

MCINTOSH AREA SCHOOL

POLICY NO. ___ 1 ___

CONFLICTS OF INTEREST AND ETHICS

1. Purpose. The purpose of this policy is to protect the corporation's interest to ensure that no officer or director has a conflict of interest with McIntosh Area School, Incorporated ("School"). This provision is intended to supplement but not replace any applicable state or federal laws governing conflicts of interest applicable to non-profit and charitable organizations.

2. Definitions.

(a) "Material Interest" shall mean direct or indirect ownership of more than five percent of the total assets or capital stock of any business entity.

(b) "Conflict" shall mean a situation in which regard for a private interest tends to lead to disregard of a public duty or interest.

3. Prohibited Transactions and Relationships.

(a) The School shall not purchase, rent or lease any realty, goods or services for the School from a business of which of a School employee, board member (or the board member's spouse or child) is an officer, partner, director, proprietor or owner of a material interest.

(b) No board member may hold any employment or contractual relationship (written or unwritten) with the School. No board member or School employee may hold any employment or contractual relationship with any business entity which is doing business with the School.

(c) No board member may hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or that would impede the full and faithful discharge of his or her public duties.

(d) An employee of the School, or his or her spouse, may not be a member of the board of directors.

(e) Board members and employees may neither solicit nor accept anything of value to the recipient, including a gratuity, gift, loan, reward, promise of future employment, favor, service, or anything of monetary value, based upon any understanding that a vote, official action or judgment of the board/employee would be influenced thereby.

4. Voting Conflicts:

(a) For the purposes of this subsection (4) only, the term "relative" shall be defined to mean any father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law.

(b) A board member shall not vote on any measure which would inure to the board member's special private gain or loss (or to the special private gain of (1) an organization by which the board member is retained or (2) a relative or (3) a business associate).

(c) Voting conflicts must be disclosed in a written memorandum and filed with the person responsible for recording the minutes prior to the meeting. Such memorandum shall be read publicly at the board meeting, incorporated into the minutes and shall be considered a public record.

(d) If a voting conflict arises at a board meeting, the disclosure shall be verbal followed up by a written memorandum within fifteen days.

5. Exceptions and Duty to Disclose.

(a) No board member shall be in violation of this policy if one or more of the exceptions described in §112.313 (12), F.S. are met (see Exhibit 1).

(b) In connection with any actual or possible conflict of interest with the School, the interested board member must disclose the possible or actual conflict of interest to the board of directors. The board of directors shall then determine whether a conflict of interest exists and/or whether one of the exceptions listed in section 5(a) above is met.

6. Violations: If a board member has reasonable cause to believe another board member has failed to disclose actual or possible conflicts of interest, he or she shall inform the member of the basis for the belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the board determines that the member has failed to disclose an actual or possible conflict of interest, it shall be grounds for removal. School employees who violate this policy shall be subject to disciplinary action which may include termination.

7. Records of Proceedings: The minutes of the board and all board committees shall contain:

(a) The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the 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. Periodic Reviews: To ensure the School operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews may be conducted. The periodic reviews may, at a minimum, including the following subjects:

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

(b) Whether partnerships, joint ventures and any arrangements with management organizations conform to the School'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.

EXHIBIT 1

Statutory Exemptions

F.S. 112.313(12) EXEMPTION.--The requirements of subsections (3) and (7) of F.S. 112.313 as they pertain to persons serving on advisory boards may be waived in a particular instance by the body which appointed the person to the advisory board, upon a full disclosure of the transaction or relationship to the appointing body prior to the waiver and an affirmative vote in favor of waiver by two-thirds vote of that body. In instances in which appointment to the advisory board is made by an individual, waiver may be effected, after public hearing, by a determination by the appointing person and full disclosure of the transaction or relationship by the appointee to the appointing person.

In addition, no person shall be held in violation of subsection (3) or subsection (7) if:

(a) Within a city or county the business is transacted under a rotation system whereby the business transactions are rotated among all qualified suppliers of the goods or services within the city or county.

(b) The business is awarded under a system of sealed, competitive bidding to the lowest or best bidder and:

1. The official or the official's spouse or child has in no way participated in the determination of the bid specifications or the determination of the lowest or best bidder;

2. The official or the official's spouse or child has in no way used or attempted to use the official's influence to persuade the agency or any personnel thereof to enter such a contract other than by the mere submission of the bid; and

3. The official, prior to or at the time of the submission of the bid, has filed a statement with the Commission on Ethics, if the official is a state officer or employee, or with the supervisor of elections of the county in which the agency has its principal office, if the official is an officer or employee of a political subdivision, disclosing the official's interest, or the interest of the official's spouse or child, and the nature of the intended business.

(c) The purchase or sale is for legal advertising in a newspaper, for any utilities service, or for passage on a common carrier.

(d) An emergency purchase or contract which would otherwise violate a provision of subsection (3) or subsection (7) must be made in order to protect the health, safety, or welfare of the citizens of the state or any political subdivision thereof.

(e) The business entity involved is the only source of supply within the political subdivision of the officer or employee and there is full disclosure by the officer or employee of his or her interest in the business entity to the governing body of the political subdivision prior to the purchase, rental, sale, leasing, or other business being transacted.

(f) The total amount of the transactions in the aggregate between the business entity and the agency does not exceed \$500 per calendar year.

(g) The fact that a county or municipal officer or member of a public board or body, including a district school officer or an officer of any district within a county, is a stockholder, officer, or director of a bank will not bar such bank from qualifying as a depository of funds coming under the jurisdiction of any such public board or body, provided it appears in the records of the agency that the governing body of the agency has determined that such officer or member of a public board or body has not favored such bank over other qualified banks.

(h) The transaction is made pursuant to s. [1004.22](#) or s. [1004.23](#) and is specifically approved by the president and the chair of the university board of trustees. The chair of the university board of trustees shall submit to the Governor and the Legislature by March 1 of each year a report of the transactions approved pursuant to this paragraph during the preceding year.

(i) The public officer or employee purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with his or her agency.

(j) The public officer or employee in a private capacity purchases goods or services from a business entity which is subject to the regulation of his or her agency and:

1. The price and terms of the transaction are available to similarly situated members of the general public; and

2. The officer or employee makes full disclosure of the relationship to the agency head or governing body prior to the transaction.

MCINTOSH AREA SCHOOL

BOARD MEMBER DISCLOSURE FORM

The purpose of this form is to review any potential conflicts of interest:

(a) I have not solicited or accepted anything of value, including a gratuity, gift, loan, reward, promise of future employment, favor, service, or anything of monetary value, based upon the understanding that my vote, official action or judgment would be influenced thereby (Sec. 112.313 (2), F.S.).

(b) I have not purchased, rented or leased any realty, goods or services for the School from a business of which of I (or my spouse or child) am an officer, partner, director, proprietor or owner of a material interest (Sec. 112.313 (3), F.S.).

(c) I have not held any employment or contractual relationship (written or unwritten) with the School. I have not held any employment or contractual relationship with any business entity which is doing business with the School.

(d) I have not held any employment or contractual relationship that would create a continuing or frequently recurring conflict between my private interests and the performance of my public duties or that would impede the full and faithful discharge of my public duties (Sec. 112.313 (7), F.S.).

(e) I have not voted on any measure which would inure to my special private gain or loss (or to the special private gain of (1) an organization by which I am retained or (2) a relative or (3) a business associate. For the purposes of this section, the term "relative" shall be defined to mean any father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law (Sec. 112.3143(3), F.S.).

(f) My spouse is not a member of the governing board.

Signature

Date

Print name