



Conflict of Interest Disclosure Policy	
Original Adoption: 02/12/2019 Reviewed/Updated: TBD	Reference No. FIN-013

PURPOSE: To prescribe the policies and procedures for ensuring compliance with Minnesota Statutes with regard to conflicts of interest.

AUTHORITY: Conflicts of interest exist, if at all, because of either a statutory or common law prohibition.

1. **Statutory.** Minnesota Statutes, Section 471.87 makes it a conflict of interest for any “public officer” who is authorized to take part in any “sale, lease, or contract” to have any interest in or benefit financially from the “sale, lease, or contract”.
2. **Common Law.** Common law conflicts relate to situations that do not involve a sale, lease, or contract. The common law rule, subject to qualifications, is that an official should not participate or vote on a matter if the vote will directly advance a financial interest of the official. (A vote which is would have the opposite effect is not subject to conflict analysis).

POLICY AND PROCEDURES:

City Policy FIN-003 Purchasing Policy contains the following clause:

2.2 Conflicts of Interest

No employee, officer, Board member, or agent of the City of Mound or Mound HRA shall participate directly or indirectly in the *selection, award, or administration* of any contract if a conflict of interest, ***either real or apparent***, would be involved. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:

- A. An employee, officer, Board member, or agent involved in making the award;
- B. His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister);
- C. His/her partner; or
- D. An organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

Officers, employees, board members and agents are required to disclose any potential conflicts of interest and abide by the requirements as set forth in Minnesota Statutes 469.009, 471.87, 471.88, and 471.89. Note: non-decision making employees may not do business with the City that is not part of their regular duties/payroll compensation, election judges excluded because they are governed by state statute.

In order to ensure compliance with these laws, the following actions will be taken by the Finance Director of the City and provided to the external auditor of the City:

1. Prior to the end of each fiscal year on December 31st, all supervisors and council members shall complete and submit an updated Conflict of Interest Disclosure form.
2. Upon hire of non-supervisory employees, appointment of new commissioners or upon entering into or renewing a professional services contract with the City of Mound or the Mound Housing and Redevelopment Authority, employees, appointed commissioners and professional consultants shall complete and submit a Conflict of Interest Disclosure form.