

## Colorado Flyers Track Club, Inc. Conflict of Interest Policy

The board of directors of Colorado Flyers has adopted the following policy designed to avoid any possible conflict between the personal interest of board members or volunteer staff and the interests of the Flyers.

The purpose of this policy is to ensure that decisions about operations and the use or disposition of assets are made solely in terms of the benefits to the Flyers organization, and are not influenced by any private profit or other personal benefit to the individuals affiliated with the Club, who participate in the decision. In addition to actual conflicts of interest, board members and staff are also obliged to avoid actions that could be perceived or interpreted to be in conflict with the Colorado Flyers interest.

Conflicts of interest may occur when the Flyers enters into transaction with nonprofit organizations as well as those that are undertaken with profit making entities. The best way to deal with this problem is to make known one's connection with organizations doing business with the Flyers and to refrain from participation in decisions affecting transactions between the Flyers and the other organization. Such relationships do not necessarily restrict transactions so long as the relationship is clearly divulged and non-involved individuals affiliated with the Flyers make any necessary decisions.

1. Directors: Any member of the board of directors who may be involved in business transaction in which there is a possible conflict of interest shall promptly notify the President of the board. The board member shall refrain from voting on any such transaction, participating in deliberations concerning it, or using personal influence in any way in the matter. The board member's presence may not be counted in determining the quorum for any vote with respect to the Flyers business transaction in which he or she has a possible conflict of interest. Furthermore, the board member, or the President in the director's absence, shall disclose a potential conflict of interest to the other members of the board before any vote on a business transaction and such disclosure shall be recorded in the board minutes of the meeting at which it is made. Any Flyers business transaction, which involves a potential conflict of interest with a member of the board of directors, shall have terms that are at least as fair and reasonable.

Staff: Any volunteer staff member who may be involved in a Flyer business transaction in which there is a possible conflict of interest shall promptly report the possible conflict to the president. If the possible conflict involves the president, the possible conflict shall then **be** reported to the formal board. The President where applicable, after receiving information about a possible conflict of interest, shall take such action as is necessary to assure that the transaction is completed in the best interest of the Flyers without the substantive involvement of the person who has the possible conflict of interest. (This does not mean that the purchase or other transaction must necessarily be diverted, but simply that persons other than the one with the possible conflict shall make the judgments involved for organization and shall control the transaction for the Flyers.

A written record of any report of possible conflict and of any adjustments made to avoid possible conflicts of interest shall be kept by the board of the directors.

- 1.) Definitions:

*"Involved in Flyers business transaction" means* initiating, making the principal recommendation for, or approving a purchase or contract; recommending or selecting a vendor or contractor; drafting or negotiating the terms of such a transaction; or authorizing or making payments from Flyers accounts. That language is intended to include not only transactions for procurement of goods and services, but also for the disposition of property, and the provision of services or space by Colorado Flyers.

A *'possible conflict of interest'* is deemed to exist when a director, volunteer staff member, or a close relative, or a member of that person's household, is an officer, director, employee, proprietary, partner, or board member of, or when aggregated with close relatives and members of that person's household, holds an equity interest of 1% or more in the organization seeking to do business with the Flyers. A possible conflict is also considered to exist where such a person is (or expects to be) retained as a paid consultant or contractor by an organization which seeks to do business with the Flyers and whenever a transaction will entail a payment of money or anything else of value to the official, member, to a close relative, or to a member of that person's household.

A *"possible conflict of interest"* exists when an individual affiliated with the Flyers has an interest in an organization which is in competition with a firm seeking to do business with the Flyers, if the individual's position gives him or her access to proprietary or other privileged information which could benefit the firm in which he or she has an interest.

A *"possible conflict of interest" also* exists when an individual affiliated with the Flyers is a board member, director, officer or employee of a not-for-profit organization which is seeking to do business with or have a significant connection with the Organization or is engaged in activities which could be said in a business contest to be "in competition with" the programs of the Colorado Flyers.

The policy statement shall be made available to each board member and each person appointed to a Flyers position that regularly involves initiation, review or approval of significant contracts or other commitments. Such people will be asked to sign the attached acknowledgement concerning reporting of potential conflicts of interest.

I have read and understand the Colorado Flyers policy on Potential Conflicts of Interest. I agree to report promptly any such interest that arises in my conduct of Flyers business in other respects, to comply with the policy and its procedures

Signed: \_\_\_\_\_

Date: \_\_\_\_\_