

## Facilitator Notes for Principle 7: Financial Management and Improper Compensation Personal Gain

The facilitator notes include discussion points for scenarios that raise awareness and increase understanding of *Principle 7* of the *Licensure Code of Professional Conduct*. Please reference the [Facilitator Instructions](#) to help you prepare professional development using these scenarios.

### Scenario 1

*In addition to working as an educator in your district, a classroom teacher is also a distributor of health care supplements. During Parent-Teacher conferences, the teacher passes out a brochure to each parent and gives them sample energy drinks to try.*

<b>Area of Concern Under Principle 7</b>	<ul style="list-style-type: none"> <li>• Educators should not use their position for personal gain. In this scenario, the teacher is soliciting parents to purchase a product, violating Principle 7b.</li> </ul>
<b>Primary Users</b>	<ul style="list-style-type: none"> <li>• All licensed educators</li> </ul>
<b>Key Considerations</b>	<ul style="list-style-type: none"> <li>• Promoting products for personal gain can make parents uncomfortable.</li> <li>• This situation could create perceptions that the educator is selling grades or engaging in favoritism towards families that support their business.</li> <li>• Encouraging families to support their personal business may alienate families who are economically disadvantaged.</li> </ul>
<b>Strategies to Mitigate Risk</b>	<ul style="list-style-type: none"> <li>• Don't share information about your side businesses at school functions.</li> <li>• Understand what your local board policy says about solicitations.</li> </ul>
<b>Related Code of Conduct Principles</b>	<ul style="list-style-type: none"> <li>• If the educator offered supplements to students, they could also be in violation of Principle 6f which prohibits educators from promoting the use of steroids, stimulants, or nutritional supplements to students.</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li>• <a href="#">Tip Sheet #3—Dollars and Sense</a></li> </ul>

**Scenario 2**

*A parent emails his child’s teacher and asks the teacher to suggest some tutors for his child. The teacher responds that she would be willing to do it after school hours for \$25 an hour.*

<b>Area of Concern Under Principle 7</b>	<ul style="list-style-type: none"> <li>According to Principle 7d, this teacher should not tutor students for profit without checking local board policy and/or notifying the superintendent or designee.</li> </ul>
<b>Primary Users</b>	<ul style="list-style-type: none"> <li>All licensed educators</li> </ul>
<b>Key Considerations</b>	<ul style="list-style-type: none"> <li>How would others perceive this? Other parents and students could view this as paying for grades.</li> </ul>
<b>Strategies to Mitigate Risk</b>	<ul style="list-style-type: none"> <li>Avoid tutoring current students unless it is acceptable under the local board policy and central office administrators are aware of the circumstances.</li> <li>Consult your local board policy.</li> </ul>
<b>Related Code of Conduct Principles</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li><a href="#">Tip Sheet #3—Dollars and Sense</a></li> </ul>

**Scenario 3**

*An athletic coach in the district is also the owner of several well-known local exercise facilities. At the beginning of each season, the coach sends home flyers with each athlete offering discounts on training packages.*

<b>Area of Concern Under Principle 7</b>	<ul style="list-style-type: none"> <li>• In this scenario, the coach’s actions cause concern under Principle 7b for promoting their personal business for personal gain.</li> <li>• Principle 7e also describes this conduct as unbecoming for promoting coaching and athletic camps for profit.</li> </ul>
<b>Primary Users</b>	<ul style="list-style-type: none"> <li>• All licensed educators</li> </ul>
<b>Key Considerations</b>	<ul style="list-style-type: none"> <li>• The coach needs to be transparent with the district and community. This means they need to obtain approval from their superintendent or designee and ensure they are following local board policy.</li> <li>• The coach could create inequities because students from economically disadvantaged families may not be able to afford the training packages, even with a discount.</li> <li>• Consider the perceptions. Would others think the coach is giving preferential treatment to students who buy the training packages?</li> </ul>
<b>Strategies to Mitigate Risk</b>	<ul style="list-style-type: none"> <li>• Do not promote your personal business.</li> </ul>
<b>Related Code of Conduct Principles</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li>• <a href="#">Tip Sheet #3—Dollars and Sense</a></li> </ul>

**Scenario 4**

*The Athletic Director is selling tickets to a school sporting event. When it gets busy, he accidentally leaves an envelope of cash on his desk.*

<b>Area of Concern Under Principle 7</b>	<ul style="list-style-type: none"> <li>In this scenario the Athletic Director violates Principle 7f because he fails to responsibly manage school-related funds.</li> <li>Since this is a school sporting event, this causes concern under Principle 7g for failing to account for funds related to school activities.</li> </ul>
<b>Primary Users</b>	<ul style="list-style-type: none"> <li>All licensed educators</li> </ul>
<b>Key Considerations</b>	<ul style="list-style-type: none"> <li>Always appropriately account for school funds.</li> <li>Consider the consequences. All or a portion of the money could get lost or stolen.</li> </ul>
<b>Strategies to Mitigate Risk</b>	<ul style="list-style-type: none"> <li>Follow your local board policy.</li> <li>Keep accurate and detailed records.</li> <li>Make regular deposits and always secure money.</li> </ul>
<b>Related Code of Conduct Principles</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li><a href="#">Tip Sheet #2—Extracurricular Leaders</a></li> <li><a href="#">Tip Sheet #3—Dollars and Sense</a></li> </ul>

**Scenario 5**

*A teacher is organizing a fundraiser for the class field trip. At the end of the class period, she tells students to grab a few coupon booklets from her desk to sell for the fundraiser. At the end of each week, she deposits the money collected from students into her bank account to keep the funds secure.*

<b>Area of Concern Under Principle 7</b>	<ul style="list-style-type: none"> <li>• This scenario creates concerns under Principle 7f because the teacher is not transparently and responsibly accounting for and managing school-related funds.</li> <li>• The teacher’s actions cause concern under Principle 7h because she is co-mingling school-related funds with personal funds.</li> <li>• If the teacher uses the funds for personal use, she would also be violating Principle 7a.</li> </ul>
<b>Primary Users</b>	<ul style="list-style-type: none"> <li>• All licensed educators</li> </ul>
<b>Key Considerations</b>	<ul style="list-style-type: none"> <li>• The teacher isn’t tracking how many coupon booklets each student took. If the booklets have unique serial numbers, she should be recording which booklets each student takes. Without this information, it will be difficult to account for how much money is owed and for the unsold booklets.</li> <li>• The teacher is using her personal account to keep the funds secure. When school and personal funds are mixed, it’s easy to accidentally use school funds for personal reasons.</li> </ul>
<b>Strategies to Mitigate Risk</b>	<ul style="list-style-type: none"> <li>• Always follow your local board policy.</li> <li>• Conduct fundraising activities in such a way that you can keep accurate and detailed records.</li> <li>• Never mix school-related funds with personal funds.</li> </ul>
<b>Related Code of Conduct Principles</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li>• <a href="#">Tip Sheet #3—Dollars and Sense</a></li> </ul>