

**WACD BOARD OF DIRECTORS SPECIAL MEETING**

April 28, 2017

(On-site in Tumwater and conference call)

**Meeting Minutes**

**BOARD MEMBERS PRESENT  
(in person or by phone)**

Jeanette Dorner, Vice President  
Larry Davis, Secretary-Treasurer  
Doug Rushton, National Director  
John McLean, NC Area Director  
John Preston, NC Area Director  
Mark Moore, SC Area Director  
Eddie Johnson, NE Area Director  
John Floyd, NE Area Director  
Karen Bishop, WADE  
Director

**UNABLE TO PARTICIPATE**

Tom Miller, President  
Mark Craven, Past President  
Dick Ryon, NW Area Director  
Steve Hallstrom, SW Area Director  
David Guenther, SC Area Director  
Jerry Hendrickson, SE Area Director

**OTHER PARTICIPANTS**

Bob Schroeter, WACD Executive  
  
Ryan Baye, WACD Legislative &  
Membership Assistant  
Sarah Richards, Supervisor, Whidbey Is. CD

Jeanette Dorner called the meeting to order at 8:00am. Roll call was taken.

**MOTION** by Doug Rushton to approve the agenda. **MOTION SECOND** by Larry Davis.  
Motion approved.

**MOTION** by Eddie Johnson to approve Sarah Richards to the vacant NW Area Director position. **MOTION SECOND** by Larry Davis. Motion approved.

**MOTION** by Doug Rushton to approve the agreement between WACD and the DoubleTree Olympia for hosting the 2018 Legislative Days event, and authorization to execute the contracts for that purpose. **MOTION SECOND** by Larry Davis. Motion approved.

**MOTION** by Larry Davis to approve the agreement between WACD and Verizon for a new WACD cell phone account for Ryan Baye and eventually for the new Executive Director, and to authorize reimbursement for one-half month use of the cell phone account to Bob Schroeter, in the amount of \$83.00, who shall be responsible for his transferred cell phone account beginning May 1, 2017. **MOTION SECOND** by Karen Bishop. Motion approved.

**MOTION** by Eddie Johnson to approve travel for Ryan Baye, subject to final approval by President Miller, to attend:

1. the WSCC meeting, tour and planning session in Ritzville (May 16-18);
2. the Tribal Training event in Ellensburg, including one night lodging (May 23);

3. the WADE conference in Leavenworth (June 12-14); and
4. the WACD Board meeting in Ellensburg (June 27)

**MOTION SECOND** by Larry Davis. Motion approved.

**MOTION** by Larry Davis to adjourn the meeting. **MOTION SECOND** by Karen Bishop.  
Motion approved.

Meeting adjourned at 8:40am.

Minutes by Larry Davis

# WASHINGTON ASSOCIATION OF CONSERVATION DISTRICTS

## WACD Policy #2017-xx Executive Operations Reserve Account

### Background

The WACD Finance Committee believes there would be value in establishing a reserve account to specifically support Executive Operations. Such account does not exist at this time.

### ACCOUNT CREATION

There is hereby established a WACD Executive Operations Reserve Account. This account shall be an unrestricted fund balance account. This account is separate from and in addition to the Retained Earnings Reserve Account.

### ACCOUNT PURPOSES

The Executive Operations Reserve Account can be used for purposes identified by the WACD Board of Directors.

### ACCOUNT EXPENDITURES

1. Authorized purposes may include, but are not limited to: contracting with an executive search recruiter, and providing relocation assistance support for the Executive Director upon hire.
2. The WACD Treasurer, in consultation with the Executive Director and support of the Executive Committee, is authorized to expend funds from the account for any of the purposes identified by the Board.

### ACCOUNT DEPOSITS

Annual savings realized from under-spending monies budgeted for Executive Operations shall be deposited into the Executive Operations Reserve Account. Other funding sources shall be determined by the Board after consideration of recommendations from the Finance Committee.

**WACD POLICY # 2012-010**  
**Conflict of Interest Policy and Procedure**

The Washington Association of Conservation Districts (WACD) is a nonprofit, tax exempt organization [WACD as 501 (c)(6), its subsidiary Plant Materials Center as 501(c)(3)]. Maintenance of its tax exempt status is important both for its continued financial stability and for public support. This policy and procedure is adopted in accordance with IRS Form 990, Part VI, Line 11b, *Organization's Process to Review IRS Form 990*, in order to provide the required procedures to address potential conflicts of interest.

**I. Application of Policy**

This policy is intended to supplement, but not replace, federal and state laws governing conflicts of interest applicable to nonprofit corporations. It applies to the WACD Board of Directors, the WACD Plant Materials Center Administrative Board, and WACD employees, as well as their relatives and associates, who are hereinafter referred to as "interested parties."

