

CMC Conflict of Interest Policy

Adapted: October 17, 2009

1. Purpose

(a) Purpose: The purpose of this policy is to protect the integrity of the Colorado Mountain Club and to comply with IRS regulations by:

- (1) Defining and forbidding certain conflicts of interest that if left unchecked tend to compromise the ability of CMC Officials and Employees to perform their duties without improper financial or other influence.
- (2) Defining and discouraging certain actions that may create an appearance of impropriety that undermines member and public trust in the accountability and loyalty of CMC Officials and Employees.
- (3) Protecting the integrity of the CMC by providing standards of conduct and guidelines for CMC Officials and Employees to follow when their private interests conflict with their CMC duties.
- (4) Fostering public trust by defining standards of honest non-profit operation and prohibiting the use of a CMC position for private gain.
- (5) Providing for a procedure through which CMC Officials and Employees may affirmatively declare themselves free of real or apparent conflicts of interest, or may declare such conflicts when they arise so that further action can be taken as appropriate.

(b) Legislative Intent: It is the intent of the State Board to:

- (1) Prohibit CMC Officials and Employees from acting on any matter in which he or she may have a conflict of interest.
- (2) Establish aspirational guidelines to encourage CMC Officials and Employees to avoid any appearance of impropriety.
- (3) Require adherence to any provision of state or federal law that imposes a higher standard of conduct than this policy.

2. Conflicts of Interest Prohibited

(a) Conflict Prohibited: No CMC Official or Employee shall make or participate in the making of any Official Action in which he or she knows or should have known that he or she would have a Conflict of Interest.

46 (b) Disclosure Required: Each CMC Official or Employee shall disclose any Conflict of
47 Interest and disqualify him or herself from participating in the relevant action as
48 described below in the “Disclosure and Recusal Procedure.”
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50 3. Use of CMC Office or Confidential Information for Financial Gain.
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52 (a) Use of Position for Gain Prohibited: No CMC Official or Employee shall use his or her
53 CMC office or position for financial gain. This does not apply to Employees
54 compensated at their approved salary level.
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56 (b) Use of Confidential Information for Financial Gain Prohibited: No CMC Official or
57 Employee shall use or disclose confidential information as a result of holding his or her
58 CMC office or position, to obtain financial gain, whether for personal gain; gain for his
59 or her relative; gain of any property or entity in which the official or employee has a
60 substantial interest; or gain for any person or for any entity with whom the CMC Official
61 or Employee is negotiating or has any arrangement concerning prospective employment.
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63 4. Duty to Maintain the Confidentiality of Privileged Information.
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65 (a) Duty of a CMC Official or Employee: No CMC Official or Employee shall disclose
66 privileged or confidential information without a public majority vote granting the
67 permission of the State Board, State Council or Group Council or similar body that holds
68 the privilege.
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70 (b) Duty of a CMC Employee: No CMC Employee shall disclose privileged or confidential
71 information, obtained as a result of holding his or her office or position, unless the
72 Employee has first received approval of the CMC CEO.
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74 5. Employment of Relatives.
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76 (a) No CMC Official or Employee shall appoint, hire or advocate the appointment or hiring
77 by the CMC of any person who is his or her relative. In the event that a CMC Official or
78 Employee is concerned that the Official or Employee’s decision to appoint, hire or
79 advocate the appointment or hiring by the CMC of a person who is the Official or
80 Employee’s relative may cause an appearance of violating this section, the Official or
81 Employee may request that the CMC CEO make such decision on the Employee’s behalf.
82 Group Council Chairs with power of appointment may request the Group Council Vice
83 Chair (or equivalent) to make such a hiring or appointment decision on their behalf.
84

85 (b) The CMC may enter into Transactions with companies, corporate or other business
86 organizations that employ a relative of a CMC Official or Employee, provided that:
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88 (1) The Official or Employee does not participate in the decision making that leads to
89 hiring or approving the transaction with the company, corporation or other business
90 organization that employs his or her relative; or
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92 (2) The business organization is a publicly traded corporation that provides its services or
93 products to the CMC on non-discriminatory terms justified by the market facts and
94 circumstances of each Transaction; or
95

96 (3) The company, corporation or business organization has been doing business with the
97 CMC for at least one year prior to the date the CMC Official or Employee's relative
98 became employed by the company, corporation or other business organization, and
99 the CMC Official's or Employee's relative is not directly employed upon matters
100 involving the CMC and does not have his or her compensation tied in any manner to
101 the success of the company, corporation or other business organization, or its ability
102 to obtain business or earn compensation from the CMC.
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104 6. Appearances of Impropriety Discouraged.
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106 (a) These guidelines are intended to established ethical goals and principles to help CMC
107 Officials and Employees determine if their actions may cause an appearance of
108 impropriety that will undermine the trust of members or the public in CMC operations.
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110 (b) A CMC Official or Employee who determines his or her actions may cause an
111 appearance of impropriety should consider, but is not required to, disclose and recuse as
112 prescribed by the "Disclosure and Recusal Procedure," in the following circumstances:
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114 (1) If a CMC Official is an employee or a state or federal government entity with a
115 substantial interest in any transaction with the CMC;
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117 (2) If a CMC Official or Employee has a close friend with a substantial interest in any
118 Transaction with the CMC, and the Official or Employee believes the friendship
119 would prevent such person from acting impartially with regard to the particular
120 Transaction;
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122 (3) If a CMC Official or Employee has an interest in any Transaction with the CMC that
123 is personal or private in nature that would cause a reasonable person in the
124 community to question the objectivity of the CMC Official or Employee.
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126 7. Disclosure and Recusal Procedure.
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128 (a) Affirmative Declaration: All CMC Officials and Employees are required to provide an
129 affirmative annual declaration that they have received a copy of the CMC Conflict of
130 Interest Policy, they agree to comply with the policy, and to their knowledge have no real
131 or apparent conflicts of interest to report, using Part A of the CMC Conflict of Interest
132 Disclosure Statement.
133

