

## CONFLICTS OF INTEREST POLICY

### 7.3.1 Purpose

The purpose of this Conflicts of Interest Policy (this “COI Policy”) is to protect the interests of John V. Lindsay Wildcat Academy Charter School (the “Corporation”), which operates a public charter school in the City of New York (the “School”), when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Trustee, Officer, or Related Party or one of their Relatives. The Corporation will not enter into any such transaction or arrangement unless it is determined by the Board in the manner prescribed below to be allowed and in the best interests of the Corporation at the time of such determination. Every Trustee, Officer or employee of the Corporation, whether paid or unpaid, shall adhere to this Policy.

This COI Policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to not-for-profit and charitable organizations.

### 7.3.2 Definitions

Capitalized terms that are not otherwise defined here shall have the meanings given to them in the Bylaws of the Corporation.

“Board”: The Board of Trustees responsible for the management of the Corporation.

“Financial Interest”: A person has a Financial Interest if such person would receive compensation, directly or indirectly, from any transaction, or agreement (including direct or indirect remuneration as well as gifts or favors that are not insubstantial) involving the Corporation.

“Key Person”: A person who:

- Has responsibilities, or exercises powers or influence over the Corporation as a whole similar to the responsibilities, powers, or influence of trustees and officers;
- Manages the Corporation, or a segment of the Corporation that represents a substantial portion of the activities, assets, income, or expenses of the Corporation; or
- Alone or with others, controls or determines a substantial portion of the Corporation’s capital expenditures or operating budget.

“Officer”: A person who has the authority to bind the Corporation as designated in the bylaws of the Corporation.

“Related Party”: Persons who may be considered a Related Party of the Corporation under this COI Policy include:

- Trustees, Officers, or Key Persons of the Corporation;

- Relatives of Trustees, Officers, or Key Persons;
- Any entity in which a Trustee, Officer, Key Person, or Relative of a Trustee, Officer, or Key Person has a 35% or greater ownership or beneficial interest or, in the case of a partnership or corporation, a direct or indirect ownership interest in excess of 5%, or of which such person is a director; and
- Any non-stock entity controlled by one or more Key Persons.

“Related Party Transaction”: Any transaction, agreement, or any other arrangement with the Corporation in which a Related Party has a Financial Interest.

“Relative”: A spouse or domestic partner as defined in section 2994-A of the New York Public Health Law, child (whether natural or adopted) or other dependent.

“Trustee”: Any voting or non-voting member of the Board, whether designated as a director, trustee, manager, governor, or by any other title.

### 7.3.3 Disclosure

- 7.3.3.1 If a Related Party participates in any Board or committee discussion or gives their opinion to the Board or a Committee, such Related Party shall disclose in the official minutes of such meeting in good faith all material facts of his or her Financial Interest or potential conflict of interest to the Board, including but not limited to, when a grievance of conflict of interest is lodged against them.
- 7.3.3.2 Prior to a Trustee’s initial election to the Board, or an Officer or Key Person’s employment by the Corporation, and thereafter on an annual basis (see 7.3.3.3), all Trustees, Officers, and Key Persons shall disclose in writing to the Director of Compliance and Accountability:
- Any entity of which the Trustee, Officer, or Key Person is an officer, director, trustee, voting member, owner (in whole or in part) or employee, and with which the Corporation has a financial relationship; and
  - Any transaction in which the Corporation is a participant and in which the Trustee, Officer, or Key Person, or one of his or her Relatives might have a conflicting interest.
- 7.3.3.3 Each Trustee, Officer, and Key Person shall sign and submit to the Director of Compliance and Accountability, on an annual basis, a statement (attached hereto as Appendix X) which affirms that such person has: a) received a copy of this COI Policy; b) read and understands this COI Policy; c) agreed to comply with this COI Policy; and d) disclosed in good faith all materials facts of his or her Financial Interest to the Board.
- 7.3.3.4 A copy of each disclosure statement shall be kept in the Corporation’s files and made available to any Trustee, Officer, or Key Person upon request.

