



MAGNOLIA PUBLIC SCHOOLS

Board Of Directors

Board Agenda Item #	III D
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D.,CEO & Superintendent
Staff Lead:	Nanie Montijo, Chief Financial Officer
RE:	Approval of Conflict of Interest Policy for MSA 1,2, and 3

Proposed Board Recommendation

I move that the board approve the Conflict of Interest Policy for Magnolia Science Academy (MSA) 1, 2 and 3.

Background

Magnolia Educational and Research Foundation's (MERF) Conflict of Interest Policy needs to be updated for MSA 1, 2, and 3 to align with LACOE's MOU and to address the deficiencies identified by the authorizing agency in Finding 3 in the LACOE Report of Findings of Fact to the County Board dated December 20, 2016:

Provide a Clear Conflict of Interest Policy that is consistent with the requirements provided with Section 1.3D of the MOU and BP 0420.4

Budget Implications

There are no budget implications.

Name of Staff Originator:

Nanie Montijo, CFO

Attachments

Board Governance Policies – Conflict of Interest Policy

MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION

CONFLICT OF INTEREST POLICY

I. PURPOSE

The purpose of this Conflict of Interest Policy (“Policy”) is to protect Magnolia Educational & Research Foundation’s (“Charter School”) interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Charter School. This Policy is intended to supplement, but not replace, (i) any applicable state and federal laws governing conflicts of interest applicable to California public charter schools; and (ii) the Charter School’s Conflict of Interest Code, adopted pursuant to the Political Reform Act (Government Code Section 81000 *et seq.*), including the exhibits attached thereto.

II. DESIGNATED EMPLOYEES

Employees of this Charter School, including members of the Board of Directors (“Board”) and candidates for election and/or appointment to the Board, 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 positions are listed in “Appendix A,” which is hereby incorporated by reference, attached to the Charter School’s Conflict of Interest Code.

III. DISQUALIFICATION

No designated employee shall make, participate in making, or try to use his/her official position to influence any Charter School 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.

IV. MANNER OF DISQUALIFICATION**A. Non-Board Member Designated Employees**

When a non-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 School Principal 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. Board Member Designated Employees

Board members shall disclose a disqualifying interest at the meeting during which consideration of the decision takes place. After disclosure of the disqualifying interest and all material facts, he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board members shall decide if a conflict of interest exists. If the Board determines that a conflict of interest exists, the Corporation shall not enter into

a contract or transaction (1) in which a director or designated employee directly or indirectly has a material financial interest; or (2) with any other corporation, firm, association, or other entity in which one or more of the Corporation's directors or designated employees is a director and has a material financial interest.

This disclosure shall be made part of the Board's meeting minutes. The Board meeting minutes shall include the names of the persons who disclosed or otherwise were found to have a disqualifying interest in connection with an actual or possible conflict of interest, the nature of the disqualifying interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.

The Board member shall refrain from participating in the decision in any way (i.e. the Board member with the disqualifying interest shall refrain from voting on the matter and influencing or attempting to influence the vote on the matter) and comply with any applicable provisions of the Charter School bylaw.

