

Taos Integrated School of the Arts

CONFLICT OF INTEREST POLICY

Article I Purpose

The purpose of this conflict of interest policy is to protect the interests of the Taos Integrated School of the Arts (“TISA” or “School”) and eliminate conflicts of interest. Conflict of interest arises whenever the personal or professional interest of a Governing Council member or School employee is potentially at odds with the best interests of TISA. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest.

Article II Policies

Governing Council (“Council”) members and/or their family members may not seek employment with the School, may not be employed by the School, and may not contract with the School to provide goods or services to the School for compensation. Although it is not a conflict of interest to reimburse Council Members for expenses incurred (such as travel and training), Council Members are prohibited by law from being paid for serving on the Council.

A Council member shall not participate in hiring the Head Administrator if the Council member plans on seeking employment as a School staff member from that Head Administrator upon resignation from the Council or upon termination of that Council member’s term.

Council members shall not participate in discussions or decisions on matters in which they are financially or personally involved, in which they have a financial or personal interest, or in which their business partners or members of their family are financially or personally involved.

The Director shall not initially employ or approve the initial employment in any capacity of a person who is the spouse, father, father-in-law, mother, mother-in-law, brother, brother-in-law, sister, sister-in-law, son, son-in-law, daughter, or daughter-in-law of a member of the Council or the Director. However, after due consideration, the Council may waive the nepotism rule for family members of the Director.

No TISA employee, Council member, or agent shall participate in the selection, award, or administration of any contract, including but not limited to those supported by Federal funds, if a real or apparent conflict of interest would be involved. A conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her business

partner, or an organization which employs or is about to employ any of the parties herein, has a financial or other interest in the entity selected for an award. Council members, School employees, and agents of the School shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to subagreements.

School employees may not, directly or indirectly, sell or be a party to any transaction to sell any instructional material, furniture, equipment, insurance, school supplies or work under contract to the School. It is not a conflict of interest, however, for School employees to contract to perform special services with the School during time periods wherein service is not required under a contract for instruction, administration or other employment.

Council members and School employees shall not use confidential information acquired by virtue of their association with the School for their individual or another's personal gain. Council members and School employees are prohibited from requesting, receiving or accepting a gift or loan for themselves or another that tends to or may appear to influence them in the discharge of their duties.

Article III

Definitions

1. Interested Person

Any director, Council member, School employee, or member of a committee with Council-delegated powers, who has a direct or indirect financial or personal interest in a matter 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 TISA has a transaction or arrangement.
- b. A compensation arrangement with TISA or with any entity or individual with which TISA has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which TISA is negotiating a transaction or arrangement.

3. Family Members.

Spouses, fathers, fathers-in-law, mothers, mothers-in-law, brothers, brothers-in-law, sisters, sisters-in-law, sons, sons-in-law, daughters, or daughters-in-law are considered to be family members for purposes of this policy.

4. Compensation

Compensation includes direct and indirect remuneration as well as gifts or favors..

Article IV Procedures

1. Duty to Disclose

In connection with any actual or potential conflict of interest, an interested person must disclose the existence of the personal or financial interest and be given the opportunity to disclose all material facts to the Director (if interested person is an employee) or Council considering the matter.

2. Determining Whether a Conflict of Interest Exists

With respect to matters before the Council, after disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall either voluntarily remove himself from the discussion and decision on the matter in which he has a conflict, or shall leave the Council meeting while the determination of whether a conflict of interest exists is discussed and voted upon by the remaining members.

3. Violations of the Conflict of Interest Policy

a. If the Director or Council has reasonable cause to believe that an interested person has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

b. If after hearing the person's response and after making further investigation as warranted by the circumstances, the Director (in the case of an employee) or Council determines the person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, which may include but is not limited to discharge, termination or removal.

Article V Records of Proceedings

The minutes of the Council and all committees with Council-delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a personal or financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Council's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating

to the matter, transaction or arrangement, the content of the discussion, including any alternatives to the proposed matter, transaction or arrangement, and a record of any votes taken in connection with the proceedings.

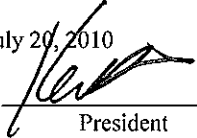
The Director shall keep written records of employee matters involving conflict of interest disclosures or determinations.

Article VI
Annual Statements

Each Director, employee, Council member and member of a committee with Council- delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflict of interest policy
- b. Has read and understands the policy, and
- c. Has agreed to comply with the policy.

Revised: July 20, 2010

Approved:  7-20-10
President