of all liabilities, excluding retail credit accounts, to persons doing business with the Board or school system owed at any time during the reporting period:
 - a. By the individual; 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.
 2. For each liability reported under this Paragraph, the schedule shall include:
 - a. The identity of the person or business entity 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 principle 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 Board or School System

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

H. Sources of Earned Income

- 1. The statement shall include a schedule of the name and address of each place of employment and 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.
- 2. 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.

- I. The statement may also include a schedule of additional interests or information that the individual making the statement wishes to disclose.

VIII. Definition of "Interest"

For the purposes of Paragraphs VII(A), (B), (C) and (I) above (interests in real property, corporations and partnerships and business entities doing business with the Board and school system), 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 any time during the reporting period, directly or indirectly controlled by the individual;
- B. An interest held by a business entity in which the individual held a 30% or greater interest at any time during the reporting period;

- C. An interest held by a trust or an estate in which, at any time during the reporting period:
 - 1. The individual held a reversionary interest or was a beneficiary; or
 - 2. If a revocable trust, the individual was a settlor.

IX. Ethics Panel Review

- A. The Panel shall review the financial disclosure statements submitted under this policy for compliance with the provisions of this policy and shall notify an individual submitting the statement of any omissions or deficiencies.
- B. A school official who fails to file, to file timely or refuses to file a financial disclosure statement as required by this policy is subject to discipline, personnel action or removal from office.
- C. The Board may take appropriate enforcement action to ensure compliance with this policy.

Legal Reference: *Annotated Code of Maryland*, Education Article §3-2A, *Baltimore County*
Annotated Code of Maryland, General Provisions Article Title 5, Subtitle 6, *Financial Disclosure*
Annotated Code of Maryland, General Provisions Article §§5-815 to 5-821, *Local Boards of Education*
COMAR 19A.05.02.05, *Financial Disclosure*

Related Rule: Superintendent's Rule 2373, *Public Information Act Requests*

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