

National Basketball Retired Players Association Board Policy Manual

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Adopted April 28, 2015 with updates as noted

Section 1: Intent and Process of Board Policy

1.1. Board Policy Purpose and Development

Pursuant to Article 3, Section 1 of the bylaws of the National Basketball Retired Players Association (hereafter referred to as “NBRPA” or “the association”), the Board of Directors is entrusted with the authority to establish policy for the governance of the NBRPA. This Board Policy Manual shall establish the parameters and guidelines for board members, committees, management and staff.

The purposes of the Board Policy Manual are to:

- Inform the Professional Members, Board of Directors, President, committees and staff of board intent in order to prevent confusion and promote consistency of board action.
- Clarify the roles of the Board of Directors, President, committees and staff.
- Give the President clear direction from the board.

Adoption and revision of all policy decisions will be made by majority vote of the NBRPA’s Board of Directors only at board meetings. Before adopting any policy, all board members will receive a copy of the proposed policy in advance of the meeting at which the vote is to be taken.

1.2. The Scope of Board Policy.

The entirety of the Board Policy Manual is intended to be in compliance with the laws and regulations of the United States and the state of New York. Furthermore, the Board Policy Manual shall not supersede NBRPA Bylaws. Any policy found not to be in compliance with said laws and regulations, or any policy which attempts to supersede NBRPA Bylaws, shall be immediately disqualified from enforcement and removed from this policy manual.

The NBRPA Board of Directors makes an important distinction between board policies and management policies. Board policies establish the broad parameters within which board, management and staff will operate. Management policies, developed and implemented by the President, outline the specifics of how the organization and staff will operate within board policy. Personnel policies are an example of management policy developed by the President. The President develops the personnel policies appropriate to his or her staff, and has them examined by an attorney or human resources specialist familiar with personnel policy. The President then informs the board that personnel policies are in place, and provides board members with copies of the personnel policy handbook. The board is not directly involved with developing personnel policies other than to ensure that the President has carried out that duty.

1.3. Policy Enforcement and Accountability.

The NBRPA Board of Directors is responsible and accountable for implementation and enforcement of these policies. The Board of Directors empowers the President to proactively remind the Board of Directors of said policies and to advise the board when a policy may be in danger of being violated or when it may be advisable to add new policies. The board charges the President with ensuring that all policies are effectively explained to employees and volunteer committees, and making every reasonable effort to see that the policies are understood, accepted and obeyed.

1.4. Access to the Board Policy Manual.

The Board of Directors will make every effort to be transparent and ensure that these policies and the manual as a whole are accessible to any interested parties within the NBRPA. All Directors will receive a copy of the manual upon their election; the manual will at all times be available in the NBRPA office for review and inspection by members, directors, and employees. Furthermore, to ensure NBRPA members and committee members have full confidence in the governance of this organization, this Board Policy Manual and the NBRPA’s Bylaws will be published on its website.

Section 2:

Board of Directors Responsibilities and Parameters

2.1. Board Authority, Commitment and Rights.

According to Article 3, Section 1 of the NBRPA Bylaws: “The business affairs of the Corporation shall be managed by a Board of Directors. The Board of Directors shall have supervision, control and direction of the affairs of the Corporation, its committees and elected representatives; shall determine its policies; shall actively pursue its mission; and shall supervise the disbursement of funds. The Board of Directors shall have the authority to employ a paid chief executive officer to manage the day-to-day activities of the Corporation.”

Members of the NBRPA Board of Directors are legally and morally responsible for all activities of the NBRPA. This responsibility is a joint and collective authority, which exists and can only be exercised when the NBRPA Board of Directors is in session.

