ACT 1599 of 2001 NOTIFICATION LETTER

Springdale Public Schools

Dear Employee:

Act 1599 of 2001 requires full open disclosure and approval before a school district employee may sell, lease, provide services, or enter into other transactions with the school district when he/she is employed.

However, Act 1599 does not apply to most ordinary employment contracts, including contact for extra duties such as bus drivers, club sponsorships, and officiating ball games. Neither does Act 1599 apply to reimbursements paid for proper work-related expenses.

Act 1599 applies when the school employee is financially interested in the transaction. Financially interested means ownership or more than 5% interest; holding a position of direct partner or top level management; and/or the employee’s compensation is based on the transaction with the district.

Therefore, employees of this district have an affirmative obligation under Act 1599 to disclose relationships with vendors before the district enters into the contract or before services are performed. Disclosure is to be made to the Assistant Superintendent for Business Affairs of the district. Forms for this purpose will be provided by the district.

Technology employees who establish specifications or approve technology purchases and their family members must disclose relationships and financial interest before the district may enter into technology transactions with the technology employee or a family member.

Act 1599 requires proper disclosure and approval of the transaction at an open board meeting. In certain instances, approval by the Director of the department of Education is required.

Therefore, every district employee will be required to disclose any potential vendor relationship by completing a disclosure form provided by the district. Failure to fully disclose could result in criminal felony charges being brought against the employee. A copy of Act 1599 is available in the central administration office if you wish to review the law. The Act may also be viewed at [http://www.arkleg.state.ar.us.](http://www.arkleg.state.ar.us/assembly/2001/R/Acts/Act1599.pdf)

Please sign below to acknowledge receipt of this notification. Please also check the appropriate box stating whether you believe you presently have a business relationship with the district that should be disclosed. You must return this letter with your signature to the Business Office of Springdale Schools before you may begin to work.

⁠ Yes, I believe I have a business relationship that should be reported to the district.

⁠ No, I do not believe I have a business relationship that should be reported.

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Employee Name (Please Print) Date

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Employee Signature Type of Work