

# Board Resoluton of Haskell.org Adopting Bylaws and Appointing Officers

Whereas Haskell.org, Inc. has been incorporated in the state of New York to continue the operations previously conducted by the unincorporated Haskell.org committee in association with SPI, Inc. and other affiliates;

Whereas the Haskell.org committee now forms the board of directors of Haskell.org, Inc.;

Whereas Bylaws have been proposed for Haskell.org, Inc.;

Whereas the Board of Directors has reviewed the proposed Bylaws and unanimously approved them;

Whereas a copy of said Bylaws is attached hereto as Exhibit A;

Whereas said Bylaws require the adoption of a Conflict of Interest Policy;

Whereas a Conflict of Interest Policy has been proposed for Haskell.org, Inc.;

Whereas the Board of Directors has reviewed the proposed Conflict of Interest Policy and unanimously approved it;

Whereas a copy of said Conflict of Interest Policy is attached hereto as Exhibit B; and

Whereas Haskell.org, Inc. requires officers to supervise its operations; now, therefore, be it

*Resolved*, that Haskell.org, Inc.:

1. adopts the proposed Bylaws;
2. authorizes and directs the Board of Directors, and each Director acting alone, to take such further action as may be necessary, appropriate, or advisable to implement this resolution and the Bylaws hereby adopted;
3. adopts the proposed Conflict of Interest Policy;
4. appoints Gershom Bazerman as President;
5. appoints Edward Kmett as Vice President;
6. appoints Ryan D. Trinkle as Secretary and Treasurer; and
7. directs the Treasurer to establish one or more deposit accounts to the credit of Haskell.org, Inc. at TD Bank N.A.

We, the undersigned, hereby certify that the Board of Directors of Haskell.org, Inc. comprises 7 Directors, all of whom were present at a meeting duly held this 10th day of November, 2015, and that the

foregoing Resolution was duly adopted at said meeting by a unanimous affirmative vote of the Directors and is in full force and effect.



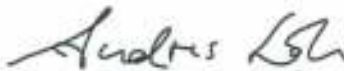
Gershom Bazerman



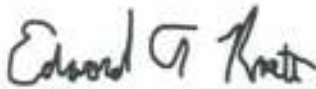
Adam Foltzer



Nicolas Wu



Andres Löh



Edward Kmett



Ryan D. Trinkle



John Wiegley

**Exhibit A**

# HASKELL.ORG, INC. CORPORATE BYLAWS

## ARTICLE I

### NAME

#### 1.01 Name

The name of this corporation shall be Haskell.org, Inc.

## ARTICLE II

### PURPOSES AND POWERS

1. Haskell.org, Inc. (the "Corporation") is organized and shall be operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Corporation is formed to promote education and scientific progress relating to the Haskell programming language and related technologies, and the Corporation shall undertake the following activities in furtherance of that purpose:
  - a. producing and maintaining educational and informative materials regarding the Haskell language on [haskell.org](http://haskell.org), associated websites, and other channels;
  - b. creating, maintaining, hosting, and otherwise providing shared assets and infrastructure for the benefit of the Haskell community;
  - c. coordinating educational activities, including mentorship programs;
  - d. organizing events, seminars, and academic conferences regarding the Haskell language; and
  - e. all lawful activities that may be useful in accomplishing the foregoing purposes.
2. In furtherance of the foregoing purposes, the Corporation shall have all the general powers enumerated in Section 202 of the N-PCL and such other powers as are now or hereafter permitted by law for a corporation organized for the foregoing purposes, including, without limitation, the power to (a) solicit grants and contributions for any corporate purpose, (b) maintain a fund or funds of real and/or personal property in furtherance of such purposes, and (c) organize one or more partially- or wholly- owned organizations.
3. The Corporation shall not, directly or indirectly, engage in or include among its purposes any of the activities mentioned in subparagraphs (a) through (v) of Section 404 of the N-PCL without first obtaining the approvals or consents required in such subsections.
4. The Corporation shall not provide, or engage in the practice of, any professional service as defined by Title 8 of the New York State Education Law.
5. Notwithstanding any other provision of this Certificate, the Corporation is organized exclusively for charitable purposes, and intends at all times to qualify and remain qualified as exempt from federal income tax under Section 501(c)(3) of the Code, and in connection therewith:
  - a. the Corporation is not formed for and shall not be conducted nor operated for pecuniary profit or financial gain, and no part of its assets, income or profit shall be distributed to or inure to the benefit of any director, officer or other private individual or individuals, provided that nothing herein shall prevent the Corporation from paying reasonable

compensation to any person for services rendered to or for the Corporation in furtherance of one or more of its purposes;

