

Lessard-Sams Outdoor Heritage Council

MEMO: Agenda Item #7
DATE: July 30, 2024
SUBJECT: Information/Discussion – Conflict of Interest
PRESENTER: Samantha Shalda, Director of Enterprise Oversight & Accountability, Dept of Administration – Grants Management
Julie Bayerl, Legislative Director, Dept of Administration – Grants Management.

From MN Statute 97A.056, subd. 4 “Conflict of interest.”

(a) A council member may not be an advocate for or against a council action or vote on any action that may be a conflict of interest. A conflict of interest must be disclosed as soon as it is discovered. The council shall follow the policies and requirements related to conflicts of interest developed by the Office of Grants Management under section [16B.98](#).

(b) For the purposes of this section, a "conflict of interest" exists when a person has an organizational conflict of interest or direct financial interests and those interests present the appearance that it will be difficult for the person to impartially fulfill the person's duty. An "organizational conflict of interest" exists when a person has an affiliation with an organization that is subject to council activities, which presents the appearance of a conflict between organizational interests and council member duties. An "organizational conflict of interest" does not exist if the person's only affiliation with an organization is being a member of the organization.”

From LSOHC procedures:

3. Conflict of Interest Prohibitions and Procedures

a. Governing Conflict of Interest

The COUNCIL is bound by [Minnesota Statutes, section 97A.056, subd. 4](#), “Conflict of Interest” as follows:

- i. A COUNCIL member may not be an advocate for or against a COUNCIL action or vote on any action that may be a conflict of interest. A conflict of interest includes direct or indirect personal financial benefit from a request for funding or funded project. A conflict of interest must be disclosed as soon as it is discovered. The COUNCIL shall follow the policies and requirements related to conflicts of interest developed by the Minnesota Department of Administration Office of Grants Management under [Minnesota Statutes, section 16B.98](#). (See Procedures Regarding Conflict of Interest below.)
- ii. For the purposes of this section, a "conflict of interest" exists when a person has an organizational conflict of interest or direct financial interests, and those interests present the appearance that it will be difficult for the person to impartially fulfill the person's duty. An "organizational conflict of interest" exists when a person has an affiliation with an organization that is subject to COUNCIL activities, which presents the appearance of a conflict between organizational interests and COUNCIL member duties. An "organizational conflict of interest" does not exist if

the person's only affiliation with an organization is being a member of the organization.

- iii. In addition to the above a COUNCIL member may not serve as a project manager for a request for funding pending before the COUNCIL.

b. Conflict of Interest to be Managed Through Procedures

Members of the COUNCIL have been appointed because of their legislative duties, interest, expertise, or knowledge of the science, policy, or practice of restoring, protecting, and enhancing wetlands, prairies, forests and habitat for fish, game and wildlife. Therefore, certain affiliations may constitute a conflict of interest that must be managed by the COUNCIL, including:

- i. Receipt of personal financial benefit from a proposing organization or request for funding being reviewed.
- ii. Serving as an employee or governing board member of a proposing organization whose request for funding is being reviewed.
- iii. Having a family relationship with someone requesting funds or a staff or board member of a requesting organization.

c. Procedures Regarding Conflict of Interest

A conflict of interest must be identified before or during the initial request for funding review process. The member must complete the Lessard-Sams Outdoor Heritage Council Conflict of Interest Disclosure Form and file it in the COUNCIL office. If a conflict of interest is recognized during the course of a meeting the member must declare the conflict at the first opportunity. Declaring a conflict of interest means that a member may not advocate for or against the request for funding, or vote on the request for funding. In addition, existing law and institutional policies on conflict of interest cover the COUNCIL members and staff and other legislative staff.