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**COLOGNE ACADEMY
MANUAL OF SCHOOL POLICIES APPROVED BY THE BOARD**

POLICY 210: CONFLICT OF INTEREST FOR SCHOOL BOARD MEMBERS AND EMPLOYEES

I. PURPOSE

The purpose of this policy is to observe state statutes regarding conflicts of interest for school board members and employees and to engage in school business activities in a fashion designed to avoid any conflict of interest or the appearance of impropriety.

II. GENERAL STATEMENT OF POLICY

It is the policy of the school that board members and employees contract for goods and services in compliance with state and federal conflict of interest laws and MN Statute 124D.10 in a manner that will avoid any conflict of interest or the appearance thereof.

III. GENERAL CONDITIONS AND CONFLICTING BUSINESS RELATIONSHIPS

A. A school board member or employee is prohibited from serving as a member of the Board of Directors if the individual, an immediate family member, or the individual's partner is an owner, employee or agent of, or a contractor with a for profit or nonprofit entity with whom the school contracts, directly or indirectly, for professional services, goods, or facilities. A violation of this prohibition renders a contract voidable at the option of the Commissioner of Education (Commissioner). A school board member or employee who violates this prohibition shall be individually liable to the school for any damage caused by the violation. An individual may serve as a school board member or employee if no conflict of interest under this paragraph exists.

B. Neither the Board nor the Corporation shall enter into any contract or transaction with (i) one or more of its board members, (ii) a board member related organization, or (iii) an organization in or of which a board member of the organization is a board member, officer, or legal representative, employee, or in some other way has a material financial interest unless all of the following criteria are met: (1) The contract or transaction is fair and reasonable; (2) that interest is fully disclosed to all the Board's members; (3) the Board approves, authorizes or ratifies the action in good faith and within Minn. Stat. 124D.10; and (4) the approval is by unanimous decision of the Board, with the interested party abstaining from discussion and vote.

C. Participation at Board Meeting. When an agenda item presents an existing or potential conflict of interest, the interested school board member or employee may be present to answer questions but shall not otherwise participate in the discussion, and shall exit from the meeting room during the vote. The Minutes of all actions taken on such matters shall clearly show that the requirements of this section were met and were consistent with Minn. Stat. 124D.10. This clause does not pertain to agenda items not relating to existing or potential conflicts of interest.

D. A school board member or employee who is authorized to take part in any manner in making any sale, lease, or contract in his or her official capacity shall not voluntarily have a personal material financial interest in that sale, lease, or contract or personally benefit financially there from.

E. The school board member conflict of interest provisions do not apply to compensation paid to a teacher employed by the school who also serves as a member of the Board of Directors.

F. The school board member conflict of interest provisions do not apply to a teacher who provides services to the school through a cooperative formed under Minn. Stat. Ch. 308A when the teacher also serves on the charter school board of directors.

G. The school may not employ any staff related by blood or marriage to a school board member, within the fourth degree as computed by the civil law.

IV. CONFLICTS PRIOR TO TAKING OFFICE

A. A school board member or employee with personal material financial interest in a sale, lease, or contract with the school which was entered before the school board member or employee took office and presents an actual or potential conflict of interest, shall immediately notify the school board of such interest. It shall thereafter be the responsibility of the school board member or employee to refrain from participating in any action relating to the sale, lease, or contract. At the time of renewal of any such sale, lease, or contract, the school board member or employee may not enter into or renew such sale, lease, or contract.

B. Each school board member or employee must complete a conflict-of-interest statement for review by the Board within thirty (30) days of his or her election or hiring date, and shall annually complete such a statement on the anniversary of his or her election or hiring date or on such an annual date that the Board may select. The Board will provide all such conflict of interest statements to its authorizer.

VI. DETERMINATION AS TO WHETHER A CONFLICT OF INTEREST EXISTS

The determination as to whether a conflict of interest exists is to be made by the school board. Any school board member or employee who has an actual or potential conflict shall notify the school board of such conflict immediately. The school board member or employee shall thereafter cooperate with the school board as necessary for the school board to make its determination.