- b. no substantial part of the activities of the Corporation shall be devoted to the carrying on of propaganda or otherwise attempting to influence legislation, except to the extent permitted by the Code, whether pursuant to an election under Section 501(h) or otherwise, and no part of the activities of the Corporation shall be devoted to participating or intervening in, including the publication or distribution of statements regarding, any political campaign on behalf of or in opposition to any candidate for public office, and the Corporation will not engage in any other activities that would cause it to be characterized as an "action organization" as defined in Treasury Regulation § 1.501(c)(3)-1, promulgated under the Code; and
- c. the Corporation shall not engage in or include among its purposes any activities not permitted to be carried on by either a corporation exempt from federal income taxation under Section 501(c)(3) of the Code or a corporation to which contributions are deductible under Section 170(c)(2) of the Code.

### **ARTICLE III**

#### **MEMBERSHIP**

##### **3.01 No Membership Classes**

The corporation shall have no members who have any right to vote or title or interest in or to the corporation, its properties and franchises.

##### **3.02 Non-Voting Affiliates**

The board of directors may approve classes of non-voting affiliates with rights, privileges, and obligations established by the board. Affiliates may be individuals, businesses, and other organizations that seek to support the mission of the corporation. The board, a designated committee of the board, or any duly elected officer in accordance with board policy, shall have authority to admit any individual or organization as an affiliate, to recognize representatives of affiliates, and to make determinations as to affiliates' rights, privileges, and obligations. At no time shall affiliate information be shared with or sold to other organizations or groups without the affiliate's consent. At the discretion of the board of directors, affiliates may be given endorsement, recognition and media coverage at fundraising activities, clinics, other events or at the corporation website. Affiliates have no voting rights, and are not members of the corporation.

##### **3.03 Dues**

Any dues for affiliates shall be determined by the board of directors.

### **ARTICLE IV**

#### **BOARD OF DIRECTORS**

#### 4.01 Number of Directors

Haskell.org, Inc. shall have a board of directors consisting of at least 3 and no more than 7 directors. Whenever the board consists of less than 7 directors, the board shall promptly appoint additional directors to return the number of directors to 7.

#### 4.02 Powers

All corporate powers shall be exercised by or under the authority of the board and the affairs of the Haskell.org, Inc. shall be managed under the direction of the board, except as otherwise provided by law.

#### 4.03 Terms

Each director shall serve for a 3 year term or until he or she resigns.

#### 4.04 Qualifications and Election of Directors

In order to be eligible to serve as a director on the board of directors, the individual must be 18 years of age and an affiliate within affiliate classifications created by the board of directors. Directors may be elected at any board meeting by the majority vote of the existing board of directors.

#### 4.05 Vacancies

The board of directors may fill vacancies due to the expiration of a director's term of office, resignation, death, or removal of a director or may appoint new directors to fill a previously unfilled board position, subject to the maximum number of directors under these Bylaws.

(a) Unexpected Vacancies. Vacancies in the board of directors due to resignation, death, or removal shall be filled by the board for the balance of the term of the director being replaced.

#### 4.06 Removal of Directors

A director may be removed by two-thirds majority vote of the board of directors then in office, if:

(a) the director is absent and unexcused from two or more meetings of the board of directors in a twelve month period. The board president is empowered to excuse directors from attendance for a reason deemed adequate by the board president. The president shall not have the power to excuse him/herself from the board meeting attendance and in that case, the board vice president shall excuse the president.  
Or:

(b) for cause or no cause, if before any meeting of the board at which a vote on removal will be made the director in question is given electronic or written notification of the board's intention to discuss her/his case and is given the opportunity to be heard at a meeting of the board.

