

***Sections in Blue will be included in the HR Handbook*

Conflict of Interest Policy

Young Scholars ‘School’ is a charitable and educationally oriented organization whose Trustees, and staff members (“Covered Persons”) serve the public purposes to which it is dedicated. These persons have a duty to conduct the affairs of Young Scholars ‘School’ in a manner consistent with such purposes and not to advance their personal interests. This conflict of interest policy is intended to permit Young Scholars ‘School’ to identify, evaluate, and address any real, potential, or apparent conflicts of interest that might, in fact or in appearance, call into question each Covered Person’s duty of undivided loyalty to Young Scholars ‘School’.

1. Definition of Conflict of Interest

A conflict of interest exists whenever there is any proposed transaction of Young Scholars ‘School’ in which a Covered Person has any actual or potential involvement, interest or relationship, either directly or indirectly. A Covered Person shall have an indirect interest in a proposed transaction if:

(a) the other party to the transaction is a family member, including a spouse, parent, sibling, child, stepchild, grandparent, grandchild, great-grandchild, in-law, or domestic partner to such Covered Person;

(b) the other party is an entity in which the Covered Person has a material financial interest, including entities in which the Covered Person and all individuals or entities having significant relationships with the Covered Person own, in the aggregate, more than 15%; or

(c) the Covered Person is an officer, director, general partner, managing member, or employee of such other party.

A conflict of interest may also exist when the interests or concerns of any Covered Person, or such Covered Person’s immediate family, or any party, group or organization to which such person has allegiance, may be seen as competing with the interests or concerns of Young Scholars ‘School’.

2. Conflict of Interest by Trustee

2.1 Each Trustee of Young Scholars ‘School’ has a duty to disclose to the Board of Trustees and to any applicable Committee of the Board the existence and material facts of any proposed transaction in which such Trustee has any actual or potential conflict of interest.

2.2 The disclosure required under § 2.1 above must be made prior to any consideration of such proposed transaction by the Board or by any applicable Committee of the Board.

- 2.3 The Trustee shall refrain from using his or her personal influence to encourage Young Scholars ‘School’ to enter into the proposed transaction.
- 2.4 The Trustee shall physically excuse himself or herself from participation in any discussions regarding the transaction with Trustees, and employees of Young Scholars ‘School’ and at meetings of the Board or Committees of the Board, except to respond to requests for information about the proposed transaction.
- 2.5 Any proposed transaction in which a Trustee has a conflict of interest must be approved by a majority of the members of the Board of Trustees or of the applicable Committee of the Board entitled to vote other than the interested Trustee(s) at a meeting at which a quorum is present, even though the disinterested Trustees may constitute less than a quorum. Such interested Trustee(s), if present, may be counted solely for purposes of determining whether a quorum is present.
- 2.6 The minutes of the meeting of the Board of Trustees or the Committee of the Board shall reflect that the conflict of interest was disclosed and that the interested person was not present during the deliberation and vote.
- 2.7 Where there is a doubt as to whether a conflict of interest exists, the matter shall be resolved by a vote of the Board of Trustees or the Committee of the Board, excluding the person concerning whose situation the doubt has arisen.

3. Conflict of Interest by Staff

- 3.1 Each staff member has a duty to disclose to the Chief Operating Office of Young Scholars ‘School’ the material facts of any proposed transaction of Young Scholars ‘School’ in which such person has any actual or potential conflict of interest. Such staff member shall, upon request, respond to questions regarding the matter at issue.
- 3.2 The disclosure required under § 3.1 above must be made prior to any consideration of such proposed transaction by Young Scholars ‘School’.
- 3.3 A staff member having an actual or proposed conflict of interest shall not participate in the deliberation or decision by Young Scholars ‘School’ regarding the matter under consideration.
- 3.4 The Chief Executive Officer of Young Scholars ‘School’ shall take such additional action as may be required to ensure that the conflict of interest is resolved, and shall maintain a record of the existence and resolution of the conflict.
- 3.5 When there is any doubt as to whether a conflict of interest exists, the matter shall be resolved by the Chief Executive Officer.

4. Annual Disclosure and Compliance Statements

- 4.1 In order to assist Young Scholars ‘School’ in identifying potential conflicts of interest, each Trustee and school director shall annually complete a Conflict of Interest Form (“Statement”) provided by Young Scholars ‘School’.
- 4.2 The person completing the Statement shall within that Statement: (1) affirm that they have received a copy of this conflict of interest policy, have read and understand the policy, and agree to comply with the policy; and (2) disclose any financial interests and family relationships that could give rise to conflicts under this policy.
- 4.3 Completed Statements shall be available for inspection by any Trustee, and may be reviewed by Young Scholars ‘Schools’ legal counsel.

5. Violations

- 5.1 If the Board or Chief Executive Officer of Young Scholars ‘School’ determines that a Covered Person has failed to disclose an actual or possible conflict of interest, the Board or Chief Executive Officer of Young Scholars ‘School’ shall take appropriate disciplinary and/or corrective action.

6. Annual Reviews

- 6.1 To ensure that Young Scholars ‘School’ operates in a manner consistent with the public purposes to which it is dedicated, the Board shall authorize and oversee an annual review of the administration of this conflict of interest policy. The review may be written or oral. The review shall consider the level of compliance with the policy, the continuing suitability of the policy, and whether the policy should be modified and improved.

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A copy of this conflict of interest statement shall be furnished to each Trustee, and staff member who is presently serving Young Scholars ‘School’, or who may hereafter become associated with it. New Trustees and staff members shall be advised of the policy upon undertaking the duties of office.