

**Heritage Ranch
Standards of Conduct/Conflict of Interest Policy and Declaration**

Purpose: This Standards of Conduct/Conflict of Interest Policy outlines the ethical principles and behavior for Heritage Ranch Board members, committee members, volunteers and paid staff and provides the annual acknowledgement and declaration to be made by *Members*.

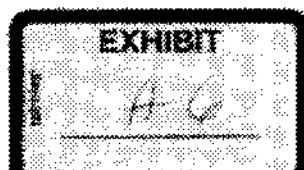
Definition of Member: A Heritage Ranch Homeowner Association "*Member*" is defined in this policy as a member of the Board of Directors, a member of a standing committee, a volunteer or a professional staff member.

Objective: All persons acting as Members comprise the leadership core of Heritage Ranch. *Members shall aspire to:*

- Perform duties with integrity, honesty, truthfulness, and adherence to public trust.
- Act according to the highest ethical standard
- Place the benefit and welfare of the Heritage Ranch Homeowner Association and the homeowner of Heritage Ranch as a priority
- Improve knowledge and skills to better serve the community needs
- Recognize cultural diversity as a strength in our community and to treat all people with respect and dignity
- Exercise best judgment independently of his/her association with any other organization or personal concern.
- Maintain the confidence of resident's personal information and not disclose it outside the scope of his/her responsibility.
- Consistently comport themselves in accordance with the Governing Documents and all published rules, regulations and policies that apply to all residents

Conflict of Interest: A conflict of interest exists when:

1. Any *Member* or any relative (by blood or marriage), or business partner, who has a private, economic or personal interest sufficient to appear to influence the outcome of a decision made by the *Member* from which he/she may gain personally, professionally, or financially in the pursuits of his/her own special interest.
2. Any *Member* who is associated with, or has an employment or consulting relationship with an organization receiving money from the Heritage Ranch Homeowners Association
3. Other examples of a conflict of interest may include but are not limited to the following:
 - Self-dealing: which is defined as using your position to secure a contract for your business interest or for your own personal gain.
 - Influence peddling: which is defined as soliciting benefits in exchange for using his/her influence to unfairly advance the interest of a particular party.



- Accepting benefits: which is defined as bribery and non-token gifts from a supplier
- Using confidential information to further his/her own interest or advancing the cause of another organization.

Determining a Conflict of Interest: It is the responsibility of each *Member* to determine if a real or apparent conflict of interest exists and once determined declare the conflict that is influencing his/her decision-making ability and dismiss himself or herself from the deciding vote.

If a homeowner believes a conflict of interest exists, which has not been declared, the homeowner may request that the Board of Directors or the Covenant Committee review the potential conflict.

Declaration - Potential Conflict of Interest

A Conflict of Interest may be declared by one of two methods:

1. Personal Financial Gain: If it may appear that there is a conflict where the *Member* would have personal financial gain, they should abstain from both the discussion and the vote.
2. Organizational Gain: If it may appear that there is a conflict of interest because the *Member* serves on a board, or on a committee, or has a family employment, or consulting relationship with an organization to which funds may be awarded, but there is no personal financial gain, the *Member* should abstain from both the discussion and the vote.

If *Member 1* believes that another *Member 2* has not declared a real or apparent conflict of interest, he/she may request that *Member 2* provide a clarification regarding *Member 2's* potential personal financial gain or association with any other organization.

If a vote has been taken and any *Member* believes that the undeclared real or apparent conflict of interest existed at the time of the discussion or vote, the *Member* may contact the chairperson or the Board of Directors to discuss the matter. The Board of Directors, at its next meeting, shall determine if a revote should be held at the next Board meeting.

In accordance with this Heritage Ranch Standards of Conduct/Conflict of Interest policy, each *Member* shall acknowledge his/her understanding of the conduct standards contained herein and identify his or her affiliation with other businesses or organizations in which there may be a real or apparent conflict of interest.

This identification of affiliation is in the following form:

At this time, I am a board member, a committee member, owner, or an employee of the following organizations, or have a family member or business partner who is:

Organization	Potential Conflict
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The Conflict of Interest Declaration, See Exhibit A. must be reviewed and updated as needed, but no less than annually at the first Board or committee meeting following the Annual Meeting of the Association.

Approved by:

HOA Board of Directors

Clayton A Burns

Date

2/13/2012

Change Record

Version C— Approved February 13, 2012

Exhibit A

Heritage Ranch

Declaration of Compliance with the Heritage Ranch Standards of Conduct/Conflict of Interest Policy

I, _____, have read and acknowledge the Heritage Ranch Standards of Conduct/Conflict of Interest Policy, have identified any organization where a potential conflict of interest could exist and declare my agreement to comply with the requirements of this policy when I conduct Heritage Ranch business.

At this time, I am a board member, a committee member, owner, or an employee of the following organizations, or have a family member or business partner who is:

Organization	Potential Conflict
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Declaration:

Now, this is to certify that I, except as described above, am not now or at any time during the past year have been: (1) A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any organization doing business with Heritage Ranch which has resulted or could result in personal benefit to me, a family member or business partner; (2) A recipient, directly or indirectly, of any salary payment or loans or gifts of any kind or any free services or discounts or other fees from or on behalf of any person or organization engaged in any transaction with the Heritage Ranch Homeowners Association.

Signature of Board Member, Committee Member or Staff

Date

Printed Name of Board Member, Committee Member or Staff
