



Board of Directors Conflict of Interest Form

(Approved: October 21, 2017)

Article 1: Purpose.

This Conflict of Interest policy has been approved to protect the interests of this IRS-recognized, tax-exempt 501(c)(3) nonprofit organization whenever it contemplates entering into a transaction or arrangement that might have excessive benefit to a private interest of a Board member, The RISE Schools (TRS) employee or community member. This policy is intended to supplement, but not replace, any applicable local, state or federal laws governing conflicts of interest of nonprofit and charitable organizations.

Article 2: Definitions.

1. Interested Person. Any Board member, TRS employee, or member with governing board delegated powers who has a direct or indirect financial interest in an TRS decision is an interested person.
2. Financial Interest. A person has financial interest if they have direct or indirect excessive benefit through the TRS's business, investment, or family relationship:
 - 2.1. Ownership or Investment Interest. An ownership or investment interest in any entity with which TRS has a transaction or arrangement;
 - 2.2. Compensation Agreement. A compensation arrangement with TRS with any entity or individual in which the organization has a transaction or arrangement;
 - 2.3. Potential Ownership or Investment. A potential ownership or investment interest in, or compensation arrangement with, any individual or entity with which the TRS is negotiating a transaction or arrangement.
3. Areas of Potential Conflict. Such areas would include, but not restricted to the following: (1) compensation of TRS executives; (2) non-fixed bonuses of any Board members, organization employees or members; (3) intellectual property agreements; (4) purchasing or selling contracts for products and services; (5) restricted donor contributions; (6) fundraising and solicitation arrangements; and/or (7) scholarship decisions in which TRS family members or interested persons are involved.

Article 3: Procedures.



1. Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of a financial interest and be given the opportunity to disclose all material facts to the Governance Committee regarding the potential conflict of interest in a transaction or arrangement.

2. Determining a Conflict of Interest. After an interested person discloses the potential or actual financial interest with all the material facts to the Governance Committee, the Committee members after hearing the interested person shall excuse the person from the room to determine if there is in fact a conflict of interest; and following discussion and a vote, their recommendation will be forwarded to the Board of Directors for final action.
 - 2.1. Addressing the Conflict of Interest. Once the Board of Directors receives and reviews the recommendation of the Governance Committee, it will either follow the recommendation, modify the recommendation, or request further information from the interested person. Once the relevant information is reviewed, the Board of Directors shall make their decision. Once the decision is made, the Board Chair shall notify the interested person of its determination.
 - 2.2. Disinterested Person or Entity. The Board of Directors may appoint, if appropriate, a disinterested person or entity to investigate alternatives to the proposed transaction or arrangement.
 - 2.3. Due Diligence. The Board of Directors may whether it can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would give rise to a conflict of interest.
 - 2.4. A Reasonable Alternative. Should a more advantageous alternative to a transaction or arrangement not be reasonably possible, then the Board of Directors shall by a majority vote of its disinterested members determine for the record what action is in the best interest of TRS.
 - 2.5. Conflict of Interest Policy Violations. If the Governance Committee or the Board of Directors has reasonable cause to believe a member has failed to disclose an actual or potential conflict of interest, it shall inform the member in writing of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 - 2.6. Corrective Action. After hearing the member's response, the Governance Committee and/or the Board of Directors shall, after making further warranted investigation of the circumstances, determine if the member failed to disclose an actual or possible conflict of interest. An appropriate disciplinary corrective action will then be made by a majority vote. Such actions may include, but are not limited to: (1) removal from various TRS committees; and/or (3) restitution of received excessive benefits.

Article 4: Records of Proceedings.



The minutes of the Board of Directors and/or any other committee with board-delegated powers shall contain:

1. Interested Persons Attending. Maintain a record that (1) indicates the names of the persons who disclosed or were otherwise found to have a financial interest in connection with an actual or possible conflict of interest, (2) describes the nature of the financial interest, (3) identifies any action taken to determine whether a conflict of interest was present, and (4) indicates the appropriate Board and/or committee decisions as to whether a conflict of interest in fact existed.
2. Board and Committee Members Attending. Maintain a record that (1) names the Board and/or appropriate Committee members present for discussions, (2) indicates the votes relating to the transaction or arrangement, and (3) describes any votes taken in connection with the proceedings.

