

Georgia Cyber Academy Governing Board Policy

Adopted on 8/20/14 Last Reviewed on 2/15/23 Last Updated on 2/15/23

Georgia Cyber Academy Conflict of Interest Policy

ARTICLE I: BACKGROUND AND PURPOSE

Georgia Cyber Academy (“GCA”), a non-profit corporation organized under Georgia law, abides by all state and federal law and regulations relating to conflicts of interest and conflicting interest transactions, including but not limited to OCGA § 20-2-2084 and OCGA § 20-2-63.

ARTICLE II: DEFINITIONS

1. “Immediate family member” means a spouse, child, sibling, or parent or the spouse of a child, sibling, or parent.
2. Interested Person

Any director, principal officer, 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.

3.

Financial Interest

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

- an ownership or investment interest in any entity with which GCA has a transaction or arrangement,
- a compensation arrangement with GCA or with any entity or individual with which GCA has a transaction or arrangement, or
- a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which GCA is negotiating a transaction or arrangement.

4. Compensation Arrangement

Any direct and indirect remuneration, as well as gifts or favors that are not insubstantial, is a Compensation Arrangement.

ARTICLE III: PROHIBITED ACTS

Pursuant to O.C.G.A. § 20-2-2084 (e), no director or member of GCA's governing board, or any committee thereof shall:

(A) Act in his or her official capacity in any matter where he or she, his or her immediate family member, or a business organization in which he or she has an interest has a material financial interest that would reasonably be expected to impair his or her objectivity or independence of judgment;

(B) Solicit or accept or knowingly allow his or her immediate family member or a business organization in which he or she has an interest to solicit or accept any gift, favor, loan, political contribution, service, promise of future employment, or other thing of value based upon an understanding that the gift, favor, loan, contribution, service, promise, or other thing of value was given or offered for the purpose of influencing that board member in the discharge of his or her duties as a board member;

(C) Use, or knowingly allow to be used, his or her position or any information not generally available to the members of the public which he or she receives or acquires in the course of and by reason of his or her position for the purpose of securing financial gain for himself or herself, his or her immediate family member, or any business organization with which he or she is associated;

(D) Be an officer or serve on the board of directors of any organization that sells goods or services to that state charter school; or

(E) Be an officer, member, or employee of a local board of education or an employee of a local school system.

ARTICLE IV DUTY TO DISCLOSE

An interested person who knows that he/she has a conflict of interest or reasonably anticipates that one will arise must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and to the members of any committee with governing board delegated powers considering the proposed transaction or arrangement.

ARTICLE V: PROCEDURES

1. 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 will 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 will decide if a conflict of interest exists. The Board shall be guided by all applicable conflict of interest laws including, but not limited to, OCGA Section 20-2-63 and OCGA Section 20-2-2084e.

2. Addressing the Conflict of Interest

- a.** An interested person may make a presentation at the governing board or committee meeting.
- b.** After the presentation, he/she will leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the anticipated conflict of interest.
- c.** The chairperson of the governing board or committee will, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- d.** After exercising due diligence, the governing board or committee will determine whether GCA 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.
- e.** If GCA cannot obtain with reasonable efforts a more advantageous transaction that is free from conflict-of-interest ramifications, the governing board or committee will determine by a majority vote of the disinterested directors whether the transaction or arrangement is in GCA's best interest and whether it is fair and reasonable.
- f.** If a committee has carried out the procedures stated above in this Article IV, it will apprise the governing board of all material information and of its determination.
- g.** In conformity with the determination, the governing board will decide by vote whether to enter into the transaction or arrangement.

3. Violation of the Conflicts of Interest Policy

- a.** If the governing board or committee has reasonable cause to believe a member has failed to disclose an actual or anticipated conflict of interest, it will inform the member and afford the member an opportunity to explain the alleged failure to disclose.
- b.** If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or anticipated conflict of interest, it will take appropriate disciplinary and corrective action.

ARTICLE VI

RECORDS OF PROCEEDINGS

1. Director/Officer, Nature of Financial Interest, Action Taken, Decision

The minutes of the governing board or committee with board delegated powers will identify by name each director/officer who disclosed or otherwise was found to have a financial interest in connection with an actual or anticipated 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. Persons Present, Discussion, Notes

The minutes of the governing board or committee with board delegated powers will identify by name each person present for discussion and vote relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of each vote taken in connection with the proceedings.

ARTICLE VII

COMPENSATION

Directors of the governing board and members of committees shall not be compensated by GCA for such service. Reimbursement for reasonable expenses is not considered compensation. Additionally:

- 1.** Any interested person who receives compensation or whose immediate family member receives compensation, directly or indirectly, from GCA for services is precluded from voting on matters pertaining to that member's or immediate family member's compensation.
- 2.** A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from GCA for services is precluded from voting on matters pertaining to that member's compensation.
- 3.** Any voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation or whose immediate family member receives compensation, directly or indirectly, from GCA, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VIII

ANNUAL STATEMENTS

Annually, each director and officer will sign a statement affirming that he/she has received a copy of the conflicts of interest policy, has read and understands the policy, agrees to comply with the policy, and understands GCA is a non-profit/charitable organization and that to maintain federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

ARTICLE IX

PERIODIC REVIEWS

1. Compensation Arrangements and Management Organizations

To ensure GCA operates in a manner consistent with its non-profit and charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, it will undergo periodic reviews that, at a minimum, include examining whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

2. Outside Experts

When conducting the periodic reviews, GCA may use outside advisors. If outside experts are used, their use will not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ANNUAL DISCLOSURE STATEMENT CONCERNING POSSIBLE CONFLICT OF INTEREST

To implement the GCA conflict of interest policy, directors and officers of the charter school will annually complete the following form to disclose real and potential conflicts of interest. The board, or its designated committee, will review the completed forms before the next regularly scheduled board meeting follow completion of the form(s) and will attempt to resolve any actual or potential conflicts. If a committee performs the review, it will attempt to resolve any actual or potential conflicts and inform the board of all material information and its recommendation.

The undersigned person acknowledges receipt of a copy of the Conflict Of Interest Policy attached hereto.

By my signature affixed below I acknowledge my agreement with the letter and intent of this board policy. I report the actual or reasonably anticipated conflict(s) of interest stated below

to the board president and will report each actual or reasonably anticipated conflict that may develop before completion of the next annual statement.

_____ I am not aware of any actual or reasonably anticipated conflict of interest.

_____ I have the following actual/reasonably anticipated conflict of interest:

Signed _____

Type or Print Name _____ Date