



SECTION I: BOARD OF EDUCATION 1000

Conflict of Interest

No member of the governing board shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with Insight School of Oklahoma (“ISOK”). Each individual board member shall disclose to the organization any personal interest which he or she may have in any matter pending before the ISOK board and shall refrain from participation in any discussion or votes on such matters.

Definition:

“Affected Person” means a member of the Board of Directors or an employee of ISOK with significant financial or managerial responsibilities for ISOK.

“Conflict of Interest” occurs when an Affected Person may financially materially benefit from a decision he or she could make in such capacity, either alone or in conjunction with others. Financial benefits include indirect benefits such as to Family Members or to businesses with which the Affected Person or that person’s Family Members are closely associated. For purposes of this policy, a financial benefit does not include ownership of no more than one percent (1%) of the shares of stock in a publicly traded company.

“Family Member” means

- a) Any of the following relationships by blood, adoption, marriage (including common law marriage, civil union, or domestic partnership) – spouse, parent, child, brother/half brother, sister/half-sister, grandparent or grandchild – and shall include in-laws and “step” relations (e.g., stepparent) of those persons, and
- b) Any dependent residing in the same household as the Affected Person and anyone for whom the Affected Person is a dependent.

“Materially Benefit” means a benefit which, in view of the totality of the circumstances, is substantial enough that it would, or could reasonably be perceived as, affecting an Affected Person’s judgement with respect to a transaction. There is a presumption that a financial benefit is material if its value exceeds \$1,000.

Preamble:

Members of the Board of Directors and employees of ISOK with significant financial or managerial responsibilities for ISOK have duties of loyalty and care to ISOK. It is in the best interest of ISOK to be aware of and to appropriately manage conflicts of interest and the appearances of conflicts of interest. This policy is intended to identify conflicts of interest and to appropriately manage them to reduce the financial, legal and reputational risks associated with such conflicts.

Source: ISOK Board Policy adoption 1/13/2015

Revised 6/13/2019

Policy:

Annual Disclosure Form:

All Affected Persons shall complete and file a Conflict of Interest Disclosure Statement, in the form attached to this policy, to the Secretary of the board annually within thirty (30) days of the start of the Fiscal Year. The Secretary shall review the forms in conjunction with the Chair and Vice Chair and is responsible for ensuring compliance with this policy as to all matters that come before the board. The Secretary shall inform the Chair and Vice Chair in writing of those individuals who fail to timely furnish the annual disclosure form.

Ongoing Disclosure Responsibilities:

If an Affected Person has a Conflict of Interest or if a reasonable person could perceive that an Affected Person has a Conflict of Interest, then he or she must promptly and fully disclose the facts giving rise to such conflict or potential conflict to his or her supervisor or, in the case of board members, to the Secretary or, if the Affected Person is the Secretary, to the Chair. The Affected Person shall refrain from participating in any transactions or decisions that may be impaired by the Conflict of Interest pending approval from the Conflict of Interest Review Committee.

The Conflict of Interest Review Committee consists of the Secretary, Chair and Vice Chair (but such persons shall not review conflicts or potential conflicts reported by or about them) and shall review the disclosed information. In the event that, by majority vote, the Conflict of Interest Review Committee determines that no conflict or perceived conflict exists, the Affected Person may participate in the transaction or decision.

Any recusals by board members due to an actual or perceived Conflict of Interest shall be noted in the minutes.

Confidentiality:

Annual Disclosure Forms shall be held in confidence to the extent permitted by applicable state and federal law.

Employment:

1. No person shall be authorized to serve on the board of education of ISOK if they are employed by ISOK or if they are related within the second degree of affinity or consanguinity to any other member of the board of education or to any employee of ISOK.

2. These prohibitions shall not apply if: (a) the person related to the board member within the second degree of affinity or consanguinity is employed as a substitute teacher by ISOK pursuant to the provisions of 70 O.S. Section 6-105; or (b) as a temporary substitute support employee if ISOK has an Average Daily Membership (ADM) of less than five thousand (5,000); or (c) if ISOK has an ADM of less than four hundred (400), the board of education

may adopt a policy providing that a board member who is related within the second degree by affinity or consanguinity to any employee of ISOK that complies with the provisions of subsection E of Section 5-113.1 of title 70 of the Oklahoma statutes, is not a conflict of interest.

Contracting:

1. Except as otherwise provided for herein, ISOK board of education shall not make any contract with any of its members or with any company, individual or business concern in which any of its members shall be directly or indirectly have an interest in. All contracts made in violation of this policy shall be wholly void. A member of a board of education of ISOK shall be considered to be interested in any contract made with any company, individual, or any business concern if the member of the board of education or any member of the immediate family of the member owns any substantial interest in same.

2. For purposes of this policy, the following shall not be considered the making of a contract:

a. Any contract with a qualified nonprofit Internal Revenue Code 501(c)(3) organization, except for contracts paying salaries or expenses or except a contract involving the counseling or instruction of students or staff;

b. Monthly billings submitted to any school for public utility companies, electric cooperatives or telephone companies, whose services are regulated by the Oklahoma Corporation Commission, or billings of the utility companies, electric cooperatives or telephone companies pertaining to installations or changes in service, where tariffs for the charges or billings by the companies are on file with the Oklahoma Corporation Commission; and

c. The depositing of any funds in a bank or other depository.

3. The ISOK board of education may enter into a contract with a company, individual, or business concern in which a board member or a member's spouse is employed by or has a substantial interest if the company, individual, or business concern is the only supplier having a place of business located within ISOK's boundaries. The board member shall abstain from voting on any such contract between the company, individual, or business concern in which that member has a substantial interest, and the minutes of the board meeting at which the contract is approved shall state that the contract is being made because of the lack of another supplier with a place of business located within ISOK's boundaries.

4. The ISOK board of education which has entered into a lease-purchase agreement, prior to the time a board member which has a substantial interest in the company, individual, or business concern became a member of the board of education, may, after the member becomes a board member, continue to exercise any fiscal year options in the lease-purchase agreement for renewal of the lease-purchase for the balance of the contract term. The

affected board member shall abstain from voting on such fiscal year renewal of the continuation of the lease-purchase agreement.

5. An ISOK board member shall not be considered to be directly or indirectly interested in any contract with a company, individual, or business concern that employs such board member or the spouse of the board member if the board member or the spouse of the board member has an interest of five percent (5%) or less in the company, individual, or business concern.