

NEPOTISM POLICY

Purpose

The purpose of this policy is to comply with Minnesota Statutes, Sect. 124D.10 and to assist LIFE Prep to avoid creating or maintaining circumstances in which the appearance or possibility of favoritism, conflicts, or management disruptions exist. This policy will cover the issues related to potential board members related to employees or potential employees as well as those employees related or potential employees related to management or other employees.

Board Membership Condition and Allowable Employment

Relationship by family or marriage constitutes neither an advantage nor a deterrent to appointment by LIFE Prep, provided that the individual meets the appropriate standards for the position to be filled and provided that the individual will not be in the chain of supervision of a spouse, family member, domestic partner, or person with whom the individual is dating.

Employment or Board of Director appointment will be denied under the following circumstances:

1. Where one family member would have the authority or practical power to supervise, govern, appoint, remove, or discipline another;
2. Where one family member would be responsible for auditing the work of another;
3. Where other circumstances exist which would place

family members in a situation of actual or reasonably foreseeable conflict between the employer's interest and their own.

Failure to advise LIFE Prep of the existence of one of these circumstances may result in an actual discharge from employment.

Existing LIFE Prep employees or Board Members who become involved in one of the foregoing circumstances have an obligation to advise LIFE Prep about the conflict. Every effort will be made to resolve the conflict without loss of employment to either employee, however, LIFE Prep reserves the right to transfer one or both employees, remove director from the Board, to discharge one or both employees or to demote one or both employees to resolve the conflict. Employees or Board Members who fail to advise LIFE Prep of the existence of a family, spousal or dating relationship under one of these circumstances will be subject to discipline, up to and including discharge or immediate removal from the Board.

Adopted: 2/23/2015