



PALISADES CHARTER HIGH SCHOOL

Empowering Educational Excellence.

PALISADES CHARTER HIGH SCHOOL BOARD ABSTENTION POLICY

It is the policy of the Board of Trustees ("Board") of Palisades Charter High School ("PCHS"), a California nonprofit public benefit corporation that operates a California public charter school, to maintain an Abstention Policy to avoid actual or what may appear to be conflicts of interest and to ensure the highest degree of integrity in the decision-making process.

I. PURPOSE AND EFFECT

The purpose and effect of this policy is to supplement PCHS's Conflict of Interest Code and to establish a clear process for when Board members with a conflict of interest or potential conflict of interest know how and when to disqualify themselves by abstaining from a vote. This policy takes into consideration the requirements of the Political Reform Act of 1974, Government Code Section 1090, Education Code Section 47604.1, and the California Nonprofit Public Benefit Corporation Law. In the event that this Policy conflicts with federal or state laws or regulations, the federal and state laws or regulations will control, to the extent applicable to PCHS. Conflict of interest laws and regulations apply to all Board of Trustees. Members of the Board that are also employees of Palisades Charter High School face additional certain risks of potential conflicts due to their dual roles with the Corporation. In order to protect the individual Board members, the Board of Trustees, and PCHS from potential liability, the following guidelines are provided.

II. DISQUALIFICATION/ABSENTION

A. Non-Employee Board Members

Non-employee Board members may not participate in open or closed session discussions of the Board involving any of the following topics:

- i. Discussions or actions as to transactions or contracts in which the Board member, or his or her spouse and/or children, has a material financial interest.



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B. Employee Board Members

A Board member of PCHS who is also at the same time a PCHS employee shall abstain from voting on, or influencing or attempting to influence another Board member regarding any of the following topics:

- i. Discussions or actions as to transactions or contracts in which the Board member, or his or her spouse and/or children, has a material financial interest;
- ii. Discussions or meetings as to the appointment, employment, compensation, performance evaluation, discipline, dismissal, or hearing of complaints, claims or charges brought against a PCHS employee or employees, especially including any employee or employees who are responsible for supervising and/or evaluating the employee Board member. This rule shall not apply to the administrative representative on the Board;
- iii. Discussions or meetings with legal counsel concerning any pending or ongoing legal matters in which a current or former PCHS employee is a party in his or her personal or official capacity;
- iv. Discussions or actions regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of PCHS's employees;
- v. Any discussions or meetings concerning negotiations with a collective bargaining unit or regarding the formation of a collective bargaining unit for PCHS's employees;
- vi. Consideration of claims made against PCHS for money and/or damages where the claimant is a current or former PCHS employee.
- vii. All matters uniquely affecting the Board member's employment.

III. PROHIBITED CONTRACTS UNDER GOVERNMENT CODE SECTION 1090

The Board of Directors 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). However, the Board of Directors may enter into a contract or transaction involving the general employment of a Director, subject to the abstention requirements of employee Board members described in Section II(B)(2) above.



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IV. MANNER OF DISQUALIFICATION/ABSTENTION

For all Board Members required to individually abstain from voting under this policy, the interested Board member(s) shall disclose the disqualifying interest prior to the Board's consideration of the matter. This disclosure shall be made part of the Board's official record. The Board member shall not participate in the decision in any way. By law, this means that the Board member with the disqualifying interest shall not vote on the matter. Additionally, the Board member with a disqualifying interest may not attempt to influence Board members or other decision-makers outside of a meeting or during a meeting. In accordance with PCHS bylaws, if a Board member or members refuses to abstain from voting on a matter for which Board believes abstention is warranted, the Board may vote to cause involuntary abstention by majority vote, excluding the member or members with the perceived or actual conflict of interest.

Drafted March 10, 2022