

## The Foundation for Hispanic Education Schools

### CONFLICT OF INTEREST CODE

#### I. **ADOPTION**

In compliance with the Political Reform Act of 1974, California Government Code Section 87100, et seq., attached hereto and made apart hereof The Foundation for Hispanic Education hereby adopts this Conflict or Interest Code (“Code”), which shall apply to all governing board members, and all other designated employees of The Foundation for Hispanic Education schools and SPS: K2 (“Charter School”), as specifically required by California Government Code Section 87300.

#### II. **DEFINITION OF TERMS**

As applicable to a California public charter school, the definitions contained in the Political Reform Act of 1974, the regulations of the Fair Political Practices Commissions, specifically California Code of Regulations Section 18730, and any amendments or modifications to the Act and regulations are incorporated by reference to this Code.

#### III. **DESIGNATED EMPLOYEES**

Employees of these Charter schools, including governing board members and candidates for election and/or appointment to the governing board, who hold positions that involve the making or participation in the making, of decisions that may foreseeably have a material effect on any financial interest, shall be “designated employees.” The designated positions are listed in “Exhibit A” attached to this policy and incorporated by reference herein.

#### IV. **STATEMENT OF ECONOMIC INTERESTS: FILING**

Each designated employee, including governing board members and candidates for election and/or appointment to the governing board, shall file a Statement of Economic Interest (“Statement”) at the time and manner prescribed below, disclosing reportable investments, interests in real property, business positions, and income required to be reported under the category or categories to which the employee’s position is assigned in “Exhibit A.”

An investment, interest in real property or income shall be reportable, if the business entity in which the investment is held, the interest in real property, the business position, or source of income may foreseeably be affected materially by a decision made or participated in by the designated employee by virtue of his or her position. The specific disclosure responsibilities assigned to each position are set forth in “Exhibit B.”

Statements Filed with The Foundation for Hispanic Education Schools. All statements shall be supplied by The Foundation for Hispanic Education Schools. All statements shall be filed with The Foundation for Hispanic Education Schools. The Foundation for Hispanic Education Schools’s filing officer shall make and retain a copy of the Statement.

## V. **DISQUALIFICATION**

No designated employee shall make, participate in making, or try to use his/her official position to influence any The Foundation for Hispanic Education or Charter School decision which he/she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family.

## VI. **MANNER OF DISQUALIFICATION**

### A. Non-Governing Board Member Designated Employees

When a non-Governing Board member designated employee determines that he/she should not make a decision because of a disqualifying interest, he/she should submit a written disclosure of the disqualifying interest to his/her immediate supervisor. The supervisor shall immediately reassign the matter to another employee and shall forward the disclosure notice to The Foundation for Hispanic Education Schools Chief Executive Officer, who shall record the employee's disqualification. In the case of a designated employee who is head of an agency, this determination and disclosure shall be made in writing to his/her appointing authority.

### B. Governing Board Member Designated Employees

Governing Board members shall disclose a disqualifying interest at the meeting during which consideration of the decision takes place. This disclosure shall be made part of the Board's official record. The Board member shall refrain from participating in the decision in any way (i.e., the Board member with the disqualifying interest shall refrain from voting on the matter and shall leave the room during Board discussion and when the final vote is taken) and comply with any applicable provisions of the Charter School bylaws.

## VII. **Nepotism**

When family members are employed by the Charter Schools, in order to avoid conflicts of interest, no immediate family member may have direct supervisor over the progress, performance, pay or welfare of another family member and together they may not be involved with financial controls or physical inventories of school system properties without compliance with all the provisions of this code.

## EXHIBIT A

### Designated Positions

1. Persons occupying the following positions are designated employees and must disclose financial interests in all categories defined in "Exhibit B" (i.e., categories 1, 2 and 3).
  - A. Members of The Charter School Committee.
    - Edward Alvarez, Chairman
    - Raymond Ruiz, Secretary
    - Dr. Ramon Jimenez
    - Maria Schabbing, Vice Chair
    - Jose Iglesias
  - B. Officer Edward Alvarez, President
  - C. Executive Director of Charter Schools:
    - Bettina Lopez
  - D. Directors of Charter Schools:
    - Raul Lomeli (LCPA), Jeff Camarillo (LVLA), Yesenia Marquez (RCLA), Jesus Rios (RCLA)
  - E. Assistant Directors:
    - Cesar Herrera (LCPA), Irene Castillon (LVLA), Charles Fowler (RCLA)
  - F. Chief Business Officer:
    - Michael Ramirez
  - G. Human Resources Manager:
    - Lupita Medina
  - H. Consultants – disclosure as determined by the CEO
2. Persons occupying the following positions are designated employees and must disclose financial interests defined in Category 1 of "Exhibit B."
  - A. Accountant – Cynthia Tapia
  - B. Controller – Nancy Bergner
3. Persons occupying the following positions are designated employees and must disclose financial interests defined in Categories 2 and 3 of "Exhibit B."
  - A. Chief Technology Officer
    - John Gomez
  - B. Contractor – None

## Exhibit B

Category 1 Reporting:

- A. Interest in real property which is located in whole or in part either (1) within the boundaries of the District, or (2) within two miles of the boundaries of the District, including any leasehold, beneficial or ownership interests or option to acquire such interest in real property and is of the type that can be utilized for public school use.

(Interests in real property of an individual include a business entity's share of interest in real property of any business entity or trust in which the designated employee or his or her spouse owns, directly, indirectly, or beneficially, a 10% interest or greater.)

- B. Investments in or income from persons or business entities engaged in the acquisition or disposal of real property within the jurisdiction, and is if the type which and is of the type that can be utilized for public school use.

- C. Investments in or income from persons or business entities engaged in the acquisition or disposal of real property within the jurisdiction, and is of the type that can be utilized for public school use.

(Investment includes any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments and any partnership interest or other ownership interest.)

(Investments of any individual include a pro rata share of investments of any business entity or trust in which the designated employee or his or her spouse owns, directly, indirectly or beneficially, a ten percent interest or greater.)

(Investment does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, or any bond or other debt instrument issued by any government or government agency.)

Category 2 Reporting:

- A. Investments in or income from business entities which manufacture or sell supplies, books, machinery or equipment of the type utilized by the department for which the designated employee is Manager or Charter School Executive Director. Investments include interests described in Category 1.

Category 3 Reporting:

- A. Investments in or income from business entities which are contractors or sub-contractors engaged in the performance or work or services of the type utilized by the department for which the designated employee is Manager or Charter School Executive Director.