#### 4.07 Board of Directors Meetings.

(a) Regular Meetings. The board of directors shall hold all regular meetings required by law. Regular board meetings shall be held upon four (4) days notice by first-class mail, electronic mail, or facsimile transmission or forty-eight (48) hours notice delivered personally or by telephone. If sent by mail, facsimile transmission, or electronic mail, the notice shall be deemed to be delivered upon its deposit in the mail or transmission system. Notice of meetings shall specify the place, day, and hour of meeting. The purpose of the meeting need not be specified.

(b) Special Meetings. Special meetings of the board may be called by any member of the board of directors. A special meeting must be preceded by at least 2 days notice to each director of the date, time, and place, but not the purpose, of the meeting.

(c) Waiver of Notice. Any director may waive notice of any meeting, in accordance with New York law.

#### 4.08 Manner of Acting

(a) Quorum. A majority of the directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the board. No business shall be considered by the board at any meeting at which a quorum is not present.

(b) Majority Vote. Except as otherwise required by law, by the articles of incorporation, or by these Bylaws, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board.

(c) Hung Board Decisions. On the occasion that directors of the board are unable to make a decision based on a tied number of votes, the president shall have the power to swing the vote based on his/her discretion.

(d) Participation. Except as required otherwise by law, the Articles of Incorporation, or these Bylaws, directors may participate in a regular or special meeting through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting, including in person, internet video meeting, or by telephonic conference call.

#### 4.09 Compensation for Board Service

Directors shall receive no compensation for carrying out their duties as directors. The board may adopt policies providing for reasonable reimbursement of directors for expenses incurred in conjunction with carrying out board responsibilities, such as travel expenses to attend board meetings.

#### 4.10 Compensation for Professional Services by Directors

Directors are not restricted from being remunerated for professional services provided to the corporation. Such remuneration shall be reasonable and fair to the corporation and must be reviewed and approved in accordance with the board Conflict of Interest policy and state law.

## **ARTICLE V**

### **COMMITTEES**

#### 5.01 Committees

The board of directors may, by the resolution adopted by a majority of the directors then in office, designate one or more committees, each consisting of two or more directors, to serve at the pleasure of the board. Any committee, to the extent provided in the resolution of the board, shall have all the authority of the board, except that no committee, regardless of board resolution, may:

(a) take any final action on matters which also requires board members' approval or approval of a majority of all members;

- (b) fill vacancies on the board of directors or in any committee which has the authority of the board;
- (c) amend or repeal Bylaws or adopt new Bylaws;
- (d) amend or repeal any resolution of the board of directors which by its express terms is not so amendable or repealable;
- (e) appoint any other committees of the board of directors or the members of these committees;
- (f) expend corporate funds to support a nominee for director; or
- (g) approve any transaction;
  - (i) to which the corporation is a party and one or more directors have a material financial interest; or
  - (ii) between the corporation and one or more of its directors or between the corporation or any person in which one or more of its directors have a material financial interest.

### 5.2 Meetings and Action of Committees

Meetings and action of the committees shall be governed by, held, and taken in accordance with the provisions of Article IV of these Bylaws concerning meetings of the directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the board of directors or by resolution of the committee. Special meetings of the committee may also be called by resolution of the board of directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The board of directors may adopt rules for the governing of the committee not inconsistent with the provision of these Bylaws.

### 5.3 Informal Action By The Board of Directors

Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be agreed by the consensus of a quorum. For purposes of this section an e-mail transmission from an e-mail address on record constitutes a valid writing. The intent of this provision is to allow the board of directors to use email to approve actions, as long as a quorum of board members gives consent.

## **ARTICLE VI**

### OFFICERS

#### 6.01 Board Officers

The board officers of the corporation shall be chosen by, and serve at the pleasure of, the board of directors. Each officer shall have the authority and shall perform the duties set forth in these Bylaws or by resolution of the board or by direction of an officer authorized by the board to prescribe the duties and authority of other officers. The board may also appoint vice-presidents and such other officers as it deems expedient for the proper conduct of the business of the corporation, each of whom shall have such authority and shall perform such duties as the board of directors may determine. One person may hold



two or more board offices, but no board officer may act in more than one capacity where action of two or more officers is required.

#### 6.02 Term of Office

Each officer shall serve a term of office prescribed by the board.

