

PROGENY ACADEMY

Conflict of Interest (210)

I. Purpose

The purpose of the conflict of interest policy is to protect 's interest when it is contemplating entering into a transaction or arrangement that might result in an excess benefit transaction. This policy is intended to supplement but not replace, applicable state and federal laws governing conflict of interest applicable to nonprofits, charitable organizations, and chartered public schools.

II. General Statement of Policy

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

A. Progeny Academy has established this guidance In accordance with the Uniform Governance Guidance 2 CFR 200, Subpart B, Section §200.112-113.

B. Employees must avoid activities or relationship that conflict with Progeny Academy's interests or adversely affect the school's reputation. No policy can describe every situation that may constitute a conflict of interest. The purpose of these guidelines is to provide general direction so that you can seek further clarification on issues related to conflicts of interest. Contact the school's director if you have any questions about conflicts of interest.

C. Definitions

A conflict of interest can generally be described as a situation in which your loyalty is, or may appear to be, divided between self-interest or the interests of a third-party and the interests of Progeny Academy. The types of activities and relationships you must avoid include, but are not limited to:

- Accepting, agreeing to accept, or soliciting money or other tangible or intangible benefits in exchange for favorable decisions or actions in the performance of your job or that might appear to influence your decision-making or professional conduct;
- Accepting employment or compensation or engaging in any business or professional activity that might require disclosure of confidential information or trade secrets;
- Accepting employment or compensation that could reasonably be expected to impair your independent judgment in the performance of your duties;
- Accepting a kickback, bribe, substantial gift, or special consideration as a result of any business dealings involving Progeny Academy;

- Giving preferential treatment to any person or company in which you, a relative, spouse, partner, child, or a friend has a significant ownership interest or relationship.

III. Board of Directors – Conflicts of Interest

A. An individual is prohibited from serving as a member of the charter school board of directors 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 charter school 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 or the charter school board of directors. A member of a charter school board of directors who violates this prohibition is individually liable to the charter school for any damage caused by the violation.

B. No member of the board of directors, employee, officer, or agent of a charter school shall participate in selecting, awarding, or administering a contract if a conflict of interest exists.

C. The conflict of interest provisions under this subdivision do not apply to compensation paid to a teacher employed as a teacher by the charter school or a teacher who provides instructional services to the charter school through a cooperative formed under chapter 308A when the teacher also serves on the charter school board of directors.

D. The determination as to whether a conflict of interest exists is to be made by the school board in concert with a proper reading of the statute and this policy. Any school board member who has an actual or potential conflict shall notify the school board of such conflict immediately. The school board member shall thereafter cooperate with the school board as necessary for the school board to make its determination.

IV: Annual Statements

A. Employees

Employees will participate annually in training regarding conflicts of interest and complete a Conflict of Interest Disclosure form. Employees must disclose actual or potential conflicts or any relationship that may create the appearance of a conflict of interest to your supervisor, in writing, as soon as you become aware of them so that safeguards can be established to protect all parties. The director will investigate any conflicts of interest and determine if disciplinary action, including suspension or termination, is warranted.

Failure to make required disclosures or resolve conflicts of interest satisfactorily may result in discipline up to and including termination of employment, as determined by the Executive Director and School Board.

B. Employees

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflicts of interest policy.
2. Has read and understands the policy
3. Has agreed to comply with the policy
4. Understands that Progeny Academy is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

C. Employees

The director will disclose in writing any potential conflicts of interest to the Minnesota Department of Education (MDE). The disclosure form will be sent to the Chief Financial Officer at MDE.

The director and School Board Chair will disclose all violations of federal criminal law involving fraud, bribery, or gratuity violations to appropriate authorities and the Minnesota Department of Education (MDE)

ADOPTED: October 14, 2017

REVIEWED/REVISED: December 9, 2017

Conflicts of Interest Disclosure Form for Employees Part 1

Directions: Please complete this form, sign, date and return it to the district administration.

