



# Education for Change Public Schools

## **CONFLICT OF INTEREST CODE**

*Revised 8.20.20*

### **I. ADOPTION**

In compliance with the Political Reform Act of 1974, California Government Code Section 87100, et seq., the Education for Change hereby adopts this Conflict of Interest Code (“Code”), which shall apply to all governing board members, and all other designated employees of Education for Change (“Charter Management Organization”), as specifically required by California Government Code Section 87300.

### **II. DEFINITION OF TERMS**

As applicable to a California public charter school, the definitions contained in the Political Reform Act of 1974, the regulations of the Fair Political Practices Commission, specifically California Code of Regulations Section 18730, and any amendments or modifications to the Act and regulations are incorporated by reference to this Code.

### **III. DESIGNATED EMPLOYEES**

Employees of this Charter Management Organization, including governing board members, who hold positions that involve the making or participation in the making, of decisions that may foreseeably have a material effect on any financial interest, shall be “designated employees.” The designated employees are listed in “Exhibit A” attached to this policy and incorporated by reference herein.

### **IV. STATEMENT OF ECONOMIC INTERESTS: FILING**

Each designated employee, including governing board members, shall file a Statement of Economic Interest (“Statement”) at the time and manner prescribed by California Code of Regulations, title 2, section 18730, disclosing reportable investments, interests in real property, business positions, and income required to be reported under the category or categories to which the employee’s position is assigned in “Exhibit A.”

An investment, interest in real property or income shall be reportable, if the business

entity in which the investment is held, the interest in real property, the business position, or source of income may foreseeably be affected materially by a decision made or participated in by the designated employee by virtue of his or her position. The specific disclosure responsibilities assigned to each position are set forth in “Exhibit B.”

Statements Filed With the Charter Management Organization: All Statements shall be supplied by the Charter Management Organization. All Statements shall be filed with the Charter Management Organization. The Charter Management Organization’s filing officer shall make and retain a copy of the Statement and forward the original to the County Board of Supervisors.

## **V. DISQUALIFICATION**

No designated employee shall make, participate in making, or try to use his/her official position to influence any Charter Management Organization decision which he/she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family.

## **VI. MANNER OF DISQUALIFICATION**

### **A. Non-Governing Board Member Designated Employees**

When a non-Governing Board member designated employee determines that he/she should not make a decision because of a disqualifying interest, he/she should submit a written disclosure of the disqualifying interest to his/her immediate supervisor. The supervisor shall immediately reassign the matter to another employee and shall forward the disclosure notice to the Charter Management Organization Chief Executive Officer, who shall record the employee’s disqualification. In the case of a designated employee who is head of an agency, this determination and disclosure shall be made in writing to his/her appointing authority.

### **B. Governing Board Member Designated Employees**

The Corporation shall not enter into a contract or transaction in which a director directly or indirectly has a material financial interest (nor shall the Corporation enter into any contract or transaction with any other corporation, firm, association, or other entity in which one or more of the Corporation’s directors are directors and have a material financial interest).

## EXHIBIT A

### Designated Employees

- I. Persons occupying the following positions are designated employees of the Charter Management Organization ("CMO") and must disclose financial interests in all categories defined in "Exhibit B" (i.e., categories 1, 2, and 3).
  - A. Members of the Governing Board and their alternates (if applicable)
  - B. Corporate Officers (e.g., CEO/President, COO/Treasurer, Secretary, etc.)
  - C. CMO Leadership Reporting Directly to Governing Board (e.g., Superintendent of Schools, CEO, etc.)
  - D. CMO Management Team Reporting Directly to CMO Leadership (e.g. Chief Officers, Assistant Superintendent, etc.)
  - E. Charter School Principals
  - F. Charter School Assistant Principals
  - G. Director of Human Resources
  - H. Consultants<sup>1</sup>
  
- II. Persons occupying the following positions are designated employees and must disclose financial interests defined in Category 1 of "Exhibit B."
  - A. CMO Directors or Managers in the functions of Finance, Human Resources, Data, Special Education, or Instruction (e.g. Reporting Manager, Payroll Manager, Director of Student Support Services, Director of Data & Analysis, Director of Early Literacy, etc.)
  
- III. Persons occupying the following positions are designated employees and must disclose financial interests defined in Categories 2 and 3 of "Exhibit B."
  - A. CMO Directors or Managers in the functions of Technology, Staff Recruitment, or Student Recruitment, (e.g. Director of Staff Recruitment, Director of IT, Student Recruitment Manager)

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<sup>1</sup> The Charter Management Organization Superintendent may determine, in writing, that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Charter Management Organization Superintendent's determination is a public record and shall be retained for public inspection in the same manner and location of interest code.

## EXHIBIT B

### Disclosure Categories

#### Category 1 Reporting:

- A. Interest in real property which is located in whole or in part either (1) within the boundaries of the District, or (2) within two miles of the boundaries of the District, including any leasehold, beneficial or ownership interests or option to acquire such interest in real property.

(Interests in real property of an individual include a business entity's share of interest in real property of any business entity or trust in which the designated employee or his or her spouse owns, directly, indirectly, or beneficially, a 10% interest or greater.)

- B. Investments in or income from persons or business entities which are contractors or sub-contractors which are or have been within the previous two-year period engaged in the performance of building construction or design within the District.

- C. Investments in or income from persons or business entities engaged in the acquisition or disposal of real property within the jurisdiction.

(Investment includes any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments and any partnership interest or other ownership interests.)

(Investments of any individual include a pro rata share of investments of any business entity or trust in which the designated employee or his or her spouse owns, directly, indirectly or beneficially, a ten percent interest or greater.)

(Investment does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, or any bond or other debt instrument issued by any government or government agency.)

#### Category 2 Reporting:

- A. Investments in or income from business entities which manufacture or sell supplies, books, machinery or equipment of the type utilized by the department for which the designated employee is Manager or Charter Management Organization Chief Executive Officer. Investments include interests described in Category 1.

#### Category 3 Reporting:

- A. Investments in or income from business entities which are contractors or sub-contractors engaged in the performance of work or services of the type utilized by the department for which the designated employee is Manager or Charter Management Organization Chief Executive Officer. Investments include the interests described in Category 1.