

**Policy 210A Board of Directors Conflict of Interest Statement****I. PURPOSE**

The purpose of this policy is to observe state statutes regarding conflict of interest and to engage in school district business activities in a fashion designed to avoid any conflict of interest or the appearance of impropriety.

**II. GENERAL STATEMENT**

Achieve Language Academy (ALA) shall not enter into any contract or transaction with: (a) a director or a member of the family of a director of ALA; (b) a director of a related organization, or a member of the family of a director of a related organization; or (c) an organization in or of which a director of ALA, or a member of the family of its director, is a director, officer or legal representative or has a material financial interest, unless:

1. the contract or transaction was, and the person asserting the validity of the contract or transaction has the burden of establishing that the contract or transaction was, fair and reasonable as to the corporation when it was authorized, approved, or ratified; and
2. the material facts as to the contract or transaction and as to the director's interest are fully disclosed to the Board of Directors of ALA, and the contract or transaction is approved by at least 2/3 of the voting members of the Board, not counting the interested director.

These procedures are not required if the contract or transaction is between ALA and the ALA Building Company, a Minnesota nonprofit corporation, which was formed as a "supporting organization" to ALA, pursuant to the provisions of Section 509(a)(3) of the Internal Revenue Code. However, ALA will ensure that the directors of ALA Building Company do not receive any compensation or other material financial benefits by virtue of their position as members of the Board of Directors of ALA Building Company.