

**SEVEN HILLS CLASSICAL ACADEMY
MANUAL OF SCHOOL POLICIES APPROVED BY THE BOARD**

POLICY 210: CONFLICT OF INTEREST FOR SCHOOL BOARD MEMBERS

I. PURPOSE

The purpose of this policy is to observe state statutes regarding conflicts 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. No director may violate any common law or statutory prohibition on conflicts of interest. Applicable statutes include, but are not limited to, Minnesota Statutes Sections 471.87; 471.88; 124D.10, subdivision 4(b); and 124D.10, subdivision 23a. Abstaining from a vote, or abstaining from participating in a discussion of the Board relating to a vote, does not cure a statutory conflict of interest. Any director who has a personal financial interest in a transaction that is being contemplated by the Board, or who has a relationship with any person who may be involved in such a transaction, must fully disclose to the Board the existence of the interest or relationship before the transaction is initiated.

II. GENERAL STATEMENT OF POLICY

It is the policy of the charter school board to conform with statutory conflict of interest laws and act in a manner that will avoid any conflict of interest or the appearance thereof. Board members are required to annually sign a Conflict of Interest Statement.

III. CONFLICTING BUSINESS RELATIONSHIPS

- A. A member of a charter school board of directors is prohibited from serving as a member of the board of directors or as an employee or agent of, or contractor with, a for-profit entity with whom the charter 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 state commissioner of education. A member of a charter school board of directors who violates this prohibition shall be individually liable to the charter school 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. A member of a charter school board of directors that serves as a member of the board of directors or as an employee or agent of, or contractor with, a nonprofit entity with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities, must disclose all potential conflicts to the commissioner of education.
- C. The charter school board member conflict of interest provisions do not apply to compensation paid to a teacher employed by the charter school who also serves as a member of the board of directors.
- D. The charter school board member conflict of interest provisions do not apply to a teacher who provides services to a charter school through a cooperative formed

under Minn. Stat. Ch. 308A when the teacher also serves on the charter school board of directors.

IV. COMPENSATION

A director who receives compensation, directly or indirectly, from the corporation may not vote or participate in any board discussion pertaining to his or her compensation. Similarly, a voting member of a committee who receives compensation, directly or indirectly from the corporation may not vote or participate in any committee discussion pertaining to his or her compensation.

V. CONFIDENTIALITY

Absent a court order or other legal requirement, a director may not disclose to any third person information that was discussed in closed session or information that relates to the board's negotiation strategy or competitive bargaining position with respect to any transaction, sale, purchase, lease, agreement, or contract.

ADOPTED BY THE BOARD ON: February 2008

REVISED BY THE BOARD ON: