

**B. Charter Board Governance and Operations**  
**Policy B-202: Conflict of Interest**  
**Policy**

Members of the board of directors shall act at all times in the best interests of the society rather than the particular interests or constituencies. This means setting aside personal self-interest and performing their duties in transacting the affairs of the corporation in a manner that promotes public confidence and trust in the integrity, objectivity and impartiality of the board. Members of the board shall serve without remuneration. No director shall directly or indirectly receive any profit from his or her position as such, provided that directors may be reimbursed, in accordance with the bylaws, reasonable expenses incurred by them in the performance of their duties. The pecuniary interests of immediate family members or close personal or business associates of a director are considered to be the pecuniary interests of the director.

**Definition of conflict of interest**

- Board members are considered to be in a "conflict of interest" whenever they themselves, or members of their family, business partners or close personal associates, may personally benefit either directly or indirectly, financially or otherwise, from their position on the Board.
- A conflict of interest may be "real", "potential" or "perceived"; the same duty to disclose applies to each.
- Board directors of the charter school will annually complete the disclosure form to disclose real, potential or perceived conflicts of interest.
- Full disclosure in itself, does not remove a conflict of interest.

**Principles for dealing with conflict of interest**

- The board member must openly disclose a potential, real or perceived conflict of interest as soon as the issue arises and before the board or its committees deal with the matter at issue.
- If the board member is not certain he/she is in a conflict of interest position, the matter must be brought before the chair, executive committee or board for advice and guidance.
- If there is any question or doubt about the existence of a real or perceived conflict, the board will determine, by vote, if conflict exists. The person potentially in conflict shall be absent from the discussion and vote.
- It is the responsibility of other board members who are aware of a real, potential or perceived conflict of interest on the part of a fellow board member to raise the issue for clarification, first with the board member and, if still unresolved, with the board chair.
- The board member must abstain from participation in any discussion on the matter, shall not attempt to personally influence the outcome, shall refrain from voting on the matter, and unless otherwise decided by the board, must leave the meeting room for the duration of any such discussion or vote.
- The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting. The time the person left and returned to the meeting shall also be recorded.

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*Legal Reference:*