Upon election, all directors shall signify their commitment to the following:

- Adhere to the NBRPA mission.
- Recognize and accept that the board, collectively, occupies the role of a fiduciary with regard to those served. A fiduciary is a person who holds something in trust for another. If a director violates this trust, he or she may be subject to legal consequences, including personal liability.
- Provide oversight and hold accountable the President and the board itself for effective management of finances.
- Accept the commonly recognized legal duties of nonprofit board members:
 - The duty of care. Know your job and do it right. Actively take part in decision-making and perform due diligence to make sound judgments and policy.
 - The duty of loyalty. Put the best interest of the organization above your own interests in your role as a board member. Avoid conflicts of interest.
 - The duty of obedience: Comply with all laws and regulations applicable to nonprofits, and be committed to the organizational mission.
- Fully prepare for, attend, and actively participate in meetings of the board.
- Speak for the full board only when sanctioned by the full board.
- Delegate the responsibility and authority to administer daily affairs to the President.
- Provide oversight and hold accountable the President, committees, and the board itself for the effective implementation of programs and services.
- Protect and serve the future of NBRPA by developing and implementing a long range plan.
- Serve as an advocate for NBRPA to the members, public, and other appropriate individuals and organizations.
- Seek avenues to generate financial support for NBRPA.
- Actively participate in at least one association committee.
- Never offer, give, solicit or receive any form of bribe or kickback through his or her connection to NBRPA; nor solicit a personal gift of any kind in exchange for consideration from anyone who does business with the NBRPA. This restriction applies to both actual and proposed business transactions.

Upon election, all directors shall signify his or her understanding that directors have the right to:

- Receive timely notice of board meetings and the agenda.
- Attend and participate in board meetings.
- Examine the NBRPA books, records, meeting minutes, financial statements and contracts.
- Place items on the board meeting agenda at the appropriate time.
- Seek information from the President and other credible experts when appropriate prior to board action.

2.2. Board of Directors Conflict of Interests.

This Conflict of Interests Policy will be reviewed with all candidates for election to the Board of Directors. Furthermore, it will be reviewed annually with all directors. In writing each year, each director will acknowledge review of the statement and his or her agreement to abide by the policy.

Member of the Board of Directors have a duty to subordinate personal interests to the welfare of the NBRPA and those served. Conflicting interests can be financial, personal relationships, status or power. Directors are prohibited from receiving gifts, fees, loans, or favors from suppliers, contractors, consultants, or financial agencies, which obligate or induce the director to compromise responsibilities to negotiate, inspect or audit, purchase or award contracts, with the best interest of the NBRPA in mind.

Directors are prohibited from knowingly disclosing information about the NBRPA to those who do not have a need to know or whose interest may be adverse to the NBRPA, either inside or outside the NBRPA; nor may directors in any way use such information to the detriment of the NBRPA.

Directors may not have a significant financial interest in any property which the NBRPA purchases. Directors should make effort to avoid having a direct or indirect interest in a supplier, contractor, consultant or other entity with which the NBRPA does business. Any possible conflict of interests on the part of any director should be disclosed to the other board members and made a matter of record, either through an annual procedure or when the interest becomes a matter of board action.

Any director having a conflict of interest or possible conflict of interest should not vote or use his or her personal influence on the matter. The minutes of the meeting should reflect that a disclosure was made and the abstention from voting. These restrictions should not be construed as preventing the director from briefly stating his or her position in the matter, nor from answering pertinent questions of other directors, since his or her knowledge could be of assistance to the deliberations.

A director may not use his or her position on the NBRPA's board to prevent the NBRPA from competing with the director's business. Directors agree, even after they complete board service, that they will not use trade secrets, client lists, or other confidential information acquired by virtue of being a member of the board.

2.3. Board of Directors Code of Ethics.

Upon election and annually thereafter, each director shall indicate, in writing, his or her adherence to the following Code of Ethics.

I recognize that the credibility, reputation and integrity of the entire organization are based on the consistent practice of ethical, honest and lawful conduct. Consequently, as a member of the Board of Directors, I will:

