

## **WILMINGTON LEARNING COLLABORATIVE**

### **CONFLICT OF INTEREST POLICY**

#### **ARTICLE I.**

#### **Purposes and Obligations**

##### **1. Purposes**

The purpose of this Conflict of Interest Policy (the “Policy”) is to protect the interests of the Wilmington Learning Collaborative, a tax-exempt organization (the “WLC”) when it is contemplating entering into a transaction or arrangement that (i) might benefit the private interest of a member (“Council Member”) of Wilmington Learning Collaborative Council (the “WLC Council”), an employee or agent of the WLC, or a member of any committee with authority granted by the WLC Council (individually, a “Covered Person”; collectively, “Covered Persons”); or (ii) might result in a possible excess benefit transaction. It is the further purpose of this Policy to support Covered Persons’ obligations to discharge all WLC duties in good faith and with undivided loyalty to the interests of WLC. 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.

##### **2. General Obligations**

In light of the aforesaid purposes, it is incumbent upon a Covered Person to:

(a) Act in the course of his or her duties solely in the best interests of the WLC without consideration to the interests of any other entity of any kind with which he or she is associated, or refrain from taking part in any transaction where such person does not believe in good faith that he or she can act with undivided loyalty to the WLC;

(b) Disclose any relationship or transaction with any other entity of any kind in which he or she is associated where such entity may have interests adverse or potentially adverse to the interests of the WLC, provided, however, that due to the unique nature of the WLC, its purposes, and the Board composition, disqualification and/or recusal is not required solely because a WLC Council member is affiliated with or employed by a School District (Red Clay,

Brandywine, or Christina), and such affiliation shall not act as a reason for recusal or disqualification in any vote of the WLC Council.

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(c) Disclose any financial interest or a personal interest as defined in Article II of this Policy;

(d) Disclose any transaction or arrangement with the WLC, or which involves the WLC, which would result in any benefit to themselves, their immediate families, any partnership or other entity in which they have a personal or financial interest, and refrain from participation in the WLC Council's discussion of the transaction or arrangement except upon approval of all WLC Council Members and/or in accordance with the bylaws of the WLC Council, after full and frank disclosure;

(e) Disclose any opportunity that is within the scope of the activities of the WLC and refrain from exploiting such opportunity except upon approval of the WLC; and

(f) Refrain from using any non-public information concerning the activities of the WLC for the benefit of themselves or their immediate families, or in a way that involves his or her financial interest as defined in this Policy.

## **ARTICLE II.**

### **Definitions**

#### **1. Interested Person**

“Interested Person” shall mean any Covered Person who (i) has a direct or indirect Financial Interest (as defined below); and/or (ii) has a Personal Interest or a professional interest (arising outside the organization) that is or may become adverse to the interests of the WLC. As used herein, “Interested Person” shall refer to an individual with high likelihood of a Conflict (as defined hereinbelow). A WLC Council member shall not be deemed an Interested Person solely because a WLC Council member is affiliated with or employed by a School District (Red Clay, Brandywine, or Christina).

#### **2. Financial Interest**

A person has a “Financial Interest” hereunder if the person has directly or indirectly, through business, investment, or family:

(a) An ownership or investment interest in any entity with which the WLC has a transaction or arrangement;

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(b) A compensation arrangement of any sort with the WLC or with any entity or individual with which the WLC 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 WLC is negotiating a transaction or arrangement.

“Compensation” as used herein includes direct and indirect financial remuneration; gifts or favors of more than token or de minimis value; and any other economic benefit of any kind or nature whatsoever conferred on or received by any person in return for any nature of services rendered or to be rendered by oneself or another.

### **3. Personal Interest.**

A person has a “Personal Interest” in a matter if it is an interest which tends to impair a person’s independence of judgment in the performance of the person’s duties with respect to that matter. A person has an interest which tends to impair the person’s independence of judgment in the performance of the person’s duties with respect to any matter when:

(a) Any action or inaction with respect to the matter would result in a financial benefit or detriment to accrue to the person or a close relative to a greater extent than such benefit or detriment would accrue to others who are members of the same class or group of persons; or

(b) The person or a close relative has a financial interest in a private enterprise in which the enterprise or interest would be affected by any action or inaction on a matter to a lesser or greater extent than like enterprises or other interests in the same enterprise.

#### **4. Conflict of Interest**

A conflict of interest (a “Conflict”) occurs hereunder where a Covered Person’s Financial Interest, Personal Interest or professional interest (arising outside WLC) is adverse to; may appear to be or could become adverse to; or otherwise can or does adversely influence the interests of WLC as a whole. Such adversity may or may not be in the form of a Financial Interest or a Personal Interest. A Conflict also arises when a Covered Person, or a member of his or her immediate family, receives improper personal benefits, financial or otherwise, as a result of his or her position with or on behalf of WLC. A Conflict also exists where a Covered Person is utilizing information that is proprietary to the WLC for

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personal benefit (which includes acting for a private enterprise for which the person has a direct or indirect Financial Interest or a Personal Interest), as well as where a Covered Person is otherwise acting in whole or in part in pursuit of a personal benefit rather than in the best interests of the WLC. The foregoing and anything in this Policy notwithstanding, due to the unique nature of the WLC, its purposes, and the Board composition, disqualification and/or recusal is not required solely because a WLC Council member is affiliated with or employed by a school district (Red Clay, Brandywine, or Christina), and such affiliation shall not act as a reason for recusal or disqualification in any vote of the WLC Council. Moreover, nothing in this Policy shall prevent or preclude WLC Council members from sharing non-executive session and non-confidential information with School District representatives or the School Boards of the respective districts. Confidential information may be shared with participating School Boards to be reviewed by the School Boards in a confidential executive session at the direction of the WLC Council without violating any provision of this Policy.

It is not possible to describe all situations in which a Conflict may arise. To avoid a Conflict, or the appearance of a Conflict, the following general prohibitions and guidelines should be adhered to by Covered Persons:

(a) The use of WLC funds, resources or goodwill to support or influence a political initiative or referendum without proper authorization, or to support a political party or candidate is prohibited.

(b) Any financial transaction, service or other arrangement that places personal interests and those of the WLC in opposition with each other is

prohibited.

(c) All Covered Persons shall avoid any activity, investment, interest or association that compromises, or which might appear to compromise, the exercise of their independent judgment and/or the performance of their work in service to the best interests of the WLC.

(d) Covered Persons shall not (i) seek or accept a payment, service, gift or loan from a vendor or service provider or any entity bidding to provide services or supplies to the WLC; or (ii) for personal gain conduct any business transaction with a vendor, service provider or any entity bidding to provide services or supplies to the WLC.

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(e) Covered Persons shall not use information to which they have access by reason of their position in a manner that will be detrimental to the WLC's interest.

(f) Covered Persons shall not disclose or otherwise misuse confidential information of any kind obtained through their connection with the WLC.

(g) Covered Persons shall not obtain for themselves or others any business opportunity that is known to or could reasonably be anticipated to interest the WLC.

(h) Pursuant to the WLC charter, the MOU, and Council bylaws, the WLC Council consists of individuals who represent or are directly affiliated with a WLC member School District or school, and who in the course of their service to WLC will regularly be required to conduct their duties in matters of direct significance and implication for such School District or school (collectively, "Self Interest Matters"). As such, and notwithstanding the absence of Financial Interest or Personal Interest as the case may be, Covered Persons holding employment by, or having any nature of affiliation with, or in any capacity representing, a WLC member school district or school shall exercise objective independent judgment and good faith in Self-Interest Matters.

### **ARTICLE III.**

## Procedures

### **1. Duty to Disclose**

As a general requirement, in connection with any actual or possible Conflict a Covered Person must disclose the existence of such matter and shall be given the opportunity to disclose all material facts to the Council. At least annually, and whenever an actual or potential Conflict may arise after an annual disclosure, a Covered Person shall disclose any Conflict or possible Conflict to the organization on disclosure forms provided by the WLC. With respect to the Council, if any policy, transaction or arrangement is being discussed that may involve an Interested Person, the Interested Person must as soon as practicable disclose the existence and nature of his or her interest to the Council in detail sufficient for understanding by the Council.

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### **2. Determining Whether a Conflict of Interest Exists**

After disclosure of the actual or possible Conflict and all material facts, and after any discussion with the Covered Person, the Council shall determine by vote if a Conflict exists. If such Covered Person is a WLC Council Member, he or she shall not be present when such determination is discussed and voted upon.

