

Colorado Homeowners Association *Law*

CCIOA 101 for HOA Boards: Conflicts of Interest Policy

By Molly Foley-Healy on July 10, 2012

In my **[CCIOA 101 for HOA Boards blog posting yesterday](#)**, I addressed the Reserve Study Policy – which is one of the 9 Responsible Governance Policies (commonly referred to as “SB 100 Policies”) that HOAs are required to adopt and comply with under the Colorado Common Interest Ownership Act (“CCIOA”). In May of 2011, Governor Hickenlooper signed into law **[House Bill 11-1124](#)** which amended **[C.R.S. 38-33.3-209.5](#)** and outlines the following items which must be included in the Conflicts of Interest Policy for an HOA:

- A definition or description of the circumstances under which a conflict of interest exists;
- The procedures to follow when a conflict of interest is identified, including:
 - How the conflict of interest must be disclosed;
 - To whom the conflict of interest must be disclosed; and
 - Whether the board member with the conflict of interest must recuse him or herself from discussing or voting on the issue.
- A provisions that requires the Conflicts of Interest Policy to be periodically reviewed.

We recommend that you consult with legal counsel to obtain advice on the best practices and

options for dealing with conflicts of interest and drafting the Conflicts of Interest Policy. In the meantime, stay tuned for more information on the Responsible Governance Policies your association must adopt and comply with!

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