



Conflict of Interest Policy

The Louisiana Association of Public, Community & Adult Education (LAPCAE) expects the primary interest of staff, board, and volunteers to be the people we serve. The Association's conflict of interest policy applies to board members, association members and volunteers who have been granted significant, independent, decision-making authority with respect to resources of this organization. Persons covered under this policy will be referred to as "interested parties." A conflict of interest may exist when the interests of a board member, member, volunteer, or other interested party may be seen as competing with the interests or concerns of LAPCAE. Situations that may raise conflict of interest concerns include, but are not limited to, the following:

Financial Interests

A conflict may exist where an interested party, or a relative or business associate of an interested party, directly or indirectly benefits or profits as a result of a decision made or transaction entered into by the organization. Examples include situations where:

The organization contracts to purchase or lease goods, services, or properties from an interested party or a relative or business associate of an interested party.

The organization purchases an ownership interest in or invests in a business entity owned by an interested party or by a relative or business associate of an interested party.

The organization offers employment to an interested party or a relative or business associate of an interested party other than a person who is already employed by the organization.

An interested party or a relative or business associate of an interested party is provided with a gift, gratuity or favor of a substantial nature from a person or entity, which does business or seeks to do business with the organization.

An interested party or a relative or business associate of an interested party is gratuitously provided use of the facilities, property, or services of the organization.

Other Interests

A conflict may also exist where an interested party or a relative or business associate of an interested party obtains a non-financial benefit or advantage that he would not have obtained absent his/her relationship with the organization, or where his/her duty or responsibility owed to the organization conflicts with a duty or responsibility owed to some other organization.

Examples include:

An interested party seeks to obtain preferential treatment by LAPCAE for himself or herself, or a relative, or business associate.

An interested party seeks to make use of confidential information obtained from LAPCAE for his own benefit or the benefit of a relative, business associate, or other organization.

An interested party seeks to take advantage of an opportunity or enable a relative business associate or other organization to take advantage of an opportunity in which he/she has reason to believe would be of interest to LAPCAE.

Disclosure of Actual or Potential Conflicts of Interest

An interested party is under a continuing obligation to disclose any actual or potential conflict of interest as soon as it is known or reasonably should be known.

All interested parties shall complete a questionnaire to fully and completely disclose the material facts about any actual or potential conflicts of interest. The disclosure statement shall be completed upon association with the organization and shall be updated annually thereafter. An additional disclosure statement shall be filed at such time as an actual or potential conflict arises. For board members, the disclosure statements shall be provided to the President of the Board, or in the case of the Board President's disclosure statement, shall be provided to the Secretary of the Board.

In the case of members or volunteers with significant decision-making authority, the disclosure statements shall be provided to the President of the Board, or in the case of the Board President's disclosure statement, shall be provided to the Secretary of the Board.

The Secretary of the Board shall file copies of all disclosure statements with the official corporate records of the organization.

Procedures for Review of Actual or Potential Conflicts-Generally

Whenever there is reason to believe that an actual or potential conflict of interest exists between LAPCAE and an interested party, the board of directors shall determine the appropriate organizational response. This shall include, but not necessarily be limited to, invoking the procedures described below with respect to a proposed action or transaction.

Where the actual or potential conflict involves a member of the organization other than the President of the Board, the President will be responsible for reviewing the matter and may take the appropriate actions necessary to protect the interests of the organization. The President shall report to the Executive Committee the results of any review and the action taken. The President, in consultation with the Executive Committee, shall determine if any further board review or action is required.

Procedures for Addressing Conflicts of Interest – Specific Transactions

Where an actual or potential conflict exists between the interests of the Association and an interested party with respect to a specific proposed action or transaction, the Association shall refrain from the proposed action or transaction until such time as the proposed action or transaction has been approved by the disinterested members of the board of directors. The following procedures shall apply:

An interested party who has an actual or potential conflict of interest with respect to a proposed action or transaction of LAPCAE shall not participate in any way in, or be present during, the deliberations and decision making of the organization with respect to such action or transaction. The interested party may, upon request, be available to answer questions or provide material factual information about the proposed action or transaction.

The disinterested members of the board of directors may approve the proposed action or transaction of the finding that is in the best interests of the corporation. The board shall consider whether the terms of the proposed transaction are fair and reasonable to LAPCAE and whether it

would be possible, with reasonable effort, to find a more advantageous arrangement with a party or entity that is not an interested party.

Approval by the disinterested members of the board of directors shall be by vote of a majority of directors in attendance at a meeting at which a quorum is present. An interested party shall not be counted for purposes of determining whether a quorum is present or for purposes of determining what constitutes a majority.

The minutes of the meeting shall reflect that the conflict disclosure was made, the vote taken and, where applicable, that the interested party abstained from voting and participation from voting and participation by the interested party.

Violations of Conflict of Interest Policy

If the board of directors has reason to believe that an interested party has failed to disclose an actual or potential conflict 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.

If, after hearing the response of the interested party and making such further investigation as may be warranted in the circumstance, the board determines that the interested party has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.