MISSOURI ETHICS COMMISSION
PO Box 1370
Jefferson City, MO 65102
www.mec.mo.gov
(573) 751-2020 / (800) 392-8660

James Klahr
Executive Director

August 16, 2016

Rebecca Steward
Sikeston R-6 School Dist
1002 Virginia Street
Sikeston MO 63801

Re: File No. 16-0053-I

Dear Ms. Steward:

At its August 12, 2016 meeting the Missouri Ethics Commission considered the complaint filed against you and the Sikeston R-6 School Board. The Commission reviewed the allegation that the Sikeston R-6 School Board and Deke Lape, while serving as Board President, violated conflict of interest statutes when the school board awarded the insurance bid to the company where he worked even though it was not the lowest bid.

Staff review determined that Deke Lape is employed by Mitchell Insurance which was one of the companies submitting bids to the school board. Mr. Lape owns one share of stock in the company and currently serves as Secretary/Treasurer for the company.

The insurance broker which had the contract with the school board submitted a bid in early 2016 along with two other insurance companies. The school board has an Insurance Committee which considered the bids. Three of the board members, Matt Tanner, James Gleason and Rebecca Steward served on the insurance committee reviewing the bids.

A few weeks after the Insurance Committee considered the proposals, the school board met in March 2016 to consider the committee's recommendation that the board accept the proposal submitted by Mitchell Insurance. Meeting minutes reflect that board member Lape left the meeting before the board considered the committee recommendation and did not reenter the meeting until after the board voted to approve the recommendation.

During the course of the board process for reviewing and selecting an insurance broker, evidence indicates that Mr. Lape did not present proposals to either the board or the Insurance Committee. While both Sections 105.454 and 105.458, RSMo, include restrictions on a public official's participation in bidding decisions when the public official may ultimately perform a service for the public body, except in cases whether that official's bid is the lowest received, Mr. Lape did not participate in the board's decision to select Mitchell Insurance as its insurance broker and is not performing work pursuant to the contract. There is also no evidence that Mr. Lape attempted to influence the board's decision nor evidence that he provided confidential information during the bidding process to Mitchell Insurance.

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From the facts presented, the Commission finds no reasonable grounds exist to support a violation of the conflict of interest laws pursuant to Chapter 105, RSMo, and is dismissing the complaint.

Sincerely,

James Klahr
Executive Director