

210.1 CONFLICT OF INTEREST – EDUCATION DISTRICT BOARD MEMBERS

I. PURPOSE

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

II. GENERAL STATEMENT OF POLICY

The policy of the education district 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.

III. CONFLICTING BUSINESS RELATIONSHIPS

- A. An individual is prohibited from serving as a member of the board of directors of an education district 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 education district 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. A violation of this prohibition renders a contract voidable at the option of the Commissioner of Education (Commissioner) or the education district board of directors. A member of an education district board of directors who violates this prohibition is individually liable to the education district for any damage caused by the violation. An individual may serve as a member of the board of directors if no conflict of interest under this paragraph exists.
- B. No member of the board of directors, employee, officer, or agent of an education district 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; (3) the partner of the board member, employee, officer, or agent; or (4) an organization that employs, or is about to employ, any individual in clauses (1) to (3), has a financial or other interest in the entity with which the education district is contracting. A violation of this provision renders the contract void.
- C. Any employee, agent, or board member of the authorizer of an education district 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 education district board member conflict of interest provisions do not apply to compensation paid to a teacher employed as a teacher by the education district or a teacher who provides instructional services to the education district through a cooperative formed under Minn. Stat. Ch. 308A when the teacher also serves on the education district board of directors.

- E. A education district 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.

Legal References: Minn. Stat. § 10A.071, Subd. 1 (Certain Gifts by Lobbyists and Principals Prohibited)
Minn. Stat. § 124D.10, Subd. 4a (School districts; Conflict of Interest)
Minn. Stat. § 471.895 (Certain Gifts by Interested Persons Prohibited)

Cross References: