

Alpharetta Tamil School, Inc. Conflicts of Interest Policy

Article I Purpose

The purpose of the conflicts of interest policy is to protect the Commission's interest when it is contemplating entering into a transaction or arrangement that might improperly benefit the private interest of an officer or director of the Commission. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations. The procedures below govern to the extent applicable to the circumstances of the Commission.

Article II Definitions

1. *Interested Person*

Any director, principal officer, or member of a committee with board delegated powers who has a financial interest, as defined below, is an interested person.

2. *Financial Interest*

A person has a financial interest if the person has –

- a. an ownership or investment interest in any entity with which the Commission has a transaction or arrangement,
- b. a compensation arrangement with the Commission or with any entity or individual with which the Commission has a transaction or arrangement, or
- c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Commission is negotiating a transaction or arrangement.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate board or committee decides that a conflict of interest exists.

Article III Procedures

1. *Duty to Disclose*

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and must be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

2. *Procedures for Addressing the Conflict of Interest*

- a. An interested person may make a presentation at the board or committee meeting, but after such presentation, he/she shall leave the meeting during the vote on the transaction or arrangement that may result in a conflict of interest.
- b. The person in control of the board or committee shall, if appropriate, and in his or her discretion, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. The board or committee shall determine if the transaction or arrangement is fair to, or otherwise in the best interests of, the Commission, and if so, may enter into the transaction or arrangement in conformity with such determination.

Article IV Records of Proceedings

The minutes of the board and any committee with board-delegated powers that addresses possible conflicts of interest shall contain:

1. the names of the persons 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 board's or committee's action with respect thereto.

2. the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, and a record of any votes taken in connection therewith.

Article V Compensation

Before setting compensation for any director or officer, the board of directors shall obtain appropriate data from outside experts or through their own analysis concerning the fair value of compensation to be paid. The board shall then discuss and rely on that data and document the

discussion and reliance. The board shall ensure that compensation to directors or officers does not create an excess benefit as defined in Section 4958 of the Internal Revenue Code.

Article VI
Annual Statements

Each director, principal officer and member of a committee with board delegated powers shall sign a statement which affirms that such person has received a copy of the conflicts of interest policy, has read and understands the policy, and has agreed to comply with the policy.

Article VII
Use of Outside Experts

In conducting the foregoing policy, the appropriate board or committee may use outside advisors and may also rely upon such information, opinions, reports or statements from employees, officers, directors and outside parties as may be helpful. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring that the foregoing policy is followed.