134 (1) CMC Officials: State Board Members, State Council Members and State Committee
135 Chairs and Members shall complete Part A at the time they assume these roles or at
136 the first meeting of the Board, Council or Committee each year; the forms shall be
137 collected and maintained by the Secretary of the State Board. Group Council

138 members shall complete part A at the time they join the Group Council or at the first
139 Group Council meeting of the year; the forms shall be collected and maintained by
140 the Group Council Secretary. Group Committee Chairs and Members shall complete
141 the forms at the time they join the Committee or at the first Committee meeting of the
142 year; the forms shall be collected and maintained by the Committee chair.
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144 (2) CMC Employees: All CMC employees shall complete Part A at the time they first
145 become employed by the CMC, and again annually at the time of their annual
146 performance review. The forms shall be collected and maintained by the CMC CEO.
147

148 (b) Disclosure: No CMC Official or Employee with a Conflict of Interest shall fail to give
149 written notice of the interest to the CMC Board, State or Group Council, or State or
150 Group Committee of which the person is a member, along with the CMC CEO, as soon
151 as reasonably possible after the conflict has arisen. The CMC Official or Employee with
152 a Conflict of Interest to Disclose shall make written notice using Part B of the CMC
153 Conflict of Interest Disclosure Form.
154

155 (1) State Board Members, State Council Members and State Committee Chairs and
156 Members with a Conflict of Interest to report shall complete Part B and provide it to
157 the Secretary of the State Board. Group Council members and Group Committee
158 Chairs with a Conflict of Interest to report shall complete Part B and provide it to
159 Group Council Secretary. Group Committee Members with a Conflict of Interest to
160 report shall complete Part B and provide it to the Committee chair.
161

162 (2) CMC Employees with a Conflict of Interest to report shall complete Part B and
163 provide it to the CMC CEO. If the CMC CEO has a Conflict of Interest to report, he
164 or she shall complete Part B and provide it to the Secretary of the State Board.
165

166 (c) Recusal: Having reported the Conflict of Interest, the CMC Official or Employee shall:

167 (1) Refrain from voting upon or otherwise acting in an official capacity in such
168 Transaction;

169 (2) Physically absent himself or herself from the room in which a matter related to such
170 Transaction is being considered; and
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172 (3) Not discuss any matter related to such Transaction with any other member of the
173 Board, Council or Committee of which the person is a member.
174

175 (d) Recusal by the Board, Council or Committee: The State Board, State Council, Group
176 Council and any State or Group Committee may order the recusal of one of its members
177 if that member has an obligation to recuse himself or herself as required by this policy
178 and has failed to do so. Such an order is valid if reached after a majority vote of the
179 members of the body, not including the member whose recusal is sought.
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183 8. Definitions.

184 “Conflict of Interest” shall mean any situation in which a CMC Official or Employee:
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186 (a) Has a substantial interest in any Transaction with the CMC;
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188 (b) Has a relative with a substantial interest in any Transaction with the CMC;
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190 (c) Has a substantial interest as an employee or affiliate of a company, corporation or other
191 business organization with a substantial interest in any Transaction with the CMC;
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193 (d) Has a substantial interest as an affiliate of a company, corporation or other business
194 organization appearing on behalf of or employed by a person with a substantial interest in
195 any Transaction with the CMC;
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197 (e) Is an officer of an organization that has taken an official position on any Transaction with
198 the CMC;
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200 (f) Is on the board of directors of an organization that is substantially affected by a
201 Transaction with the CMC;
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203 (g) Is affiliated with a law, accounting, planning or other professional firm that has a
204 substantial interest in any Transaction with the CMC; or
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206 (h) Is an officer or director of any for-profit or not-for-profit organization which has a
207 mission, interests or position contrary to those of CMC, or which could be considered to
208 compete with CMC for members, contributions or grants.
209

210 “Employment” means providing personal services as an employee or an independent contractor,
211 with compensation.
212

213 “Official Action” means any legislative, administrative or quasi-judicial act of a CMC Official or
214 Employee, including, without limitation, participation in or influence over the decision-making
215 process leading up to a vote or final determination.
216

217 “Employee” means any person holding any paid position of employment with the CMC, but
218 shall not include consultants or contractors who have independent control over their work
219 product.
220

221 “CMC Official” or “Official” means a State Board Member, State Council Member, State
222 Committee Chair or Member, Group Council Member or Group Committee Chair or Member.
223

224 “Relative” means any person related to a CMC Official or Employee by blood, marriage or
225 adoption, through the second degree of consanguinity, including, without limitation, the
226 following: spouse, parents, parents-in-law, children, children-in-law, brothers and sisters,
227 brothers and sisters-in-law, grandparents, grandchildren, aunts, uncles, cousins, nephews and

228 nieces. A separation between spouses shall not be deemed to terminate relationships described
229 above which exist only because of marriage.

230

231 “Substantial Interest” means a situation including, without limitation, a financial stake in the
232 outcome of a decision in which, considering all of the circumstances, would tend to influence the
233 decision of a reasonable person faced with making the same decision.

234

235 “Transaction” means a contract of any kind; any sale or lease of any interest in land, material,
236 supplies or services. A Transaction does not include any decision which is legislative in nature
237 that effects the entire membership of a class or a significant segment of the community in the
238 same manner of the affected Official or Employee.

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