

Conflict of Interest Policy

Article I – Purpose

The purpose of this conflict of interest policy is to protect Danville Primary School Home and School's interest, a nonprofit organization, when considering entering into a business transaction that might benefit the private interest of an officer, director or trustee of Danville Primary School Home and School. This policy is not intended to replace any applicable federal, state or local laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II – Definitions

1. Interested Person – Any officer, director, trustee, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest.
2. Financial Interest – A person has a financial interest if they have through business, investment or family:
 - a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
 - b. A compensation agreement with the Organization or with an entity that the Organization has a transaction or arrangement.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest only has a conflict of interest if the governing body decides that it exists.

Article III – Procedures

1. Duty to Disclose – An interested person must disclose the existence of the financial interest in the event of any possible conflict of interest. They will be given the opportunity to disclose all material facts to the governing board for consideration.
2. Determination of the Existence of Conflict of Interest – After disclosure of the financial interest and all material facts, the governing board will discuss the circumstances and take a vote in the interested person's absence.
3. Procedures for Addressing the Conflict of Interest
 - a. An interested person may make a presentation at the governing meeting, but must not be present during the discussion or voting for the transaction or arrangement involving the possible conflict of interest.
 - b. The president of the organization or the chairperson of the committee may appoint a disinterested person to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the governing board or committee shall determine if the Organization can obtain with reasonable efforts a more

advantageous transaction or arrangement from a disinterested person or entity.

- d. If a more advantageous transaction or arrangement lacking conflict of interest is not reasonably possible, the governing board shall determine by majority vote, without the interested person, whether the transaction or arrangement is acceptable to the Organization.

4. Violations of the Conflict of Interest Policy – If the governing body has reason to believe that a member has failed to disclose a conflict of interest, it shall inform the member and allow them the opportunity to explain the failure to disclose. If needed, after investigation, the board determines that there was in fact a failure to disclose, it shall take appropriate disciplinary and/or corrective action.

Article IV – Record of Proceedings – The minutes of the governing board shall contain the name(s) of the person(s) who disclosed or otherwise were found to have financial interest with an actual or possible conflict of interest. The nature of the financial interest, any action taken or decisions made will, also, be noted in the minutes. The minutes should list the people present for discussion and voting, the content of the discussion, including possible alternatives to the proposed transaction or arrangement and a record of any votes taken in connection with the proceedings.

Article V – Annual Statements – Each Director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. 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.

Signature

Date