

New Dimensions High School

Conflict of Interest Policy

1. **Interested Persons:** NDHS Board of Directors

2. **Kinds of interests:**

- a. Financial interest - a person has a financial interest if the person has, directly or indirectly, through business, investment, or family
- b. An ownership interest or investment in any entity with which the charter school has a transaction or arrangement
- c. A compensation arrangement with the charter school or with any entity or individual with which the charter school has a transaction or arrangement, or
- d. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the charter school is negotiating a transaction or arrangement

Note: A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board decides that a conflict of interest exists.

3. **Duty to Disclose:**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the governing board considering the proposed transaction or arrangement.

4. **Determining Whether a Conflict of Interest Exists:**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board while the determination of a conflict of interest is discussed and voted upon. The remaining board shall decide if a conflict of interest exists.

5. **Procedures for Addressing the Conflict of Interest:**

- a. An interested person may make a presentation to the governing board, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board shall determine whether the charter school can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Violations of the Conflict of Interest Policy charter school's best interest, for its own benefit, and whether it is fair and reasonable. In

conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

6. Violations of the Conflict of Interest Policy:

- a. If the governing board has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

7. Records of Proceedings :

The minutes of the governing board shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with the actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether or not a conflict of interest was present, and the governing board's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

8. Compensation:

- a. Per charter school law a board member may not receive compensation for their position.
- b. Under no circumstances can a board member vote on a matter in which he/she may have a personal interest
- c. It is standard practice not to hire a board member to perform any kind of service for compensation.
- d. A board member can be reimbursed for reasonable costs for fulfilling their role such as required travel.

9. Annual Statements:

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the charter school is a public not-for-profit and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes

Name: _____ Date: _____

Signature: _____