- Practice ethical, honest and lawful conduct.
- Support and expect ethical, honest and lawful conduct from members, fellow directors, the President, staff, committees, donors, contractors and suppliers.
- Listen carefully to and respect the opinions of NBRPA Professional Members and my fellow directors.
- Respect and support the majority decisions of the Board of Directors, including adherence to the association's bylaws and policies.
- Recognize that all authority is a collective authority, vested in the Board of Directors when it meets in legal session, not in individual directors or officers.
- Keep well informed of developments that are relevant to issues that may come before the board.
- Participate actively in board meetings and actions.
- Faithfully adhere to the board's confidentiality policy.
- Call to the attention of the board any issues that I believe will have an adverse effect on the NBRPA or those it serves.
- Refer member or staff complaints to the proper level on the chain of command.
- Recognize that a director's job is to ensure that the NBRPA is well managed, not to manage the NBRPA.
- Vote to employ the best possible person to manage the daily affairs of the NBRPA.
- Vote for the best interests of the NBRPA and the members as a whole, not any special interest groups.
- Consider myself a "trustee" of the NBRPA and do my best to ensure that the NBRPA is well maintained, financially secure, and operating in the best interests of members.
- Work to learn more about the board member's job and how to do it better.
- Declare any conflict of interests between my personal or professional life and my position on the NBRPA's Board Directors, and avoid voting on issues that appear to be a conflict of interest.

As a member of the NBRPA board I will NOT...

- Be critical, in or outside of the board meeting, of other directors.
- Use the NBRPA or any part of the NBRPA for my personal advantage or the personal advantage of my friends or relatives.
- Discuss the confidential proceedings of the board outside the board meeting.
- Promise prior to a meeting how I will vote on any issue in the meeting.
- Interfere with duties of the President or undermine the President's authority.

I agree that failure to adhere to this Code of Ethics may result in my termination from the Board of Directors.

2.4. Board of Directors Confidentiality Agreement.

As a requirement for service on the NBRPA's board, each director will be required to read and sign the following confidentiality agreement.

As a member of the NBRPA's board, I acknowledge the importance of confidentiality with respect to the affairs of the NBRPA. In light of this acknowledgement, I agree to keep confidential, during and after service on the board, all confidential information acquired pertaining to the NBRPA and any related activities in the course of membership on the board.

I particularly recognize the sensitivity of information regarding capital decisions, real estate purchases, decisions regarding closures, mergers and strategic plans that may have an impact on the NBRPA's competitive position relative to other organizations. I agree that this confidentiality agreement includes, but is not limited to:

- Information pertaining to performance of the NBRPA's employees or staff including evaluation data, compensation, and grievances.
- Issues related to the board's legal, moral and regulatory responsibility for the oversight of statistical data, risk management information and litigation information, and reviews of attitudes and opinions from those who work at the NBRPA.

I agree that failure to adhere to this Confidentiality Agreement may result in my termination from the Board of Directors.

2.5. Board of Directors Eligibility and Qualifications

According to Article 3, Section 2 of the bylaws: "A Professional Member shall be eligible for election and to serve on the Board of Directors provided he or she is a member in good standing whose membership dues are current at the time of the election; and, furthermore, has fulfilled the requirements to become a Platinum-level member or to obtain such status within one year of his or election. A majority of directors will be independent directors as set forth in the New York Not-for-Profit Corporation Law or any amendments thereto, specifically lacking material business relationships to the Corporation and lacking material business and family relationships to the President and staff. The Board of Directors may, by resolution, determine additional qualifications."

Based upon the additional qualifications outlined in this policy, the Board of Directors empowers the Nominating & Corporate Governance Committee to review or vet candidates prior to placing their names onto the ballot in order to best fulfill the goal of building the highest quality Board of Directors. The goal is for the Nominating & Corporate Governance Committee to create a ballot wherein directors will be chosen based upon their personal and professional attributes, competencies, and skills. Any person seeking to serve on the Board of Directors acknowledges that the determination of which names shall appear on the ballot is done so at the sole discretion of Nominating & Corporate Governance Committee with approval by the Board of Directors. The decision is final, may not be appealed, and the Nominating & Corporate Governance Committee and the Board of Directors shall be held harmless in determination of the ballot.

