

**PAUL PUBLIC CHARTER SCHOOL
POLICIES AND PROCEDURES
CONFLICT OF INTEREST**

Policy Number:	G2004A
Policy Name:	Conflict of Interest Policy
Contact Person:	Chair, CEO, or COO
Date Approved by Board of Trustees:	12/12/2006
Date Last Amended:	9/23/2014
Date of Next Review:	[●]
Related Policies:	F2001A Accounting Policies and Procedures

1. Policy Statement:

It is the policy of Paul Public Charter School (the "School") that all Interested Persons shall scrupulously avoid any conflict between their respective personal, professional, or business interests and the interests of the School (the foregoing sentence referred to as the "Policy"). No Interested Person shall engage in any activity that presents a Conflict of Interest or has the appearance of a Conflict of Interest.

2. Background:

The School is located in the upper northwest quadrant of Washington, DC at the intersection of Eighth and Oglethorpe Streets. It is the first traditional public school in the city to convert to public charter school status. Paul opened its doors as a public charter school in September 2000. The charter for the school was awarded to a non-profit corporation governed by a Board of Trustees of the School (the "Board"). The Board has fiduciary responsibility for the School and is held accountable for the School's progress.

3. Overview:

The Policy is to protect the School's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of any Interested Person. The Policy is intended to supplement but not replace any applicable local or federal laws governing conflicts of interest applicable to non-profit corporations.

4. Policy Guidance:

A. Definitions

"Affiliate" is, with respect to any Interested Person, any Close Relative or Business Associate of such Interested Person.

"Annual Statement" is as defined in Section 4(H)(2).

"Board" is as defined in Section 2.

"Business Associate" is any individual or entity with whom an Interested Person has a business relationship, including but not limited to any corporation or organization of which an Interested Person is an officer or partner or has Control, or any trust or estate in which an Interested Person is the principal beneficiary or one or more members of his or her immediate family are the principal beneficiaries or of which the Interested Person has Control.

"Bylaws" is as defined in Section 4(B)(2).

"CEO" is as defined in Section 4.1(c) of the Bylaws.

"Chair" is as defined in Section 4.2(c) of the Bylaws.

"Close Relative" is any natural person who would reasonably be considered a close relative of an Interested Person, including but not limited to an immediate family member (including parents, spouses, children, siblings, first cousins, in-laws, and step-relatives).

"Conflict of Interest" is any situation in which the School enters into or contemplates entering into a contract, arrangement or transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) with (a) one or more Interested Persons or any of their Affiliates or (b) any business, group or organization in which one or more Interested Persons or any of their Affiliates (i) serves as a trustee, officer, board member or legal representative or (ii) otherwise has any actual or potential material financial interest with respect to such business, group or organization.

"Control" is the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity whether through the ownership of voting securities or by contract or otherwise.

"Disclosure Questionnaire" is as defined in Exhibit A.

"Interested Person" is any trustee or employee of the School, or any member of a committee with Board-delegated powers.

"Policy" is as defined in Section 1.

"School" is as defined in Section 1.

B. Neither the Board nor any of its committees, nor any officer or administrator of the School, shall enter into any contract or transaction that constitutes a Conflict of Interest unless all of the following are met:

1. The identity of each Interested Person and the exact nature of such Interested Person's actual or potential financial interest is disclosed or otherwise known to the Board;
2. The Board approves, authorizes or ratifies the contract or transaction by a majority vote pursuant to Section 4.3 of the bylaws of the School, as amended from time to time (the "Bylaws"); and
3. The terms of such contract or transaction (considering all of the facts and circumstances) are no less favorable to School than those that could be obtained at the time from a person who is not an Interested Person.

C. Duty to Disclose

In connection with any Conflict of Interest, an Interested Person must disclose to the Board the existence of his or her actual or potential financial interest and must disclose to the Board all material facts related to the Conflict of Interest.

D. Determining Whether a Conflict of Interest Exists

After disclosure by any Interested Person of a Conflict of Interest, the Board shall address the Conflict of Interest as required herein and shall determine whether to approve or disapprove the contract, arrangement or transaction at issue. Where an Interested Person is a Board member, the Interested Person must leave the meeting prior to and may not participate in any vote regarding whether to approve or disapprove the contract or transaction in question.

E. Procedure for Addressing the Conflict of Interest

1. An Interested Person may make a presentation at the Board meeting, but after such presentation, such Interested Person shall leave the meeting during the discussion of, and vote on, the contract, arrangement or transaction.
2. The Chair shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed contract, arrangement or transaction.
3. After full investigation, it is the Board's duty to determine whether or not to enter into a proposed contract, arrangement or transaction based on the risk of any Conflict of Interest, or the perception of any Conflict of Interest.

