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CERTIFICATION OF RESOLUTION
CONFLICT OF INTEREST AND PUBLIC ETHICS POLICY
2025_2026 ACADEMIC YEAR

Westlake Academy
(An Ohio Non-Profit Corporation)

The Governing Authority (the "Board") of **Westlake Academy**, (the "School" and the "Corporation"), a non-profit corporation organized under the laws of the State of Ohio, hereby resolves as follows:

IT IS HEREBY RESOLVED that Westlake Academy Board approves the Conflict of Interest and Public Ethics Policy. The Conflict of Interest and Public Ethics Policy is attached as Exhibit A, attached hereto and incorporated herein as if restated in its entirety. The Conflict of Interest and Public Ethics Policy Affirmation Statement is attached as Exhibit B, attached hereto and incorporated herein as if restated in its entirety.

IT IS FURTHER RESOLVED that the Board Chair is authorized and directed to take any and all actions to effectuate the purpose of this resolution.

APPROVAL AND ADOPTION

Motion to approve and adopt the Conflict of Interest and Public Ethics Policy (without) with amendment(s) made by Darvio Morrow

seconded by Jonathan Petrea

Board Member Name/Initials	AYE	NAY	OTHER (Not Present, Abstain, Etc.)
Chuck Bartsche	X		
Darvio Morrow	X		
Danielle Munk	X		
Ed Oliveros	X		
Jonathan Petrea	X		
Greg Margevicius - Chair	X		

Executed and adopted by a vote of the Board on this 27th day of August, 2025.

Greg Margevicius
Greg Margevicius, Chairperson
Westlake Academy

CONFLICT OF INTEREST AND PUBLIC ETHICS POLICY

Westlake Academy

ARTICLE I PURPOSE

The purpose of the Conflict of Interest and Public Ethics Policy is to protect the School, an Ohio non-profit corporation and tax-exempt organization (the “Organization,” “Community School,” or “School”) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Board member or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable federal or state laws governing conflicts of interest or public ethics applicable to the School.

ARTICLE II CONFLICTS OF INFLUENCE

Section 1. Definitions

A. “Interested Person”. Any director, principal officer, or member of a committee with Board of Directors (collectively the “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 School has a transaction or arrangement;
2. A compensation arrangement with the School or with any entity or individual with which the School 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 School is negotiating a transaction or arrangement.

C. “Compensation.” Includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

Section II. Improper Influence or Use of Authority

A. Ohio law requires that all Board members and School officials, including teachers performing or possessing authority to perform administrative/supervisory functions, comply with these laws.

1. Revised Code Section 102.03(D) & (E). A Board member cannot use, or authorize the use of, the authority or influence of his/her office or employment, or solicit or accept anything of value of such character as to manifest a substantial and improper influence upon him/her with respect to his/her duties.

- a. “Anything of value” includes money, meals, travel, and every other thing of value.
- b. A thing of value has an improper character when it is secured from a party interested in matters before, or doing or seeking to do business with, the community school, its Board or employees, or where it could impair a Board member’s objectivity and independence of judgment regarding his/her official actions and decisions.
- c. A Board member shall not participate in matters that will benefit parties with whom he or she has a close family, economic, or business relationship.
- d. **Abstain.** A Board member may avoid a conflict under R.C. 102.03(D) and (E) by abstaining from voting and refraining from discussions or deliberations of the Board regarding the matter.

2. Revised Code Section 2921.42(A)(1). A Board member cannot authorize or employ the influence of his/her office to secure authorization of any public contract in which he/she, a member of his/her family, or any of his/her business associates has an interest.

- a. A prohibited interest must be direct and definite and may be either pecuniary or fiduciary in nature.
- b. **Abstain.** A Board member may avoid a conflict under R.C. 2921.42(A)(1) by abstaining from voting and refraining from discussions or deliberations of the Board regarding the matter.

3. Revised Code Section 2921.42(A)(3). A Board member shall not occupy any position of profit in the prosecution of a public contract which she or the community school board authorized, and which was not let by competitive bidding to the lowest and best bidder while the Board member holds a position on the Board or within one year thereafter.

- a. A Board member occupies a position of profit in a public contract whenever he/she will receive a fee or compensation that is paid from or is dependent upon the contract, or the Board member will receive some other profit or benefit from the contract.
- b. **Abstention** will not cure an R.C. 2921.42(A)(3) conflict.

4. Revised Code Section 2921.42(A)(4). A Board member cannot have an interest in the profits or benefits of a public contract entered into by or for the use of the community school.

- a. A Board member has a prohibited interest in the profits or benefits of a public contract if the Board member would financially benefit from the contract, or the Board member has an ownership or fiduciary interest in the entity that is entering into the contract, unless the exception in R.C. 2921.42(C) applies.
- b. For the exception to apply pursuant to R.C. 2921.42(C), the subject of the contract must be necessary supplies or services for the community school, and the supplies or services must be unobtainable elsewhere for the same or lower cost, or be furnished to the community school as part of a continuing course of dealing established prior to the Board member becoming associated with the community school, and, treatment of the community school must either be preferential to or the same as that accorded to other customers in a similar transaction. Under the exception, the entire transaction conducted at “arms-length” with the Board’s full knowledge of the Board member’s interest.
- c. **Abstention** will not cure an R.C. 2921.42(A)(4) conflict unless the exception in R.C. 2921.42(C) applies.

5. Revised Code Section 2921.43(A). No public servant may knowingly solicit or accept improper compensation (a) other than as allowed by R.C. 102.03 (G), (H) and (I), to perform their acts, duties or services in their public servant capacity or as a supplement thereof, or, (b) for any additional or greater fees or costs than allowed by law to perform their official duties.

6. Revised Code Section 2921.43(B). No public servant shall solicit or accept anything of value for their own personal or business use or for the business or personal use of another public servant or party official, in consideration for (a) appointing, securing, maintaining, or renewing the appointment of any person to public office, employment or agency, or, (b) preferring or maintaining a public employee's compensation, duties, placement, location, promotion or other material aspect of employment. A person is not prohibited from making voluntary contributions.

7. Revised Code 2921.43(C). No person shall coerce any contribution for the benefit of a political party, campaign committee, legislative campaign fund, political action committee or political contributing entity, in consideration for (a) appointing, securing, maintaining or renewing the appointment of any person to any public office, employment or agency, or (b) preferring or maintaining the status of any public employee's compensation, duties, placement, location, promotion or other material aspects of employment. Coercion need not actually cause or prohibit any action from actually occurring. A person is not prohibited from making voluntary contributions.

8. Revised Code Section 2921.44. A fiscal officer shall be disqualified from serving as a public official for four years after being found guilty of dereliction of duty in Ohio and, also prohibited from holding a public office until all restitution or repayment required by a court has been satisfied. Dereliction of duty may include (a) recklessly creating a deficiency, incurring a liability, or expending a greater sum than is appropriated by the general assembly for the use in any one year for the entity to which the public official is connected; or, (b) recklessly failing to perform a duty expressly imposed or forbidden by law with respect to the public servant's office.

9. Revised Code Section 3314.02(E)(4)(a). No present or former Board member, or immediate relative of a present or former Board member, shall be an owner, employee, or consultant of the School's sponsor or operator, unless at least one (1) year has elapsed since the conclusion of the board member's membership on the board.

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 committees with Board-delegated powers considering the proposed transaction or arrangement.

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 Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

C. Procedures for Addressing the Conflict of Interest

1. An interested person may make a presentation at the Board or committee 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 chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the Board or committee 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 Board or committee 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. Excess Benefit Transaction. Internal Revenue Code Section 4958 provides for an excise tax that is imposed on a "disqualified person" who enters into an "excess benefit transaction" with the School. The tax may be imposed on members of management who approve the transaction. A transaction is an "excess benefit transaction" if the School pays more than fair market value for goods or services.

1. "Disqualified person" includes:
 - a. A person in a position to exercise substantial influence over the affairs of the School at any time during a five year period ending on the date of the transaction;
 - b. A member of the family of a person described in a, above;
 - c. A corporation or other entity in which persons described in a and b, above, have a 35% or greater voting or ownership interest; and
 - d. Any person having a relationship described in a, b, or c above with a company that has contracted to manage the School.

E. Violation of Policy

1. If the Board or committee has reasonable cause to believe a Board member has failed to disclose an actual or possible conflict of interest, it shall inform the Board 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 Board member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the Board member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

F. Documentation. The Minutes of the Board and all committees with Board-delegated powers shall contain:

- a. 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 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.

ARTICLE III **OTHER PROCEDURES**

Section 1. Annual Disclosure Requirement

A. Each Board member shall annually file a disclosure statement setting forth the names of any immediate relatives or business associates employed, within the previous three (3) years, by (a) the sponsor or operator of the School, (b) a school district or educational service center that has contracted with the School, or (c) a vendor that is or has engaged in business with the School.

Section 2. Annual Statements

A. Each Board member shall annually sign a statement which affirms such person has received a copy of this policy, that he/she has read and understands the policy, and that he/she agrees to comply with the policy.

ARTICLE IV **BOARD MEMBER ETHICS**

Section 1. General Ethical Behavior

While serving on the Board, each Board member agrees to:

- A. Obey the law and follow and implement the School's policies;
- B. Not disclose or use, without appropriate authorization, any information acquired in the course of the Director's duties that is privileged or confidential under the law;
- C. Not speak or act for the Board unless granted proper authority;
- D. Work with the Board to establish, review and revise effective policies;
- E. Delegate authority for administration to School administrators/staff;
- F. Make every effort to attend all Board meetings;
- G. Become informed on issues before the Board and relating to Community Schools and school choice;
- H. Debate matters before the Board, but once voted upon, accept and support the Board's decision; and
- I. Act ethically and in conformance with the School's mission and goals.

Legal References: ORC §102.03; 2921.42; 2921.43; 2921.44; 3314.02
Internal Revenue Code §4958

Exhibit B

**Policy Acknowledgement
2025_2026 Academic Year**

**Conflict of Interest, Public Ethics Policy
Affirmation, and Charitable Purpose Statement**

Westlake Academy

This is to acknowledge receipt of Westlake Academy's policy concerning Conflict of Interest and Public Ethics. I have carefully read and understand the policy and procedures contained in the policy concerning Conflict of Interest and Public Ethics and acknowledge that it applies to me both in my present capacity and in any future position I may hold with the school and/or board of directors. I will comply with all said policies and procedures as set forth in the policy concerning Conflict of Interest and Public Ethics. I understand that I should immediately report any violation of this policy.

I hereby agree to notify the Governing Authority and Sponsor of any change that may create a conflict of interest or an appearance of a conflict of interest.

I understand that Westlake Academy is a 501c3 charitable organization and in order to maintain its federal tax exemption, it must engage in primarily activities which accomplish one or more of its tax-exempt purposes

I understand this Policy Acknowledgement/Affirmation Statement will be filed in my official personnel folder and/or board member folder.

Signature: _____ Date: _____

Printed Name: _____