



# Real World Business Ethics for School Districts

WASBO Accounting Conference 2021

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Presenters & Background

Julie Kelly, Assistant Superintendent for Business, Operations, and Human Resources, Muskego-Norway Schools

Mike Gerlach, Director of Business Services, Fond du Lac School District

Lynn Knight, Business Manager, School District of Nekoosa

Joe Marquardt, Director of Business Services, School District of New London

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What does "Ethics" really mean?

Oxford Dictionary defines the plural noun as:

- Moral principles that govern a person's behaviour or the conducting of an activity.
- "Ethical dilemma" A situation in which a difficult choice has to be made between two courses of action, either of which entails transgressing a moral principle.
- We recognize that a conversation on Ethics and Ethical behavior can be sensitive based on relative, individual situations.
- Therefore, we are seeking only to discuss Ethics as applied in the professional, public school setting, not one's personal, religious, or private life.
- We also recognize that when discussing Ethics as applied to one's professional life, it is important to use a high level of discretion when sharing.
- Please be very thoughtful about what you share in this setting.

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Code of Ethics

WASBO Code of Ethics

High standards of ethical behavior for the Professional School Business Official are essential and compatible with the purpose of public education and to their commitment to leadership in the continuing improvement of the educational enterprise. To that end, Professional School Business Officials shall:

- Adhere to local, state and national laws
- Accept responsibility for mastering, contributing to and sharing in the growth of specialized knowledge, concepts, and skills which are necessary to perform their duties
- Perform and direct the Business Functions of the district in full support of educational opportunities provided to "all persons" in the district.
- Honor the public trust of the position above any economic or social rewards; not permit considerations of private gain nor personal economic interest to affect the discharge of their professional responsibilities; and recognize that the schools are the public's business and seek to keep the community informed about its schools.



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Code of Ethics: ASBO

ASBO International School Business Management Professional Standards and Code of Ethics (page 15)

- Basic Beliefs
  - Highest standards of professional and personal ethics
  - Continuing ongoing professional growth and development
- Ethical Standards (9)
  - Make the well-being of all students, staff, and fellow members a fundamental value in all decision making and actions.
  - Fulfill professional responsibilities with honesty and integrity.
- Ethical Conduct (9)
  - Actively supporting the goals and objectives of the educational institution with which they work.
  - Interpreting the policies and practices of their employer to the staff and to the community fairly and objectively.
- Expectations of Personal and Professional Integrity (10)
  - Conduct business honestly, openly, and with integrity.
  - Avoid conflict of interest situations by not conducting business with a company or firm in which the official or any member of the official's family has a vested interest.



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Board Policies

3210 - STAFF ETHICS

An effective educational program requires the services of employees of integrity, high ideals, and human understanding. To maintain and promote these essentials, the Board of Education expects all professional staff members to maintain high standards in their working relationships, and in the performance of their professional duties, to:

- recognize basic dignities of all individuals with whom they interact in the performance of duties;
- represent accurately their qualifications;
- exercise due care to protect the mental and physical safety of students, colleagues, and subordinates;
- seek and apply the knowledge and skills appropriate to assigned responsibilities;
- keep in confidence legally-confidential information as they may secure;
- ensure that their actions or those of another on their behalf are not made with specific intent of advancing private economic interests;
- avoid accepting anything of value offered by another for the purpose of influencing judgment;
- adhere to the policies of the Board;
- refrain from using position or public property, or permitting another person to use an employee's position or public property for partisan political or religious purposes. This will in no way limit legally protected rights as a citizen.



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Scenario #1: "Rules or Guidance?"

You're new to your District Business Office as of July 1 and a cursory review of the District's Fund 80 expenditures indicate there may be some expenditures that do not align with the DPI guidance and rules. An initial conversation with your Superintendent indicates that it's "not been a problem" and this is "the way we've always done it."

What do you do? **Poll Question 1**



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Scenario #1: Poll Discussion

- What are your thoughts on the Ethical Dilemma of this situation?
- What are some important reference points to consider?
- To what degree are rules and guidelines interpretive, if at all?
- Personal Experiences: Julie, Lynn, Mike, Joe



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Scenario #2: "Can I accept this?"

You're at the State Education Convention in Milwaukee, two of your Board members let you know that they are going dinner with a long-time vendor partner of the District and are wondering if you would like to go along.

What do you do? **Poll Question 2**



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Scenario #2: Poll Discussion

- Is this an ethical dilemma?
- What should you consider before accepting or rejecting the offer?
- How would the dinner be perceived by your other vendors?
- Personal Experiences: Julie, Lynn, Mike, Joe

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Scenario #3: "I think I can get a better deal."

After visiting the Exhibit Hall at the State Education Convention, you strike up a great conversation with a new vendor for services in your District. You decide to break off the long-term relationship with your current vendor for these services because you're convinced it's a "better deal." You notify your incumbent vendor of your decision via email.

Is there anything wrong with this? **Poll Question 3**

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Scenario #3: Poll Discussion

- Does it make a difference if they are a current, prospective, or former vendor in relationship to you?
- Is there anything that could go wrong with this?
- How do you engage with and evaluate competing vendors?
- Personal Experience: Julie, Lynn, Mike, Joe

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Scenario #4: "Is this expense allowable?"

Your district received a significant amount of money from the CARES grant. You communicate to your admin team the list of allowable expenses. Purchase requests are entered and many of the requests are not allowable under the grant. Your superintendent insists they are allowable and that other districts are spending the grant on the exact same items. He/she instructs you to process the purchases through the grant.

What do you do? **Poll Question 4**



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Scenario #4: Poll Discussion

- What is your first response?
- How will your response affect the relationship with your admin team? Your superintendent?
- Personal Experience: Julie, Lynn, Mike, Joe



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Scenario #5: "It's your boss!"

You're reconciling the pcard statements for the District. Following the WASDA conference, your Superintendent gives you a credit card receipt from a restaurant. You ask for an itemized receipt and he ignores your request.

What do you do? **Poll Question 5**



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Scenario #5: Poll Discussion

-What do you do when you are presented with an ethical dilemma regarding your superintendent, manager, or a School Board member?

-Personal Experience: Julie, Lynn, Mike, Joe

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Scenario #6: "Your personal and public life."

You are asked to serve as President of the local basketball association (your kids play in this) for the school district and you are also the business manager.

Do you accept this position? **Poll Question 6**

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Scenario #6: Poll Discussion

-Is this a conflict of interest?

-What ethical dilemmas may come up?

-Personal Experience: Julie, Lynn, Mike, Joe

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Scenario #7: "Work life and personal life collide"

Your school board wants to hire your spouse to teach in the school district where work as the business manager. You express your concerns to the superintendent and he's not worried. You're a little worried.

Why is the business manager worried? **Poll Question 7**

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Scenario #7: Poll Discussion

- Why is the business manager concerned?
- What about nepotism?
- What about perception?
- Personal Experience: Julie, Lynn, Mike, Joe

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Takeaways

- You will be confronted with an Ethical Dilemma at some point in your career.
- Reference your Board policy, the WASBO Code of Ethics, or the ASBO Professional Standards and Code of Ethics when considering your actions.
- Seek selective counsel from your peers.
- Seek selective legal counsel if necessary.
- Other:

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