F. Violations of the Conflict of Interest Policy

1. If the Board has reasonable cause to believe that an Interested Person has failed to disclose any Conflict of Interest, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.
2. If, after hearing the response of the Interested Person and making such further investigation as may be warranted in the circumstances, the Board determines that the Interested Person has in fact failed to disclose a Conflict of Interest, the Board shall take appropriate disciplinary and corrective action.

G. Records of Proceedings

The minutes of the board and all committees with board-delegated powers shall contain:

1. The names of any Interested Persons who disclose or are otherwise found to have a Conflict of Interest, the nature of the Conflict of Interest, any action taken to determine whether there is a Conflict of Interest and the Board's decision as to whether to proceed with the contract or transaction in question.
2. The names of all persons who were present for discussions and votes relating to the contract, arrangement or transaction in question, the content of the discussion, including any alternatives to the proposed contract, arrangement or transaction and a record of any votes taken in connection therewith.

H. Other Issues

1. Compensation - A voting member of the Board who receives compensation, directly or indirectly, from the School for services is precluded from voting on matters pertaining to that member's compensation.
2. Annual Statement - Each Interested Person shall annually sign a statement (the "Annual Statement") which affirms that such Interested Person (a) has received the Policy, (b) has read and understands the Policy, (c) agrees to comply with the Policy and, in order to ensure that the School maintains its federal tax exemption, (d) will work to ensure that the School engages primarily in activities which accomplish one or more of the School's tax-exempt purposes and complete a disclosure questionnaire confirming the foregoing subsection (d).
3. Periodic Reviews - To ensure that the School (a) operates in a manner consistent with its mission and (b) does not engage in activities that could jeopardize its status as a District of Columbia charter school, periodic reviews of the Policy and its implantation at the School shall be conducted. In conducting these reviews, the School may use outside advisors.

[exhibits follow]

**PAUL PUBLIC CHARTER SCHOOL
CONFLICT OF INTEREST POLICY
ANNUAL STATEMENT**

I, _____, hereby certify:

I have received, carefully read and fully understand the Policy. I agree to comply with the provisions of the Policy. I further acknowledge that (a) the School is a non-profit corporation and (b) in order to maintain its federal tax exemption the School must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Except as otherwise indicated in the disclosure questionnaire provided in Exhibit B (the "Disclosure Questionnaire"), I do not have any Conflict of Interest, financial or otherwise, that may be seen as competing with the interests of the School, nor does any Affiliate of mine have such a Conflict of Interest. If a Conflict of Interest should arise in the future, I recognize that I have the responsibility to disclose the matter to the Board as set forth in the Policy.

I further affirm that the information set forth in the Disclosure Questionnaire and any applicable attachments is true and correct to the best of my knowledge, information and belief.

Signature: _____
Name:
Title:

Date: _____

**PAUL PUBLIC CHARTER SCHOOL
CONFLICT OF INTEREST
DISCLOSURE QUESTIONNAIRE**

Please complete this Disclosure Questionnaire by indicating any Conflicts of Interest. If you answer "yes" to any of the questions, please provide a written description of the details of the specific action, policy or transaction in an additional attachment.

Financial Interests - A conflict may exist where an Interested Person directly or indirectly benefits or profits as a result of a decision, policy or transaction made by the School.

During the past 12 months:

1. Has the School proposed to contract or contracted to purchase or lease goods, services, or property from you or from any of your Affiliates? Yes
 No
2. Has the School offered employment to you or to any of your Affiliates?
Please note that this question is inapplicable if you are currently employed by the School. Yes
 No
3. Have you, or any of your Affiliates, been provided with a gift, gratuity or favor of a substantial nature from a person or entity that does business or seeks to do business with the School? Yes
 No
4. Have you or any of your Affiliates been gratuitously provided use of the facilities, property, or services of the School? Yes
 No
5. Have you or any of your Affiliates been in a position to benefit financially from an action, policy or transaction made by the School? Yes
 No

Other Interests - A Conflict of Interest may also exist where an Interested Person obtains a non-financial benefit or advantage that such Interested Person would not have obtained absent such Interested Person's relationship with the School, or where such Interested Person's duty or responsibility owed to the School conflicts with a duty or responsibility owed to any Affiliate of such Interest Person.

During the past 12 months (for each yes response, please describe on a separate page.):

1. Did you make use of confidential information obtained from the School for your own benefit or for the benefit of any of your Affiliates? Yes
 No
2. Did you take advantage of an opportunity or enable any of your Affiliates to take advantage of an opportunity that you had reason to believe would be of interest to the School? Yes
 No

Signature: _____
Name:
Title:

Date: _____