

Marine Area Community School

Board of Directors Conflict of Interest Policy

Drafted: September 12, 2016

Adopted: September 17, 2016

Applicable Statute: Minnesota Statute Section 124E.14

The purpose of this policy is to ensure the Board of Directors does not engage in actions that create a conflict of interest.

The Board of the Marine Area Community School (MACS) is committed to full compliance with the applicable provisions of state law.

I. Definitions

- A. "Board" means the fully appointed or elected Board members of MACS.
- 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.

II. 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 MACS' 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.

III. 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 MACS
 - 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 MACS who also serves as a member of the Board of Directors.

VII. Disclosure

- A. MACS will disclose in writing to the Commissioner of Education of any potential conflict of interest.
- B. MACS will disclose in writing to the Commissioner of Education any potential contract, lease, or purchase of service from its authorizer.
- C. MACS 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.