

Code of Conduct Compliance

Our corporate attorney, Wendy Ehrlich, has notified Board Affairs that our Code of Conduct is out of compliance with the Arizona Nonprofit Corporation Act. That law requires disclosure of a conflict of interest. A director must immediately disclose the conflict of interest when a subject is introduced and is prevented from voting on the subject. (Sept. 6, 2018)

Our present Code of Conduct which requires directors to recuse himself "without comment" conflicts with the Arizona Nonprofit Corporation Act, requiring immediate disclosure of the conflict.

SECTION VI – BOARD / BOARD COMMITTEES

SUBSECTION 1. POWERS, DUTIES, AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

B. Board Code Of Conduct – adopted 7/22/14

3. Directors must avoid a conflict of interest or the appearance of a conflict of interest with respect to any fiduciary responsibility.

a) Directors shall not accept any gifts or personal benefits, present or future, which may compromise or give the appearance of compromising his/her fiduciary responsibility.

b) When the Board is to decide upon an issue, about which a Director has any perceived or potential conflict of interest, including but not limited to, any personal or professional relationship with a business, group, individual or GVR club, that Director shall **immediately disclose the nature of the conflict and** recuse herself or himself, ~~without comment~~, from any Board discussions or votes regarding the issue.

Motion: to delete the phrase, "without comment" and insert the wording approved by legal counsel.

When approved, the change or wording will be inserted into the Directors' Code of Conduct and in the copy inserted into the CPM.

Another potential issue: Whether or not the recused Director should be allowed to discuss the issue was addressed by counsel in our present Code of Conduct. Wendy Ehrlich's wording in 2014: "and shall **not** participate in any Board discussions or votes regarding such matters."