

21st CENTURY PUBLIC ACADEMY CONFLICT OF INTEREST POLICY

SECTION 1.

PURPOSE: 21st Century Public Academy is a nonprofit, tax-exempt organization, and a public charter school duly organized pursuant to the laws of New Mexico. Maintenance of its tax-exempt status and status as a public charter school is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of 21st Century Public Academy as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public.

Consequently, there exists between 21st Century Public Academy and its governance council, officers, and management employees and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The governance council, officers, and management employees have the responsibility of administering the affairs of 21st Century Public Academy honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of 21st Century Public Academy. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with 21st Century Public Academy or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

SECTION 2.

PERSONS CONCERNED: This statement is directed not only to directors and officers, but to all employees who can influence the actions of 21st Century Public Academy. For example, this would include all who make purchasing decisions, all persons who might be described as "management personnel," and anyone who has proprietary information concerning 21st Century Public Academy. **SECTION 3.**

AREAS IN WHICH CONFLICT MAY ARISE: Conflicts of interest may arise in the relations of governance council members, officers, and management employees with any of the following third parties:

1. Persons and firms supplying goods and services to 21st Century Public Academy.
2. Persons and firms from whom 21st Century Public Academy leases property and equipment.
3. Persons and firms with whom 21st Century Public Academy is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting 21st Century Public Academy.
6. Agencies, organizations, and associations which affect the operations of 21st Century Public Academy.
7. Family members, friends, and other employees.

SECTION 4.

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NATURE OF CONFLICTING INTEREST: A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with 21st

Century Public Academy.

2. Holding office, serving on the governance council, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with 21st Century Public Academy.
3. Receiving remuneration for services with respect to individual transactions involving 21st Century Public Academy.
4. Using 21st Century Public Academy's time, personnel, equipment, supplies, or good will for other than 21st Century Public Academy-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with 21st Century Public Academy. Receipt of any gift is disapproved except gifts of a value less than \$50, which could not be refused without discourtesy. No personal gift of money should ever be accepted. **SECTION 5.**

INTERPRETATION OF THIS STATEMENT OF POLICY: The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 4, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the governance council members, officers, and management employees will recognize such areas and relation by analogy. The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of 21st Century Public Academy.

However, it is the policy of the governance council that the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the governance council, officers, and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

SECTION 6.

DISCLOSURE POLICY AND PROCEDURE: Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and
4. The governance council or a duly constituted committee thereof has determined that the transaction is in the best interest of the organization.

Disclosure in the organization should be made to the Principal (or if she or he is the one with the conflict, then to the governance council president), who shall bring the matter to the attention of the governance council or a duly constituted committee thereof. Disclosure involving governance council members should be made to the governance council president, (or if she or he is the one with the conflict, then to the governance council vice-president) who shall bring these matters to the governance council or a duly constituted committee thereof. The governance council or a duly constituted committee thereof shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to 21st Century Public Academy. The decision of the governance council or a duly constituted committee thereof on these matters will rest in their sole discretion, and their concern must be the welfare of 21st Century Public Academy and the advancement of its purpose.

21st Century Public Academy

Conflict of Interest Information Form

Name: Date:

Please describe below any relationships, positions, or circumstances in which you are involved that you believe could contribute to a Conflict of Interest (as defined in 21st Century Public Academy's Policy on Conflicts of Interest) arising.

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by, the Policy of Conflict of Interest of 21st Century Public Academy that is currently in effect.

Signature: Date: