

# ENTHEOS ACADEMY

EXCELLENCE • SERVICE • LEADERSHIP

## #3104 CONFLICT OF INTEREST

### **Purpose**

The purpose of this conflict of interest policy is to protect Entheos Academy's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the school, or might result in a possible excess benefit transaction. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interests applicable to nonprofit and charitable organizations.

### **Definitions**

- I. “Interested Person”: An Interested Person is:
  - A. A Governing Board member, employee, officer, or agent;
  - B. The immediate family of the Governing Board member, employee, officer or agent;
  - C. The partner of the Governing Board member, employee, officer, or agent; or
  - D. An organization that employs, or is about to employ any individual in clauses A-C above
- II. “Financial Interest”: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - A. An ownership or investment interest in any entity with which Entheos enters a contract;
  - B. A compensation arrangement with Entheos or with any entity with which Entheos enters a contract; or
  - C. A potential ownership or investment interest in, or compensation arrangements with, any entity with which Entheos is negotiating a contract.
- III. “Committee”: Any standing or ad hoc Governing Board committee with board delegated authority
- IV. “Immediate Family”: An individual whose relationship by blood, marriage, adoption, or partnering is no more remote than first cousin.

### Policy

- I. No Interested Person shall participate in selecting, awarding, or administering a contract if a conflict of interest exists. A conflict of interest exists when an Interested Person has a financial or other interest in the entity with which Entheos is contracting.
  - A. A violation of this prohibition renders a contract void.
- II. In accordance with Utah Code § 52-3-1, members of the School Board or an employee's immediate family will be considered for employment based solely on their qualifications.
  - A. It is an offense for a Board member, employee, or officer to receive or agree to receive compensation for assisting any person or business entity in any transaction involving an agency without complying with the provisions in Utah Code § 67-16-6. A Governing Board member, employee, or officer must not receive compensation from a group health insurance provider.
  - B. It is unlawful for any person affiliated with a charter school to demand or request any gift, donation, or contribution from a parent, teacher, employee, or other person affiliated with the charter school as a condition for employment or enrollment at the school or continued attendance at the school according to Utah Code § 53A-1a-513(9).
- III. The conflict of interest provisions in this policy do not apply to compensation paid to a teacher employed as a teacher by Entheos or a teacher who provides instructional services to Entheos when the teacher also serves on the Entheos Academy Board.

### PROCEDURES

- I. Duty to Disclose: In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the financial or other interest and be given the opportunity to disclose all material facts to the Entheos School Board or Committee, in order to determine if an actual conflict of interest exists.
- II. 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; and
  - 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.
  - C. Recording Proceedings: The minutes of the Governing Board and all Committees shall contain:

## **3104 Conflict of Interest**

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest;
2. The nature of the financial interest;
3. Any action taken to determine whether a conflict of interest was present;
4. The Governing Board's or Committee's decision as to whether a disclosed possible conflict is in fact a conflict of interest;
5. The names of the persons who were present for discussions and votes relating to the contract;
6. The content of the discussion, including any alternatives to the proposed contract; and
7. A record of any votes taken in connection with the proceedings.

### **ACKNOWLEDGEMENT**

- I. Each Governing Board member, employee, officer, or agent, committee member, and employee shall, upon appointment, be informed of this Conflict of Interest Policy