I, the undersigned, acknowledge I have received a copy of the Progeny Academy's Conflicts of Interest Policy. I received training on this topic on _____ (Date).

I, the undersigned, acknowledge this Conflicts of Interest Disclosure Form indicates whether I have any actual or apparent Conflict of Interest with any individual or entity whose interests may reasonably appear to be affected by selecting, awarding, or administering a contract with the entity.

I understand a Conflict of Interest exists when the following individuals or entities have a financial or other interest in an entity with which Progeny Academy is contracting:

1. Board Member, Employee, Officer, or agent;
2. Immediate family of the Board Member, Employee, Officer, or agent;
3. Business Partner of the Board Member, Employee, Officer, or agent;
4. An organization that employs, or is about to employ any individual mentioned in the aforementioned lines.

I agree not to participate in the selecting, awarding, or administering any contract if a conflict of interest exists.

I understand that I have a continuing duty to report any potential Conflicts of Interest and agree to report to the Board any possible conflicts that may develop in addition to any possible conflicts stated below.

I understand a Conflict of Interest may arise in a situation not stated above and this disclosure does not limit Progeny Academy's rights concerning any other conflicts of interest, which may arise.

I understand that Progeny Academy will conduct an investigation of any conflict of interest and may result in discipline up to and including termination of employment.

Conflict of Interest Policy Disclosure Form for Employees Part 2

I have read, understand, and agree to the provisions of the Conflicts of Interest Policy.

I declare that:

Check one:

I have no conflicts to declare.

I am declaring the following conflict or potential conflict:

I understand that if a conflict is declared, NAME OF SCHOOL, Executive Director, employee, officer, or agent will notify the Board Chair.

Print Name _____

Signature _____

Date _____

Office use:

C of I Trainer: _____

Date of training: _____

Conflict of Interest Disclosure Form Administration and Members of the School Board

This document pertains to any individual, who due to their role within the school has the authority to purchase goods or sign contracts on behalf of the school.

Reference: Progeny Academy's Conflict of Interest Policy

Review the following and check the applicable statements related to conflict of interest regarding charter school for the year ended 6/30/_____.

_____ I am, or my immediate family member* or partner is an owner, employee, or agent of, or a contractor with a for-profit or nonprofit entity with whom the charter school contracts, directly or indirectly, for professional services, goods or facilities.

_____ If so, I refrain from participating 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 a 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 charter school is contracting.

_____ I am an employee, agent, or board member of the authorizer who participates in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or nonrenewal process or decision.

_____ I am aware of the following transactions undertaken by myself, my immediate family members, my partner/spouse or entities affiliated with myself, my immediate family members, or my partner/spouse during the year that would impair my independence with respect to the organization listed above.

Required information:

- a. Description of transaction: _____
- b. Individual/entity engaging in transaction: _____
- c. Amount of transaction: _____
- d. Identify other party to the transaction: _____
- e. Relationship of individual/entity (self, spouse, etc.): _____

_____ I am aware of no transactions undertaken by myself, my immediate family members, my partner/spouse or entities affiliated with myself, my immediate family members, or my partner/spouse during the year that would impair my independence with respect to the organization listed above.

_____ I sold or purchased property or materials owned by the charter school. If so, please place a check next to all that apply:

_____ The property was not needed by the charter school.

_____ The purchase was made through a sealed bid or public auction.

_____ I was not directly involved with the sealed bid or auction process.

_____ Public notice of the sale was given for at least one week.

_____ I did not sell or purchase property or materials owned by the charter school.

To the best of my knowledge and belief, the above information is true and accurate.

Signature: _____

Print Name: _____

Title: _____

Employer: _____

Date: _____

*Immediate family member: An individual's spouse, parents, grandparents, children, grandchildren, brothers, sisters, mother-in-law, father-in-law, brothers-in-law, sisters-in-law, daughters-in-law, and sons-in-law. Adopted, half, and step members are also included in immediate family.

Office use:

C of I Trainer: _____

Date of training: _____