

Board of Education

Series 200

Policy Title Conflict of Interest

Code No. 210

M.S. 471.87 PUBLIC OFFICERS, INTEREST IN CONTRACT: PENALTY.

Except as authorized in section 471.88, a public officer who is authorized to take part in any manner in making any sale, lease, or contract in his official capacity shall not voluntarily have a personal financial interest in that sale, lease or contract or personally benefit financially therefrom. Every public officer who violates this provision is guilty of a gross misdemeanor.

M.S. 471.88 EXCEPTIONS.

Subd. 1. The governing body of any port authority, seaway port authority, town, school district, village, county, or city, by unanimous vote, may contract for goods or services with an interested officer of the governmental unit in any of the following cases:

Subd. 2. In the designation of a bank in which the officer is interested as an authorized depository for public funds and as a source of borrowing, no restriction shall apply to the deposit or borrowing of any funds or the designation of a depository by such authority or governmental unit in any bank in which a member of an authority or officer of a governmental unit shall have an interest if such deposited funds are protected in accordance with Minnesota Statutes, Chapter 118; provided, however, that any member or officer having such an interest shall disclose that he/she is a director or employee of the bank, which disclosure shall be entered upon the minutes of the authority or governmental unit, such disclosure shall be made when such bank is first designated as a depository or as a source of borrowing, or when such member or officer is elected whichever is later, and such disclosure shall serve as notice of such interest and need not be made with each successive transaction;

Subd. 3. The designation of an official newspaper, or publication of official matters therein, in which the officer is interested when it is the only newspaper complying with statutory or charter requirements relating to the designation or publication;

Subd. 4. A contract with a cooperative association of which the officer is a shareholder or stockholder but not an officer or manager;

Subd. 5. A contract for which competitive bids are not required by law and where the amount does not exceed \$5000 when the commodity or service contracted for is not otherwise available in the affected governmental unit;

Subd. 6. A contract with a volunteer fire department for the payment of compensation to its members or for the payment of retirement benefits to these members;

Subd. 7. A contract with a municipal bank for the payment of compensation to its members;

Subd. 8. Contracts for goods or services when the consideration does not exceed \$5000 in any year and the contracting governmental unit has a population of less than 5,000;

Subd. 9. When a port authority commissioner is engaged in or employed by a firm engaged in the business of importing or exporting or general trade, it shall be lawful for the authority to do business with the commissioner or his employer provided that in the fixing of any rates affecting shippers or users of the terminal facility, said commissioner shall not vote thereon.

Subd. 10. When a seaway port authority commissioner is engaged in or employed by a firm engaged in the business of importing or exporting or general trade, it shall be lawful for the authority to do business with the commissioner or his employer provided that in the fixing of any rates affecting shippers or users of the terminal facility, said commissioner shall not take part in the determination of, except to testify, nor vote thereon.

Subd. 11. When a commissioner of any public housing or port authority is employed by a bank engaged in making loans or performing trust services involving real or personal property affected by any plan or such housing or port authority, no restriction shall apply to any such loans made or trust services performed by said bank if the commissioner shall disclose the nature of such loans or trust services of which he/she has personal knowledge, which disclosure shall be entered upon the minutes of such authority.

M.S. 127.15 DEALING IN SCHOOL SUPPLIES

Except as provided for in Minnesota Statutes, Sections 471.87 and 471.88 (conflict of interest statute and exceptions), no teacher in the public schools, nor any state, county, town, city, or district school officer, including any superintendent of schools, or any member of any school board, nor any person connected with the public school system in any capacity, shall be interested directly or indirectly in the sale, proceeds, or profits of any book, apparatus, or furniture used, or to be used, in any school with which he/she is connected in any official capacity. Any person violating any of the provisions of this section shall forfeit not less than \$50, nor more than \$200 for each such offense.

This section shall not apply to a person who may have an interest in the sale of any book of which he/she is the author.

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