**II. Definition of Conflict of Interest**

A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of WACD, or where an interested party directly or indirectly benefits or profits as a result of an action by WACD. The variety of situations that raise conflict of interest concerns include, but are not limited to, the following:

**A. Financial Interests** - A conflict may exist when an interested party directly or indirectly benefits or profits as a result of a decision, policy or transaction made by WACD. Examples include situations such as:

- WACD contracts to purchase/lease goods, services, or property from an interested party.
- WACD offers employment to an interested party, other than a person who is already employed by WACD.
- An interested party uses his or her relationship with a WACD client or contractor to obtain employment, a contract or other benefit.
- An interested party is provided use of the facilities, property, or services of WACD in a manner that would not be available to other community members.
- WACD adopts a policy or resolution that specifically creates a financial benefit to an interested party.

**B. Other Interests** - A conflict also may exist where an interested party obtains a non-financial benefit or advantage that he/she would not have obtained absent his/her relationship with WACD.

Examples include where:

- An interested party seeks to make use of confidential information obtained from WACD or a WACD client or contractor for his/her own benefit (not necessarily financial).
- WACD adopts a policy or resolution that provides a significant non-financial benefit to an interested party.

**C. Prohibitions** - Employees are prohibited from performing work which could be construed as a “conflict of interest” by using WACD’s name, equipment or facilities for personal gain.

Employees are prohibited from receiving any fee, commission, or gift in return for award of a bid, contract, subcontract, etc. For more information, see Anti-Kickback Act, 18 U.S.C., 40 U.S.C., 276b, 276c, 41 U.S.C. 51-54.

### **III. Disclosure of Potential Conflicts of Interest**

An interested party is under a continuing obligation to disclose any potential conflict of interest as soon as it is known or reasonably should be known.

WACD Board of Directors, WACD PMC Administrative Board members and key WACD employees shall complete an **Affirmation of Compliance** form (Appendix A) when they join the board(s) or staff and annually thereafter.

Any interested party shall complete and submit within fifteen (15) working days the **Conflict of Interest Disclosure Statement** (Appendix B) to disclose any potential conflicts of interest. The WACD Board of Directors designates the WACD Executive Director as the reviewing official who is responsible for bringing potential conflicts to the attention of the WACD Board of Directors. Disclosure Statements and Affirmations of Compliance forms shall be submitted to the WACD Executive Director. The WACD Executive Director shall file copies of all disclosure statements with the official corporate records of WACD. Where a potential conflict of interest applies to the WACD Executive Director, the WACD Executive Committee shall serve as the reviewing official.

### **IV. Procedures for Review of Potential Conflicts**

The WACD Board of Directors shall determine whether there is reason to believe that a conflict of interest exists, and shall determine the appropriate response. The WACD Executive Director shall bring a potential conflict of interest to the attention of the WACD Board of Directors for action at the next regular meeting or during a special meeting called by the President, at his or her discretion, to review the potential conflict of interest. WACD shall refrain from taking action until such time as the potential conflict has been reviewed by the disinterested members of the WACD Board of Directors.

When a potential conflict of interest exists between WACD Plant Materials Center and a consultant/volunteer, the Plant Materials Center Nursery Manager shall recommend an appropriate response to the WACD Executive Director. The WACD Board of Directors shall determine the specific action to be taken.

### **V. Procedures for Addressing Conflicts of Interest**

The following procedures shall apply to all WACD Board of Directors members and employees:

1. An interested party who has a potential conflict of interest with respect to a proposed action, policy or transaction of WACD shall not participate in any way in, or be present during, the deliberations and decision-making vote of WACD. However, the interested party shall have an opportunity to provide factual information about the proposed conflict

and/or action, policy or transaction. Also, the WACD Board of Directors may request that the interested party be available to answer questions.

2. The disinterested members of the WACD Board of Directors may approve the proposed action, policy or transaction upon finding that it is in the best interests of WACD. The WACD Board of Directors shall consider whether the terms of the proposed action, transaction or policy are fair and reasonable to WACD and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a disinterested party.
3. Approval by the disinterested members of the Board of Directors shall be by vote of a majority of directors in attendance at a meeting at which a quorum is present. An interested party shall not be counted for purposes of determining whether a quorum is present, or for purposes of determining what constitutes a majority vote of directors in attendance.
4. The minutes of the meeting shall reflect that the conflict disclosure was made to the Board of Directors, the vote taken and, where applicable, the abstention from voting and participation by the interested party. Whenever possible, the meeting minutes should frame the decision of the board in such a way to provide guidance for consideration of future conflict of interest situations.

#### **VI. Violations of Conflict of Interest Policy**

If either the WACD Board of Directors or the WACD Executive Director has reason to believe that an interested party has failed to disclose a potential conflict of interest, the WACD Executive Director shall inform the person of the basis for such belief and allow the person an opportunity to explain the alleged failure to disclose. The interested party shall submit the required disclosure documents within fifteen (15) working days where it is agreed that such submittal is required.

If the WACD Board of Directors decides that the interested party has in fact failed to disclose a conflict of interest, the board shall take such disciplinary and corrective action as it determines appropriate. For WACD directors and officers, disciplinary action for such failure may include written warning, written censure, loss of appointment, or removal from office in accordance with WACD bylaws. For WACD employees, disciplinary action for such failure may include written warning, written letter of reprimand, or dismissal.