



Conflict of Interest Policy

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Revisions: 11/22/11
Related Documents: n/a

The KPPCS community recognizes a shared responsibility to ensure that each individual conducts herself in an unbiased manner and is free from any conflict of interest while in service to the Local School Board (“LSB”). It is thus the responsibility of the LSB and its community to guard against any and all conflicts of interest which might compromise the integrity and objectivity of the school community. The LSB will be accountable for and diligent in insisting that all of its members and its committee members comply with the following plan for protecting against conflict of interest:

Definitions

1. Interested Person:

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest:

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which KPPCS has a transaction or arrangement,
- b. A compensation arrangement with KPPCS or with any entity or individual with which KPPCS has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which KPPCS is negotiating a transaction or arrangement.

A financial interest is not necessarily a conflict of interest. Under Procedures, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

3. Compensation:

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

Procedures

1. Duty to Disclose:

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists:

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest:

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether KPPCS can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in KPPCS' best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Compensation

1. A voting member of the governing board or any committee whose jurisdiction includes compensation matters who receives compensation, directly or indirectly, from KPPCS for services is precluded from voting on matters pertaining to that member's compensation.
2. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from KPPCS, either individually or collectively, is prohibited from providing information to any committee regarding compensation.