

Rollingstone Community School

Policy 210.1

Conflict of interest – Charter School Board Members

Policy management

Adopted: 21-Sep-2021

Reviewed/ revised: n/a

Mandatory: No

Frequency: Every 3 years

Distribution: Not

1. Purpose

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

2. General statement of policy

- a. The policy of the charter school board is to conform with statutory conflict of interest laws and act in a manner that will avoid any conflict of interest or the appearance thereof.

3. Definitions

- a. "Board" means the fully appointed or elected Board members of RCS.
- b. "Control" means the ability to affect the management, operations, or policy actions or decisions of a person.
- c. "Affiliate" means a person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with another person.
- d. "Person" means an individual or entity of any kind.
- e. "Immediate Family" means an individual whose relationship by blood, marriage, adoption, or partnering is no more remote than first cousin.
- f. "Related Party" means an affiliate or immediate relative of the other party in question, an affiliate of an immediate relative, or an immediate relative of an affiliate.

4. Limitations on Board Membership

- a. An individual is prohibited from serving as a member of the board if: the individual, 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 board contracts, directly or indirectly, for professional services, goods or facilities.
- b. An individual is prohibited from serving as a board member if an immediate family member is an employee of the school.
- c. Any employee, agent or board member of RCS' 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.
- d. A violation of this policy renders a contract voidable at the option of the Commissioner of Education or the Board. A member of the Board who violates this prohibition is individually liable to the school for any damage caused by the violation.

5. Limitations on Contract Administration

- a. No board member, employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. A conflict arises when any of the following has a financial or other interest in or a tangible personal benefit from a firm considered for a contract:
 - i. board member, employee, officer, or agent of RCS
 - ii. the immediate family of the board member, employee, officer or agent
 - iii. the partner of the board member, employee, officer or agent
 - iv. an organization which employs, or is about to employ, any of the above or has a financial interest in the firm selected for award.
- b. Board members, employees, officers or agents of the school may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.
- c. A violation of this paragraph renders the contract void.
- d. The conflict of interest provisions under this policy do not apply to compensation paid to a licensed teacher employed by RCS who also serves as a member of the Board of Directors.
- e. A charter school board member, employee or officer is a local official with regard to the receipt of gifts. A board member, employee, or officer must not receive compensation from a group health insurance provider.
- f. Conflicts Prior to Taking Office: A school board member with personal financial interest in a sale, lease, or contract with the school district that was entered before the school board member took office and presents an actual or potential conflict of interest, must immediately notify the school board of this interest. It is the responsibility of the school board member to refrain from participating in an action relating to the sale, lease, or contract. At the time of renewal of any such sale, lease, or contract, the school board may enter into or renew such sale, lease, or contract only if it falls within one of the enumerated exceptions for contracts relating to goods or services provided above and if the procedures provided in this policy are followed.

6. Disclosure

- a. RCS will disclose in writing to the Commissioner of Education of any potential conflict of interest.
- b. RCS will disclose in writing to the Commissioner of Education any potential contract, lease, or purchase of service from its authorizer.
- c. RCS will disclose in writing to the Commissioner of Education all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

7. Legal References

- a. Minn. Stat. § 10A.071, Subd. 1 (Certain Gifts by Lobbyists and Principals Prohibited)
- b. Minn. Stat. § 124E.07 (Board of Directors)
- c. Minn. Stat. § 124E.14 (Charter Schools; Conflicts of Interest)
- d. Minn. Stat. § 471.895 (Certain Gifts by Interested Persons Prohibited)