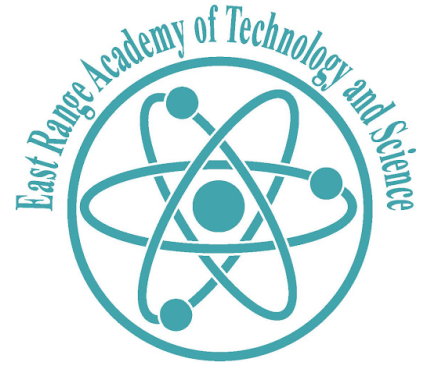


Board Policy
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**Employee Ethics and
Conflict of Interest**



Adopted: 2-04-2019

Note: School districts like East Range Academy of Technology and Science (ERATS) are required by the federal Uniform Grant Guidance regulations, 2 C.F.R. Part 200, to have policies which establish uniform administrative requirements, cost principles, and audit requirements for federal awards to non-federal entities including school districts. ERATS has Policy 320, Uniform Grant Guidance Policy Regarding Federal Revenue Sources, to ensure compliance with the requirements of the federal Uniform Grant Guidance regulations. Policy 320 addresses employee conflict of interest, organizational conflict of interest, and the disclosure of conflict interest in Part III of the policy. This policy addresses conflict of interest (2 C.F.R. Part 200, section 200.112) and disclosures of conflict of interest (2 C.F.R. Part 200, section 200.113) in more detail.

I. PURPOSE

East Range Academy adopts this policy to provide guidance for complying with the federal Uniform Grant Guidance, 2 C.F.R. Part 200, sections 200.112-200.113.

II. GENERAL STATEMENT OF POLICY

ERATS employees must avoid activities or relationships that conflict with ERATS' interests or adversely affect the ERATS' 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 ERATS employees can seek further clarification on issues related to conflicts of interest. Contact the ERATS Director if you have any questions about conflicts of interest.

III. CONFLICT OF INTEREST EXPLAINED

A conflict of interest can generally be described as a situation in which an ERATS employee's loyalty is, or may appear to be, divided between self-interest or the interests of a third-party and the interests of ERATS. The types of activities and relationships an employee 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 the employee's job or

- that might appear to influence the employee's 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 the employee's independent judgment in the performance of the employee's duties;
 - Accepting a kickback, bribe, substantial gift, or special consideration as a result of any business dealings involving ERATS; and
 - Giving preferential treatment to any person or company in which the employee, a relative, spouse, partner, child, or a friend has a significant ownership interest or relationship.

IV. EMPLOYEE TRAINING AND DISCLOSURE OF CONFLICT OF INTEREST; CONSEQUENCES OF NON-DISCLOSURE

ERATS 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 their supervisor, in writing, as soon as the employee becomes aware of the conflict of interest 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 Director and the ERATS Board of Directors.

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

The Director will disclose any violation of federal criminal law involving fraud, bribery, or gratuity violations to the appropriate authorities to the ERATS Board of Directors, and to MDE.