



## MEMORANDUM

Comfort Lake-Forest Lake Watershed District

**Date:** March 21, 2024  
**To:** CLFLWD Board of Managers  
**From:** Mike Kinney, District Administrator  
**Subject:** State Grant Conflict of Interest Resolution



**District Wide**

### Background/Discussion

The purpose of this agenda item is to consider the enclosed resolution and associated conflict of interest policy. Adopting this resolution will allow the District to be compliant with State grant requirements now and into the future.

### Recommended Motion

Manager \_\_\_\_\_ moves to adopt resolution 24-03-01 adopting the conflict of interest policy.  
Seconded by Manager \_\_\_\_\_.

### Attached

Resolution 24-03-01 Conflict of Interest Policy

**COMFORT LAKE-FOREST LAKE WATERSHED DISTRICT  
BOARD OF MANAGERS**

**RESOLUTION 24-03-01**

**STATE GRANT CONFLICT OF INTEREST POLICY**

Manager \_\_\_\_\_ offered the following resolution and moved its adoption, seconded by Manager \_\_\_\_\_:

WHEREAS as a requirement of state grant agreements, throughout the term of the agreement the CLFLWD must maintain a conflict of interest policy that conforms to Minnesota Department of Administration, Office of Grants Management, Policy No. 08-01;

WHEREAS Policy No. 08-01 requires that the CLFLWD maintain and follow its own documented conflict of interest policy and procedures with respect to an organizational conflict of interest, which is defined as when:

- A grantee’s objectivity in carrying out a grant is compromised due to a competing duty or loyalty; or
- A grantee or grant applicant has an unfair competitive advantage by having been furnished, without authority, proprietary information or source selection information not available to all competitors.

WHEREAS the Bylaws of the CLFLWD Board of Managers (“Board”) sets forth a conflict of interest policy in accordance with Minnesota Statutes §10A.07, which policy is further informed by governance policies adopted by the Board and in force;

BE IT RESOLVED that all members of the Board, in making decisions that involve the expenditure of Project grant funds, will follow the requirements and procedures of the CLFLWD conflict of interest policy with respect to any potential or actual organizational conflict of interest, as defined above, and the CLFLWD Administrator, in the event of same, will advise the Board in writing and determine in coordination with the Board how the decision at hand will be made so as to avoid an organizational conflict of interest; and

BE IT FURTHER RESOLVED that in the event of an actual, potential, or perceived conflict of interest, as defined in the “MnDNR Conflict of Interest Disclosure” attached hereto, the CLFLWD Administrator will notify the State’s Authorized Representative for the grant.

The question was on the adoption of the above resolution and there were \_ ayes and \_ nays as follows:

<b>Manager</b>	<b>Aye</b>	<b>Nay</b>	<b>Absent</b>	<b>Abstain</b>
Stephen Schmaltz				
Christopher Loth				
Dave Bakke				
Jackie Anderson				
Doug Toavs				

The President declared the resolution adopted.

Dated: March 28, 2024

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 Dave Bakke, Secretary

\* \* \* \* \*

I, Dave Bakke, Secretary of the Comfort Lake–Forest Lake Watershed District Board of Managers, do hereby certify that the above resolution is a true and correct transcription of an action of the Board taken on the date above indicated.

IN TESTIMONY WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

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 Dave Bakke, Secretary



## Conflict of Interest Disclosure

### Conflict of Interest

As referenced in the Minnesota Department of Administrations Office of Grants Management's Policy 08-01, a conflict of interest, actual, potential, or perceived, occurs when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper or illegal act results from it.

### Actual Conflict of Interest

An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples included but not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

### Potential Conflict of Interest

A potential conflict of interest may exist if one party has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests. Examples included but not limited to:

- One party has a relationship, affiliation, or other interest that could create an inappropriate influence if one party is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests. For example, when one party serves in a volunteer capacity for another party, it has the potential to, but does not necessarily create a conflict of interest, depending on the nature of the relationship between the two parties.

A disclosed potential conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### Perceived Conflict of Interest

A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist.

A disclosed perceived conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflict

### Individual Conflict of Interest

A conflict of interest that may benefit an individual employee where actions or non-action could be interpreted to be influenced by something that would benefit them directly or through indirect gain to a friend, relative, acquaintance or business or organization with which they are involved.

An employee uses his/her status or position to obtain special advantage, benefit, or access to the grantee or grant applicant's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence

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### **Organizational Conflict of Interest**

A conflict of interest can also occur with an organization that is a grant applicant or grantee of a state agency. Organizational conflicts of interest occur when:

- A grantee is unable or potentially unable to render impartial assistance or advice to the State due to competing duties or loyalties
- A grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties
- A grantee creates an unfair competitive advantage in hiring for professional services or purchasing supplies or equipment by furnishing unauthorized proprietary information or source selection information that is not available to all competitors and create a path to one or a few.

**This section to be completed by Grantee's Authorized Representative:**

I certify that we will maintain an adequate Conflict of Interest Policy, and throughout the term of our agreement will report any actual, potential and perceived conflicts of interests by individual employees or are organization as a whole to the State's Authorized Representative.

Organization Name:

Project Name:

Grant Program:

Authorized Representative Name:

Signature:

Date: