

COLORADO CHAUTAUQUA ASSOCIATION (CCA) CONFLICT OF INTEREST POLICY

PURPOSE and APPLICABILITY: The purpose of this policy is to protect the integrity of CCA's decision-making process, and to enable CCA's constituencies to have confidence in CCA's integrity and decision-making process. This policy applies to Board directors, volunteers who have influence over Board decisions or recommendations made to the Board (e.g., non-Board members of the Buildings and Grounds Committee), and the Executive Director, all of whom have a duty of loyalty to CCA.

DEFINITION: Any person falling under the scope of this policy has a "conflict of interest" when he or she (or a close relative or close associate) also has a personal interest (i.e., financial, professional, loyalty or other non-CCA interest) in a proposed CCA transaction or arrangement.

POLICY STATEMENT: The CCA Board of Directors and each person falling under the scope of this policy shall avoid conflicts of interest that are or might be detrimental to CCA. The CCA Board shall attempt to identify and manage all conflicts of interest that might arise, and do so in a transparent manner.

PROCEDURES: These procedures describe how conflict of interest is managed in the setting of the full Board. Similar procedures should be followed by any Board committee or subset of Board members when they are pre-authorized by the Board to make a decision on behalf of the Board.

1. **Disclose conflict :** If a person falling under this policy has a personal interest in a transaction or arrangement being considered by the Board, the "interested person" shall disclose, in open session, the nature of the interest to the Board. The Board may also hear from a third party any reasonable assertion of a conflict of interest that a person falling under this policy may have.
2. **Evaluate conflict:** In open session, the interested person may make a case for his or her participation in deliberations or voting on the proposed transaction or arrangement, and the Board may ask questions. Alternatively, the interested person may recuse him- or herself, in which case he or she may not be present during deliberations or voting on the proposed transaction or arrangement.
3. **Decide how to manage conflict:** In open session, but while the interested person is not present, the Board will determine whether he or she may be present during or participate in deliberations of the proposed transaction or arrangement; or vote or be present during

the vote on the transaction or arrangement. The Board may also consider various alternatives for remediating or mitigating the conflict of interest.

4. Discuss/vote on the transaction/arrangement: Any person who is barred from voting under these procedures will not be counted in determining a quorum for that vote. The Board may approve the proposed transaction or arrangement only if:
 - All material facts concerning the conflict of interest have been disclosed and evaluated by the Board, and,
 - The Board has determined by majority vote that the decision is fair and reasonable, and is being made because it benefits CCA and not because of any benefit to the interested person.
5. Board minutes: The Board minutes will include the name of the person who disclosed a personal interest, the nature of the disclosed interest, the Board's decisions about managing the conflict, who was present during deliberations of the transaction or arrangement, who voted on the transaction or arrangement, and the result of the vote.
6. Annual affirmation and disclosure: Upon starting a relationship with CCA, and annually thereafter, each person falling under this policy shall affirm in writing that he or she has read and understands this policy. Upon starting a relationship with CCA, annually thereafter, and whenever there are material changes, each person falling under this policy shall make a full written disclosure of his/her interests and relationships (including those of a close relative or close associate), which could potentially result in a conflict of interest. The annual disclosure forms, and any updated information, shall be reviewed by the Board president, the chair of the Governance Committee, and the Executive Director. This information is kept on file.
7. Monitoring: As a matter of routine, an agenda is sent out in advance of each Board meeting. Those falling under this policy are asked to review the agenda and disclose any conflict of interest they might have in matters to be decided at the meeting.
8. Enforcement: If the Board has reasonable cause to believe that a director has violated this policy, it will inform that director of the basis for such belief and afford the director an opportunity to explain the alleged failure to disclose. If, after hearing the director's response and making further investigation as warranted, the Board determines that the director has violated this policy, it shall take appropriate disciplinary and corrective action. If a Board volunteer fails to comply, the Board may remove him or her from his or her volunteer position. If the Executive Director fails to comply with this policy, the Board may remove him or her from office, in accordance with the provisions of the CCA By- Laws.

Approved by CCA Board of Directors on March 11, 2013
Reviewed and approved without change: January 23, 2017