#### 6.03 Removal and Resignation

The board of directors may remove an officer at any time, with or without cause. Any officer may resign at any time by giving written notice to the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

#### 6.04 Board President

The board president shall be the chief volunteer officer of the corporation. The board president shall lead the board of directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the board of directors, and shall perform all other duties incident to the office or properly required by the board of directors.

#### 6.05 Vice President

In the absence or disability of the board president, the ranking vice-president or vice-president designated by the board of directors shall perform the duties of the board president. When so acting, the vice-president shall have all the powers of and be subject to all the restrictions upon the board president. The vice-president shall have such other powers and perform such other duties prescribed for them by the board of directors or the board president. The vice-president shall normally accede to the office of board president upon the completion of the board president's term of office.

#### 6.06 Secretary

The secretary shall keep or cause to be kept a book of minutes of all meetings and actions of directors and committees of directors. The minutes of each meeting shall state the time and place that it was held and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws. The secretary shall cause notice to be given of all meetings of directors and committees as required by the Bylaws. The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or the board president. The secretary may appoint, with approval of the board, a director to assist in performance of all or part of the duties of the secretary.

#### 6.07 Treasurer

The treasurer shall be the lead director for oversight of the financial condition and affairs of the corporation. The treasurer shall oversee and keep the board informed of the financial condition of the corporation and of audit or financial review results. In conjunction with other directors or officers, the treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the corporation, are made available to the

board of directors on a timely basis or as may be required by the board of directors. The treasurer shall perform all duties properly required by the board of directors or the board president. The treasurer may appoint, with approval of the board a qualified fiscal agent or member of the staff to assist in performance of all or part of the duties of the treasurer.

#### 6.08 Non-Director Officers

The board of directors may designate additional officer positions of the corporation and may appoint and assign duties to other non-director officers of the corporation.

## **ARTICLE VII**

### CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS

#### 7.01 Contracts and other Writings

Except as otherwise provided by resolution of the board or board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the corporation shall be executed on its behalf by the treasurer or other persons to whom the corporation has delegated authority to execute such documents in accordance with policies approved by the board.

#### 7.02 Checks, Drafts

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by the treasurer, or by such other officer, officers, agent, or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the board.

#### 7.03 Deposits

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depository as the board or a designated committee of the board may select.

#### 7.04 Loans

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the board. Such authority may be general or confined to specific instances.

#### 7.05 Indemnification

(a) Mandatory Indemnification. The corporation shall indemnify a director or former director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a director of the corporation against reasonable expenses incurred by him or her in connection with the proceedings.

(b) Permissible Indemnification. The corporation shall indemnify a director or former director made a party to a proceeding because he or she is or was a director of the corporation, against liability incurred in

the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

(c) Advance for Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of (I) a written affirmation from the director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this article, and (II) an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation in these Bylaws.

(d) Indemnification of Officers, Agents and Employees. An officer of the corporation who is not a director is entitled to mandatory indemnification under this article to the same extent as a director. The corporation may also indemnify and advance expenses to an employee or agent of the corporation who is not a director, consistent with New York Law and public policy, provided that such indemnification, and the scope of such indemnification, is set forth by the general or specific action of the board or by contract.

## ARTICLE VIII

### MISCELLANEOUS

#### 8.01 Books and Records

The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its board of directors, a record of all actions taken by board of directors without a meeting, and a record of all actions taken by committees of the board. In addition, the corporation shall keep a copy of the corporation's Articles of Incorporation and Bylaws as amended to date.

#### 8.02 Fiscal Year

The fiscal year of the corporation shall be from January 1 to December 31 of each year.

#### 8.03 Conflict of Interest

The board shall adopt and periodically review a conflict of interest policy to protect the corporation's interest when it is contemplating any transaction or arrangement which may benefit any director, officer, employee, affiliate, or member of a committee with board-delegated powers.

#### 8.04 Nondiscrimination Policy

The officers, directors, committee members, employees, and persons served by this corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of Haskell.org, Inc. not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

#### 8.05 Bylaw Amendment

These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the board of directors then in office at a meeting of the Board, provided, however,

- (a) that no amendment shall be made to these Bylaws which would cause the corporation to cease to qualify as an exempt corporation under Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code; and,
- (b) that an amendment does not affect the voting rights of directors. An amendment that does affect the voting rights of directors further requires ratification by a two-thirds vote of a quorum of directors at a Board meeting,
- (c) that all amendments be consistent with the Articles of Incorporation.

