



BOARD OF DIRECTORS CONFLICT OF INTEREST POLICIES

Lycée Français de la Nouvelle-Orléans (“LFNO”) prides itself on avoiding any actual, potential, or perceived conflicts of interest. With that goal in mind, LFNO’s board has adopted the following Conflicts of Interest Policies.

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 directors and members of committees with governing board delegated powers considering the proposed transaction arrangement.

Conflicts of Interest

Consistent with state law, Board Members cannot be employees of LFNO, and are prohibited from being employed by the LFNO for 2 years following termination or resignation from the Board. Other than certified classroom teachers, LFNO will not employ the immediate family members of any board member.

An LFNO Board Member must recuse him or herself from participating in any transaction in which he or she has a personal substantial economic interest, and must disclose the conflict of interest prior to any vote on the matter. This prohibition also extends to situations in which a Board Member knows any of the following persons has a substantial economic interest in a transaction:

1. Immediate family members;
2. Any entity of which the Board Member is an officer, director, trustee, partner, or employee;
3. Anyone with whom the Board Member is negotiating with or has an arrangement for prospective employment; and
4. Any legal entity of which the Board Member controls or owns an interest greater than 25%.

A person who works for or owns a company that does business with the school may continue to serve as a Board Member **ONLY** when the following factors are met:

1. The Board Member must be a salaried or wage-earning employee;
2. The Board Member’s compensation must remain substantially unaffected by the school’s contractual relationship with the Board Member’s company;
3. The Board Member must own less than a “controlling interest” in the company; and
4. The Board Member cannot be an officer, director, trustee, or partner in the company.

Generally speaking, board members should not engage in business transactions with LFNO employees, and shall not use their positions as board members to entice, threaten (either explicitly or implicitly), or coerce LFNO employees to engage in business transactions with the



board member, the board member's immediate family members, anyone with whom the Board Member is negotiating with or has an arrangement for prospective employment; or any legal entity of which the Board Member controls or owns an interest greater than 25%.

Procedure for Determining Conflicts of Interest

All disclosed or potential conflicts of interest shall be addressed by the Governance Committee which shall be presented with the financial interest and all material facts. A hearing shall then be held and after any discussion with the interested person, he/she shall leave the committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining committee members shall decide if a conflict of interest exists. That recommendation shall then be presented to the Board of Directors for ratification by majority vote.

If the conflict of interest was properly disclosed, and the Governance Committee determines that the conflict does in fact exist, the Board of Directors shall then vote to determine whether LFNO 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, or if the transaction or arrangement should not be entered into by LFNO.

If the Governance Committee determines that a conflict of interest exists and that a Board member failed to disclose that conflict, the Board of Directors shall also vote to determine whether or not it is appropriate to take corrective action.

Definitions:

"Controlling interest" is defined by the Louisiana Code of Ethics as "any ownership interest in any legal entity or beneficial interest in a trust, held by or on behalf of an individual or a member of his immediate family, either individually or collectively, which exceeds 25% of that legal entity.

"Immediate family" is defined by the Louisiana Code of Ethics as including the employee or board member's:

1. Children
2. The spouses of his children (daughters-in-law and sons-in-law)
3. Siblings;
4. Spouses of siblings
5. Parents
6. Spouse
7. Spouse's parents (mother-in-law and father-in-law)



CONFLICT OF INTEREST DISCLOSURE FORM

Name: _____

Address: _____

I. SECTION A

For questions 1 and 2 below regarding family and business relationships please include relationships:

- with other LFNO board members
- with LFNO Executive Leadership:
- with LFNO significant contractors for professional services

1) Please list any family relationships with the people and organizations listed above.

The definition of a family relationship per the IRS includes an individual's spouse, ancestors, children, grandchildren, great-grandchildren, siblings (whether by whole or half-blood), and the spouses of children, grandchildren, great-grandchildren, and siblings.

2) Please list any business relationships in which you are involved with the people and organizations listed above. The definition of business relationships per the IRS are:

- Employment relationships
- Contractual relationships
- Common ownership of a business where any officers, directors, or trustees, individually or together, possess more than a 25% ownership interest in common



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3) If you or any organization with which you are affiliated as an officer, director, trustee, majority owner, or principal beneficiary engaged in any of the transactions below with LFNO, please include a detailed statement explaining the transaction:

- Lending of money or extension of credit
- Furnishing of goods, services, or facilities
- Payment of compensation or reimbursement of expenses more than \$1,000
- Transfer of income or assets

4) Please disclose if you have a relationship with or received any form of compensation from LFNO. If compensation, e.g. salary, director fees, consulting fees, honorariums, rent income, deferred compensation payouts, etc., is received, describe the specific compensation arrangement(s), including the amounts paid.

ORGANIZATION	RELATIONSHIP/COMPENSATION

II. SECTION B

I have read the LFNO Board of Directors Conflict of Interest Statement. Except as disclosed above, I do not have any financial, fiduciary or leadership roles in organizations or businesses that could appear to create a Conflict of Interest with my position as a member of the LFNO Board or any Board committee.

Signature _____ Date _____