

The Old Post Road School Parent Advisory Committee (OPR PAC), Inc.
CONFLICT OF INTEREST POLICY

Section 1: The purpose of the conflict of interest policy is to protect The Old Post Road School Parent Advisory Committee (OPR PAC), Inc.'s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2: **Definitions.**

- a. **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.
- b. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - 1. An ownership or investment interest in any entity with which The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. has a transaction or arrangement;
 - 2. A compensation arrangement with The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. or with any entity or individual with which The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. has a transaction or arrangement.; or
 - 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. is negotiating a transaction or arrangement. "Compensation" includes direct and indirect remuneration as well as gifts or favors that are not insubstantial

A financial interest is not necessarily a conflict of interest. Under Section 3b, a person who has a financial interest may have a conflict of interest only if The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. decides that a conflict of interest exists.

Section 3: **Procedures.**

- a. **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 The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. who are considering the proposed transaction or arrangement.

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- b. **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 Old Post Road School Parent Advisory Committee (OPR PAC), Inc. meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide whether a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest.**
1. An interested person may make a presentation at The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. 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.
 2. The President of The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. If the President is the person with the possible conflict of interest, the Vice President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 3. After exercising due diligence, The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. shall determine whether the organization 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.
 4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the organization's 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.
- d. **Violations of the Conflicts of Interest Policy.**
1. If The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. 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.
 2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. determines that the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

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Section 4: **Records of Proceedings.** The minutes of The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. shall contain:

- a. The names of person who disclosed or otherwise were found to have a 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 Old Post Road School Parent Advisory Committee (OPR PAC), Inc.'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 transaction or arrangement; the content of the discussion; including any alternatives to the proposed transaction or arrangement; and a record of any votes taken in connection with the proceedings.

Section 5: **Compensation.**

- a. A voting member of The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matter and who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6: **Annual Statements.** Each director, principal officer, and member of a committee with governing board-delegated powers shall annually sign a statement which affirms that such person:

- Has received a copy of the conflict of interest policy;
- Has read and understood the policy;
- Has agreed to comply with the policy; and
- Understands that the organization is charitable and that in order to maintain its federal tax-exempt status it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

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Section 7: **Periodic Reviews.** To ensure that the organization operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

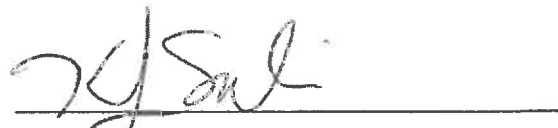
- a. Whether compensation arrangements and benefits are reasonable, are based on competent survey information, and are the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or an excess benefit transaction.

Section 8: **Use of Outside Experts.** When conducting the periodic reviews as provided for in Section 7, The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. may, but need not, use outside advisers. If outside experts are used, their use shall not relieve The Old Post Road School Parent Advisory Committee (OPR PAC), Inc. of its responsibility for ensuring that periodic reviews are conducted.


This conflict of interest policy is hereby approved by a two-thirds majority vote of the members at the Monthly Meeting on February 6, 2013 and signed into effect by the Officers of The Old Post Road School Parent Advisory Committee (OPR PAC), Inc.




President



Treasurer



Secretary/Clerk



Vice President

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