

Adopted: 8-26-06

Southside Family Charter School Policy 210.1

Orig. 2001

Revised: 12-14-17

Rev. 2014

210.1 CONFLICT OF INTEREST – CHARTER SCHOOL BOARD MEMBERS AND EMPLOYEES

I. PURPOSE

The purpose of this policy is to observe Minnesota state and federal laws regarding conflicts of interest for Southside Family Charter School board members and employees and to engage in charter school operational activities in a fashion designed to avoid any conflict of interest or the appearance of impropriety.

II. DEFINITION

“Immediate family” means an individual whose relationship by blood, marriage, adoption, or partnering is no more remote than first cousin.

III. GENERAL STATEMENT OF POLICY

A. An individual is prohibited from serving as a member of the charter school board of directors if the individual, ~~or~~ an immediate family member, or the individual’s partner is a full or part owner or principal with a for-profit or nonprofit entity or independent contractor with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities. An individual is prohibited from serving as a board member if an immediate family member is an employee of the school. An individual may serve as a member of the board of directors if no conflict of interest under this paragraph exists. A violation of these prohibitions renders a contract voidable at the option of the charter school board of directors. A member of a charter school board of directors who violates this prohibition is individually liable to the charter school for any damage caused by the violation.

B. No member of the board of directors, employee, officer, or agent of a charter school shall participate in selecting, awarding, or administering a contract if a conflict of interest exists. A conflict exists when:

- (1) the board member, employee, officer, or agent;
- (2) the immediate family of the board member, employee, officer, or agent; or
- (3) an organization that employs, or is about to employ any individual in clauses (1) to (2);

has a financial or other interest in the entity with which the charter school is contracting. A violation of this prohibition renders the contract void.

- C. Any employee, agent, or board member of the authorizer who participates in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or nonrenewal process or decision is ineligible to serve on the board of directors of a school chartered by that authorizer.
- D. The conflict of interest provisions under this subdivision do not apply to compensation paid to a teacher employed as a teacher by the charter school or a teacher who provides instructional services to the charter school through a cooperative formed under Chapter 308A when the teacher also serves on the charter school board of directors.
- E. A charter school board member, employee, or officer is a local official with regard to receipt of gifts. A board member, employee, or officer must not receive compensation from a group health insurance provider.

IV. ADDITIONAL PROVISIONS

- A. A board member, employee, or other person with a family or business relationship with the school may not participate in an administrative decision regarding a grant-funded project if that decision is likely to financially benefit that person or a member of their immediate family.
- B. No person participating in a grant-funded project may use their position for a purpose that is -- or gives the appearance of being -- motivated by a desire for private financial gain for that person or others.

Legal References: Minn. Stat. § 10A.071, Subd. 1 (Certain Gifts to Lobbyists and Principals Prohibited)
Minn. Stat. § 124D.10, Subd. 4a (Charter Schools; Conflict of Interest)
Minn. Stat. § 471.895 (Certain Gifts by Interested Persons Prohibited)
34 CFR 75.525 Conflict of Interest: Participation in a Project

**SOUTHSIDE FAMILY CHARTER SCHOOL
ANNUAL DISCLOSURE STATEMENT CONCERNING CONFLICTS OF INTEREST**

- i. I am a member of the Board of Directors, a member of a committee with Board-delegated duties, or an Officer of Southside Family Charter School (the "Company").
- ii. I have received a copy of the current Conflict of Interest Policy adopted by the Corporation.
- iii. I have read and I do understand the Policy.
- iv. I agree to comply with the Policy.
- v. I understand that the Company is a Minnesota public (charter) school and charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes. I agree to refrain from any conflicts of interest or appearance of conflicts of interest between the Company and myself, and to disclose any such conflicts of interest or appearance of conflicts of interests prior to any decision by the Board of Directors or any committee of the Company.

_____ I am not aware of any conflict of interest.

_____ I have, or potentially have, a conflict of interest in the following area(s):

Date: _____

(Please Print Name)

Signature: _____