Article 5: Compensation.

Volunteer leaders and organization employees are compensated in the following manner:

1. Board Member Compensation.
 - 1.1. No Director of the Board of Directors shall receive any compensation, directly or indirectly, from the organization. They may receive appropriate and reasonable expense reimbursement as indicated in TRS's Board Handbook and/or Bylaws. Act in his or her official capacity in any matter where he or she, his or her immediate family member, or a business organization in which he or she has an interest has a material financial interest that would reasonably be expected to impair his or her objectivity or independence of judgment;
 - 1.2. Solicit or accept or knowingly allow his or her immediate family member or a business organization in which he or she has an interest to solicit or accept any gift, favor, loan, political contribution, service, promise of future employment, or other thing of value based upon an understanding that the gift, favor, loan, contribution, service, promise, or other thing of value was given or offered for the purpose of influencing that board member in the discharge of his or her duties as a board member;
 - 1.3. Use, or knowingly allow to be used, his or her position or any information not generally available to the members of the public which he or she receives or acquires in the course of and by reason of his or her position for the purpose of securing financial gain for himself or herself, his or her immediate family member, or any business organization with which he or she is associated;;
 - 1.4. Be an officer or serve on the board of directors of any organization that sells goods or services to that state charter school;



2. Committee Member Compensation. No TRS committee member of the Board of Directors shall receive any compensation, directly or indirectly, from the organization. They may receive appropriate and reasonable expense reimbursement as indicated in TRS's Board Handbook and/or Bylaws.
3. Organization Employee Compensation. Employees of TRS may receive compensation for services rendered in accordance with TRS's employment policies and procedures. The Board of Directors shall determine the salaries and benefits of the Executive Director; and the Executive Director shall determine the levels of salaries and benefits of the staff in collaboration with the Board of Directors.
 - 3.1. Family Member Relationships. Should a family member relationship exist between a member of the Board of Directors and any member of the TRS staff, that Board member shall be recused from any voting or discussion pertaining to those compensation matters.

Article 6: Annual Statements.

1. Statement Compliance Process. On an annual basis each new member on the Board of Directors, each new member of a Standing Committee, each new member of a committee with governing board delegated powers, and/or all new TRS staff members shall sign a statement which reaffirms the following:
 - They have received a copy of the Conflict of Interest Policy;
 - They have read and understand the policy;
 - They have agreed to comply with the policy in writing; and
 - They understand the organization is an IRS-recognized charitable entity that in order to maintain its federal tax-exempt status must engage primarily in activities which accomplish one or more of its purposes.
2. Statement Records. TRS shall maintain a copy of all signed Conflict of Interest compliance forms from its appropriate members and staff.

Article 7: Periodic Reviews.

1. Review Compliance. To ensure TRS operates in a manner consistent with IRS- recognized charitable purposes, it will not engage in activities that could jeopardize its tax-exempt status and period reviews will be conducted. Periodic reviews at a minimum shall include:
 - Whether compensation arrangements and benefits are reasonable based upon competent TRS-related survey information and upon the result of appropriate and accepted negotiation practices;



- Whether transactions and agreements conform with the TRS’s written policies and procedures, are properly recorded and maintained, and reflect reasonable payments for products and services that further the charitable purposes of the organization; and/or
- Any actions taken with regard to potential areas of conflict of interest as indicated in Article 2, Section 2.

2. Use of Outside Experts. When conducting its periodic reviews, TRS may use outside advisors. Using outside advisors does not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted and that the Conflict of Interest Policy is being enforced.

Tanisha Taylor Jones
Director’s Name: _____

Tanisha Jones
Director’s Signature: _____ Date: 01/16/2024



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