

WATKINS FARM
RESOLUTION REGARDING BOARD MEMBER CONFLICT OF INTEREST

WHEREAS, The Board of Directors of Watkins Farm is empowered to govern the affairs of the Association pursuant to Article II of the Bylaws;

WHEREAS, There is a need to adopt a specific policy on Conflict of Interest;

WHEREAS, It is the intent that this rule shall be applicable to all members of the Board of Directors and any committees of the Association and this resolution shall remain in effect until otherwise rescinded, modified, or amended by a majority of the Board of Directors;

NOW, THEREFORE, Be it resolved that the following rules on conflict of interest are hereby adopted by the Board of Directors:

Conflict of Interest is defined in the Colorado Revised Nonprofit Corporation Act as:
“ A contract, transaction, or other financial relationship between a nonprofit corporation and a director of the nonprofit corporation, or between the nonprofit corporation and a party related to the director, or between the nonprofit corporation and an entity in which a director of the corporation is a director or officer has a financial interest.”

Determining if a Conflict Exists:

1. If any action, decision, or transaction made by an Association would financially benefit a Director, committee member, or an ancestor, descendant, parent, grandparent, child, or sibling of a Director, or a spouse of any of these persons, an estate or trust in which the Director or party related to a Director has a beneficial interest, or an entity in which a party related to a Director is a director or officer or has a financial interest, it is considered a conflict of interest.

In the Event of a Conflict of Interest:

1. The board member with the conflict of interest must make full disclosure of the conflict of interest in an open meeting BEFORE any action is taken on the matter.
2. That member's presence in the meeting may be counted for purposes of quorum.
3. The board member may participate in discussion and MAY vote on that issue unless the governing documents state otherwise.
4. The minutes of the meeting shall reflect the disclosure made, the composition of the quorum and record who voted for and against.
5. The board should perform an objective review of the matter.
6. Make a good faith judgement with the Association's best interests in mind.