### **ARTICLE IX**

#### Transparency and Accountability

#### Disclosure of Financial Information With The General Public

##### 9.01 Financial and IRS documents (The form 1023 and the form 990)

Haskell.org, Inc. shall provide copies of its Internal Revenue forms 990, 990-T, 1023 and 5227, bylaws, conflict of interest policy, and any other documents as required by law to the general public upon request for inspection free of charge.

##### 9.02 Staff Records

- (a) No staff records shall be made available to any person outside the corporation except the authorized governmental agencies.
- (b) Within the corporation, staff records shall be made available only to those persons with managerial or personnel responsibilities for that staff member, except that
- (c) Staff records shall be made available to the board when requested.

##### 9.03 Donor Records

- (a) All donor records shall be available for consultation by the members and donors concerned or by their legal representatives.
- (b) No donor records shall be made available to any other person outside the corporation except the authorized governmental agencies.
- (c) Within the corporation, donor records shall be made available only to those persons with managerial or personnel responsibilities for dealing with those donors, except that
- (d) donor records shall be made available to the board upon request.

### **ARTICLE X**

#### CODES OF ETHICS AND WHISTLEBLOWER POLICY

#### 10.01 Purpose

Haskell.org, Inc. requires and encourages directors, officers and employees to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. The employees and representatives of the corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of Haskell.org, Inc. to adhere to all laws and regulations that apply to the corporation and the underlying purpose of this policy is to support the corporation's goal of legal compliance. The support of all corporate staff is necessary to achieving compliance with various laws and regulations.

#### 10.02 Reporting Violations

If any director, officer, staff or employee reasonably believes that some policy, practice, or activity of Haskell.org, Inc. is in violation of law, a written complaint must be filed by that person with the vice president or the board president.

#### 10.03 Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be viewed as a serious disciplinary offense.

#### 10.04 Retaliation

Said person is protected from retaliation only if she/he brings the alleged unlawful activity, policy, or practice to the attention of Haskell.org, Inc. and provides the Haskell.org, Inc. with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to individuals that comply with this requirement.

Haskell.org, Inc. shall not retaliate against any director, officer, staff or employee who in good faith, has made a protest or raised a complaint against some practice of Haskell.org, Inc. or of another individual or entity with whom Haskell.org, Inc. has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

Haskell.org, Inc. shall not retaliate against any director, officer, staff or employee who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of Haskell.org, Inc. that the individual reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

#### 10.05 Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

#### 10.06 Handling of Reported Violations

The board president or vice president shall notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports shall be promptly investigated by

the board and its appointed committee and appropriate corrective action shall be taken if warranted by the investigation.

10.07 Availability

This policy shall be made available to all directors, officers, staffs or employees and they shall have the opportunity to ask questions about the policy.

**ARTICLE XI**

AMENDMENT OF Articles of Incorporation

11.01 Amendment

Any amendment to the Articles of Incorporation may be adopted by approval of two-thirds (2/3) of the board of directors.

**Exhibit B**

## HASKELL.ORG, INC. CONFLICT OF INTEREST POLICY

### ARTICLE I

#### PURPOSE

##### 1.01 Purpose

The purpose of the conflict of interest policy is to protect the interests of Haskell.org, Inc. (Organization) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### ARTICLE II

#### DEFINITIONS

##### 2.01 Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

##### 2.02 Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### ARTICLE III

#### PROCEDURES



### 3.01 Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

### 3.02 Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

### 3.03 Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

### 3.04 Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **ARTICLE IV**

### RECORDS OF PROCEEDINGS

#### 4.01 Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

## **ARTICLE V**

### **COMPENSATION**

#### **5.01 Compensation**

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

## **ARTICLE VI**

### **ANNUAL STATEMENTS**

#### **6.01 Annual Statements**

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

## **ARTICLE VII**

### **PERIODIC REVIEWS**

#### **7.01 Periodic Reviews**

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

## ARTICLE VIII

### USE OF OUTSIDE EXPERTS

#### 8.01 Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.