



CODE OF ETHICS AND CONFLICT OF INTEREST POLICY

Preamble

- ❖ Trustees, officers, and employees shall abide by and support the mission of OnTECH Charter High School, the terms of the Charter, and the policies and procedures established to carry out the mission.
- ❖ Each member of the OnTECH Charter High School Board of Trustees, including officers and members, will receive training in the proper exercise of his or her responsibilities as a trustee, including conflicts of interest and other related issues.
- ❖ Professional development and the employee handbook for staff members, including the leadership, will cover issues of conflict of interest and ethical issues that arise for staff members.
- ❖ Trustees, officers, and employees shall participate actively and openly in the decision-making process established by OnTECH Charter High School to further the success of the school.
- ❖ Trustees, officers, and employees have an affirmative obligation to promote respect for diversity and take a pro-active role in seeking to eliminate bias, discrimination, and the effects of these based on race, color, creed, national origin, language, gender, sexual orientation, disability, age, economic status, or physical characteristics, such as size in addition to any bias or discrimination related to ethnicity, tribal affiliation or relating to citizenship or refugee status. OnTECH does not discriminate in administering its educational policies, admission policies, any scholarship programs, or athletic or other school administered programs. It is unethical behavior to engage in or be complicit in discriminatory behavior based on any of these characteristics.
- ❖ Where any trustee, officer or employee has any question regarding any aspect of this Code of Ethics or Conflicts of Interest Policy, they shall address the issue with the President of the Board of Trustees, and, if not adequately handled and resolved, shall raise the issue with the Board at large.
- ❖ All ethics issues shall be discussed and resolved in open meeting or executive session as is appropriate under New York State Open Meetings Law.

Article I. Purpose

The specific purpose of this conflict of interest policy is to ensure that Board Members of OnTECH Charter High School (hereafter “Organization”), employees, and interested parties as defined below avoid conflict of interests in making decisions and protect the Organization’s tax exempt status when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director or employee of the Organization 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 interest applicable to nonprofit and charitable organizations.

Article II. Definitions

A. Interested Person

Any director, trustee, principal officer, employee or member of a committee with governing board-delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

B. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article IV of this policy as stated below, a person, who has a financial interest, may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III. Violations

A. Violations of the Conflicts of Interest Policy

A trustee, officer, or employee shall not:

1. hold investments in conflict with official duties;
2. hold private or future private employment in conflict with official duties;
3. directly or indirectly, solicit any gift, or accept or receive any gift having a value of seventy-five dollars or more, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence, or could reasonably be expected to influence any decision, in the performance of official duties or was intended as a reward for any official action;
4. disclose confidential information acquired in the course of official duties or use such information to further personal interests

B. Violations of Code of Ethics

It is ethical behavior to promote physically and emotionally safe learning environment for all members of the community; it is unethical to interfere with the creation of a safe learning environment. In this regard,

1. Trustees, officers and employees shall have an affirmative obligation to report immediately any information concerning child abuse, sexual misconduct

involving students, and corporal punishment to their supervisor and to comply with their responsibilities as a mandated reporter and to make any necessary reporting pursuant to state and federal law

2. Corporal punishment is unethical and is grounds for dismissal.
3. Trustees, officers and employees shall remember that at all times, they are representatives of the Organization – whether speaking, appearing or writing on an issue relating or not related to the Organization.

Article IV. Procedures

A. Duty to Disclose

1. Affirmative Obligation to Disclose

Trustees, officers, and employees have an affirmative obligation to disclose any financial conflicts of interest which may affect their decisions regarding the Organization. They shall recuse themselves from any decision in which they have any financial interest.

Financial interests include interests a trustee, officers or employee has, will have, or later acquires or whose spouse has, will have or later acquires—in any agreement, which includes, but is not limited to, any actual or proposed contract, purchase agreement, lease agreement or oral agreement.

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 trustees and members of committees with governing board-delegated powers considering the proposed transaction or arrangement.

Contracts with not-for-profit entities, such as charter management organizations, partners and founding organizations must be disclosed but are not prohibited.

Contracts with not-for-profits with which any trustee has an affiliation will be fully vetted by the board of trustees and the trustee with the affiliation will not participate in the vote of any contract, transaction or memorandum of understanding.

2. Failure to Act on Obligation to Disclose

If the governing board or committee has reasonable cause to believe a trustee, officer or employee has failed to disclose actual or possible conflicts of interest, it shall inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose. If, after hearing the individual's response and after making further investigation as warranted by the

circumstances, the governing board or committee determines the individual has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

B. 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 or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

C. Procedures for Addressing the Conflict of Interest

1. An interested person may make a presentation at the governing board or committee meeting, 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.
2. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the governing board or committee shall determine whether the Organization 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.
4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested trustees whether the transaction or arrangement is in the Organization'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.

Article V. Records of Proceedings

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

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, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing Board's or committee's decision as to whether a conflict of interest in fact existed.
2. 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.

Article VI. Compensation

- A. The Board of Trustees may from time to time engage a member of the board in a consultant capacity in order to utilize his or her particular skills and knowledge in accordance with generally accepted practice on Boards of non-profit organizations. Such engagement shall be made according to written contract. The compensation must be demonstrated to be no more than the Board member's reasonable and usual fees and no more than the reasonable and usual fee prevailing in the field. The Board member must recuse him or herself from the decision. No Board member may vote on or design a policy that would result in financial benefit to him or her.

- B. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

- C. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

- D. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VII. Affirming Statements

Upon joining the Board of the Organization and on each renewal term, each trustee or officer or member of a committee with governing board-delegated powers shall sign a statement which affirms such person:

- 1. Has received a copy of the conflicts of interest policy,
- 2. Has read and understands the policy,
- 3. Has agreed to comply with the policy, and
- 4. Understands the Organization is charitable 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.

Article VIII. Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- 1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

2. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article IX. Use of Experts

When conducting the periodic reviews as provided for in Article VIII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

This code of Ethics and Conflicts of Interest Policy was Reviewed and Adopted by Resolution of the Board dated the _____ day of February 2017.