### **3. Procedures for Addressing the Conflict of Interest**

(a) The chairperson of the Council, in consultation with the Council, shall, if necessary or appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement giving rise to the Conflict, or to further investigate the facts of the matter as the case may be.

(b) After exercising due diligence, the Council shall determine whether the WLC can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict or shall determine a procedure for addressing a Conflict that is not in the nature of a

transaction or arrangement.

(c) An Interested Person may reasonably believe that he or she can discharge his or her duty in good faith and with undivided loyalty to the WLC despite the Conflict, and the WLC may need the expertise and/or experience of such person when considering the transaction or arrangement, or otherwise in the matter. In such event, the WLC Council shall discuss the matter in the absence of the Interested Person, and shall determine by vote whether to permit continued participation by that Interested Person in the matter. In no event shall an Interested Person who is a WLC Council Member have the right to vote on a matter as to which he or she has a Conflict.

(d) In the case of a transaction or arrangement, if the WLC Council determines that the Conflict is so pervasive that none of the foregoing can resolve the Conflict satisfactorily, the WLC Council shall determine whether the WLC can obtain an equally or more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a Conflict. If such a transaction or arrangement is not reasonably attainable, the WLC Council shall determine whether the transaction or arrangement is in the best interest of the WLC.

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#### **4. Violations of the Conflicts of Interest Policy**

(a) If the WLC Council has reasonable cause to believe an Interested Person has failed to disclose an actual or possible Conflict(s), it shall inform such person of the basis for such belief and afford such person an opportunity to explain the alleged failure to disclose.

(b) In such a case, the WLC Council shall provide an opportunity for hearing the response of such person and as warranted may make further investigation into the circumstances. If the WLC Council determines that such Interested Person failed to properly disclose the Conflict, it shall impose such discipline as it determines appropriate. The disciplinary action may require the Interested Person to resign any or all of his or her positions at the WLC, as and if permitted under the WLC bylaws.



## **ARTICLE IV.**

### **Records of Proceedings**

In Conflict-determination proceedings, the minutes of the WLC Council and any involved committee(s) with WLC Council-delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a Conflict; the nature of the Conflict; any action taken to determine that a Conflict did or did not exist; and the WLC Council's decision as to whether a Conflict existed, and if so the responsive action taken; and

(b) The names of the persons who were present for discussions and votes relating to the matter; the content of the discussion, including any alternatives to the proposed transaction or arrangement as the case may have been; and a record of any votes taken in connection with the proceedings.

## **ARTICLE V.**

### **Annual Statements**

Each Covered Person shall annually sign a statement that affirms such person:

- (a) Has received a copy of this Policy;
- (b) Has read and understands this Policy;
- (c) Has agreed to comply with this Policy; and

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(d) Understands the WLC is a tax-exempt educational organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

## **ARTICLE VI.**

### **Periodic Reviews; Outside Advisers**

To ensure the WLC operates in a manner consistent with charitable purposes, the legal requirements governing its activities, and this Policy, periodic reviews shall be conducted. In conducting such periodic reviews, the WLC may,



but need not, use outside advisors. If such advisors are used, their use shall not relieve the WLC Council of its responsibility for ensuring periodic reviews are conducted.

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This Conflict of Interest Policy is hereby adopted by the WLC Council of the Wilmington Learning Collaborative on this 19th day of September 2023.

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Chairperson

[TEMPLATE]

## CONFLICT OF INTEREST STATEMENT

I have received, read and understood the attached Conflict of Interest Policy (the (“Policy”)); have reviewed the agreements, arrangements, investments, and pecuniary, business, and professional relationships entered into, directly and indirectly, by myself and members of my immediate family; and do declare the following information, as applicable, to be true and accurate:

Name:

Home address:

### CHECK ONE:

I am aware of the following potential Conflict(s) of Interest (add additional pages if necessary):

Name of business or organization:

Address of business or organization:

Description of transaction or relationship:

Date of transaction or start of relationship:

Time period covered by transaction or relationship:

Any extensions to such period, including date of most recent proposal/re proposal:

Amount received pursuant to transaction or relationship:

### OR

I am unaware of any Conflict of Interest as defined and set out in the Policy.

