

Conflict of Interest Policy

Purpose

The purpose of this Conflict of Interest Policy is to ensure that decisions made by the Board of Governors are based on the best interests of the organization and its members, free from undue influence or personal gain. This policy establishes clear procedures for identifying, disclosing, and managing conflicts of interest among board members and key employees.

Scope

This policy applies to all board members, officers, and key employees. Key employees shall mean those employees with the authority to conduct business on behalf of the entity and shall specifically exclude any seasonal employees.

Definition of a Conflict of Interest

A conflict of interest occurs when a board member, officer or key employee's personal, financial, or professional interests could compromise, or appear to compromise, their ability to make impartial decisions on behalf of the organization. Examples include, but are not limited to:

- A board member, officer, key employee or their family member has a financial interest in a transaction under consideration. Family member shall mean spouse, parent, sibling, child, grandparent, and grandchild. Family members shall be all those of natural born, adopted, half or step status.
- A board member, officer, or key employee serves in another role that could influence or be influenced by board or club decisions.
- A board member, officer, or key employee is personally involved in a matter that could directly benefit or harm them outside their duties.

Disclosure of Conflicts

Board members, officers, and key employees are required to disclose any actual or potential conflicts of interest as soon as they become aware of them. Such disclosures must be documented in the meeting minutes and shared with the full board before any discussion or vote on the matter occurs, or any action that will be undertaken by the officer or key employee. Disclosures types include:

- **Initial Disclosure:** Board members, officers, and key employees must disclose any potential conflicts of interest upon joining the board, becoming an officer, or their

start date of employment, and annually thereafter.

- **Ongoing Disclosure:** Any new or potential conflict that arises during a board member's term, officer's term, or key employee's tenure must be disclosed promptly.

Recusal and Participation

Under Robert's Rules of Order, a member with a direct personal or financial interest in a pending matter is expected to abstain from voting on that matter. While Robert's Rules do not explicitly require the member to leave the room or refrain from discussion, best governance practices, and this policy, require that the member recuse themselves from both discussion and voting when a conflict exists.

Recusal means the member must not attempt to influence deliberations, may not participate in debate, and must abstain from voting. The specific procedure is as follows:

- **Disclosure:** Conflicted member(s) must disclose the nature of the conflict to the board.
- **Review:** The board, excluding the conflicted member(s), will review the disclosure and determine the existence of a conflict.
- **Recusal:** If a conflict is determined, the conflicted member(s) must recuse themselves and will be asked to leave the room, and will not be able to participate in any discussion or vote on the matter.

Record-Keeping

All disclosures, determinations, and recusal actions must be documented in the meeting minutes for transparency.

Annual Review and Acknowledgment

The board will conduct a review of the Conflict of Interest Policy on an annual basis. At which time, all board members, officers, and key employees must review and sign this Conflict of Interest Policy, affirming their understanding of the policy and agreeing to comply with all of its terms.

Board Responsibilities and Enforcement

The board is collectively responsible for enforcing this policy. Failure to disclose a conflict of interest, or comply with recusal requirements, may result in disciplinary action, including removal from the board, removal from service as an officer, or termination of employment.