7.3.3.5 Failure to disclose to the Board a known Financial Interest or a known potential Related Party Transaction may be grounds for removal from the Board or termination of employment by the Corporation.

#### 7.3.4 Related Party Transactions

7.3.4.1 No Related Party shall have a Financial Interest in any contract with the Board or Corporation, except:

- a) A contract entered into prior to the time that the Related Party gained Related Party status; *provided, however*, that such contract shall not be renewed;
- b) An employment contract between the Board or Corporation and any family member of the Related Party;
- c) A contract between the Board or Corporation and a Related Party's children, from which the Related Party derives no Financial Interest;
- d) A contract between the Board or Corporation and the employer of a Related Party, where such Related Party's compensation is not directly affected by the contract and the Related Party has no duty to perform under the contract;
- e) A collative bargaining agreement;
- f) A contract between the Board or Corporation and a non-profit entity;
- g) A contract to purchase real property if the purchase is approved by order of The Supreme Court of the State of New York or through condemnation proceedings;
- h) A contract in which the Related Party does not receive consideration exceeding \$750 during the fiscal year when added to all other consideration received by such Related Party under all contracts with the Board or Corporation; and
- i) Designation of a newspaper for publication of a notice.

*provided, however*, that this COI Policy does not prohibit the payment of lawful compensation and necessary expenses of any Related Party in their official capacity.

7.3.4.2 No Related Party shall receive or enter into any agreement, express or implied, for compensation for services to be rendered to a third party in relation to any matter before the Board.

#### 7.3.5 Executive Compensation

7.3.5.1 No Trustee or Officer who may benefit from compensation from the Corporation may be present at or participate in any Board deliberation or vote concerning that Trustee or Officer's compensation.

7.3.5.2 The Board may request that a person benefiting from such compensation provide information or answer questions at a meeting prior to the start of the deliberations or voting.

### 7.3.6 Express Prohibitions under the General Municipal Law

The General Municipal Law (the "GML") further defines prohibited conflicts of interest for school trustees, officers, and employees, and such conflicts are prohibited here.

7.3.6.1 A Related Person may not:

- a) directly or indirectly, solicit any gift, or accept or receive any gift having a value of \$75 or more, or gifts from the same source which have a cumulative value of \$75 or more over a twelve-month period, whether in the form of money, services, loan, travel, entertainment, hospitality, thing, or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended or could reasonably be expected to influence him/her in the performance of his/her official duties, or was intended as a reward for any official action in her/her part; or
- b) disclose confidential information acquired in the course of his/her official duties or use such information to further his/her personal interests.

### 7.3.7 No Loans

No loans shall be made by the Corporation to its Trustees or Officers, or to any other entity in which any of the Corporation's Trustees or Officers holds a Financial Interest, except to another charitable organization.

### 7.3.8 Employment

No Related Person or employee of the School shall engage in or negotiate for private employment when that employment or services creates a conflict with or impairs the proper discharge of his or her duties in his or her capacity as a Related Person or employee of the School. No Related Person or employee of the School shall, after the termination of service with the Board or employment, appear before the Board or any Board Committee in relation to any case, proceeding, or application in which he or she personally participated during the period of his or her service with the Board or employment or that was under his or her active consideration. This shall not bar or prevent the timely filing by a present or former Related Person or employee of any claim, account, demand or suit against the district on his or her own behalf or on behalf of any member of his or her family arising out of any personal injury or property damage or for any lawful benefit authorized or permitted by law.

### 7.3.9 Penalty

Any contract entered into with the Corporation or Board in which there is an interest prohibited by this COI Policy shall be null, void and wholly unenforceable.

### 7.3.10 Distribution of COI Policy

The Chief Executive Officer shall cause a copy of this COI Policy to be distributed annually to every Trustee, Officer and employee of the school. Each Trustee, Officer and employee elected or appointed thereafter shall be furnished a copy before entering upon the duties of his or her office or employment.