Part 1. All candidates and sitting board members must consistently demonstrate a passion for the mission; loyalty to the best interests of the association; and a willingness to actively contribute and seek contributions to NBRPA. In addition, the Nominating & Corporate Governance Committee shall choose candidates who have demonstrated the greatest number of the following attributes in their personal, professional and volunteer life:

- Ability to lead people
- Experience serving on other nonprofit boards
- Business experience
- Sound judgment
- Generous with time
- Ability to work cooperatively with a team
- Respected by peers
- High ethical standards
- Strategic and visionary
- Progressive, willingness to advance change
- Existing relationship with another person serving on a corporate or nonprofit board who can act as a mentor

Part 2. The Nominating & Corporate Governance Committee shall consider the specific background, competencies, and/or professional skills for which the board has a current need. Considerations may include, but are not limited to:

- Fundraising experience
- Connections to key constituencies or donors
- Government or political background
- Financial expertise
- Technology expertise
- Public relations or marketing expertise
- Human resources
- Entrepreneurship
- Diversity in race/ethnicity, gender, age, geography, etc.
- Ability, willingness and good faith effort to generate revenues for the association

Part 3. The Board of Directors instructs the Nominating & Corporate Governance Committee to strive for a broad representation of and diverse perspectives from the membership as it recruits and nominates candidates. The Nominating & Corporate Governance Committee shall seek representation of the following categories:

1. Retired player from the Globetrotters.
2. Age 60+ retired player from the National Basketball Association or American Basketball Association.
3. Age 40-60 retired player from the National Basketball Association.
4. Under age 40 retired player from the National Basketball Association.
5. Retired player from the Women's National Basketball Association.
6. Staff representative from the National Basketball Association.
7. Staff representative from the National Basketball Players' Association.
8. At-large retired players (5)

By resolution, the Board of Directors shall determine a process for the phasing in of the category representation.

If a qualified candidate cannot be identified for seats identified in #1-5, then an additional at-large retired player seat will be voted upon. With the exception of the staff representative director positions from the NBA and NBPA, members vote for directors in all categories. The board seats for the NBA staff and NBPA staff will continue to be appointed by those organizations.

Part 4. Directors will be required to participate annually in 75% of the total of board and committee meetings. Failure to do so may result in forfeiture of the board position.

2.6. Chairperson of the Board.

According to Article 3, Section 7 of the bylaws: “The Chairperson of the Board is the chief elected officer of the Corporation and, as such, shall preside at all meetings of the Board of Directors and the Professional Membership. The Chairperson of the Board shall implement the duties of office as defined by Board policy and shall implement decisions and resolutions of the Board of Directors in a timely fashion. The Chairperson shall also perform such other duties as may be determined from time to time by the Board of Directors.”

The Board of Directors assigns the following additional duties and authorities to the Chairperson:

- Collaborate with the President to prepare board meeting agendas. The Chairperson will approve the agenda prior to the board’s acceptance of the agenda at its meetings.
- Work with the President to develop strong cooperation between the board and President.
- Act as liaison between board and President.
- Encourage commitment and cooperation from each volunteer board member.
- Facilitate discussions at board meetings that are collegial, focused and productive.
- Ensure that all board members' views are represented in board meetings.
- Appoint committee chairpersons.
- Act as an ex officio member of all committees.
- Sign documents requiring an officer signature.
- Represent the board in public and official capacities as instructed by the board.
- Chair the Executive Committee.
- Make special assignments and appoint representatives to other organizations as authorized by the board.
- Encourage the board to do long-range planning.
- Assist board members to build their board skills.
- Recognize board member violation of ethical standards and bring such violations to the attention of the board member or to the full board if necessary.
- Follow up with absent board members to encourage their future attendance.
- Provide counsel, as needed and requested, to the President.

Like all officers, this position has no authority to speak or act on behalf of the board other than the authority specifically granted in the bylaws, in board policy or by resolution of the Board of Directors. All officer positions require a commitment of extra time and responsibility. Board members who cannot make this extra commitment should not seek or accept this office.

2.7. Vice Chairperson.

According to Article 3, Section 8 of the bylaws: “The Vice Chairperson shall perform such duties as may be determined from time to time by the Board of Directors. The Vice Chairperson shall be vested with all powers of and perform all the duties of the Chairperson of the Board in the Chairperson's absence or inability to act, but only so long as such absence or inability continues.”

Like all officers, this position has no authority to speak or act on behalf of the board other than the authority specifically granted in the bylaws, in board policy or by resolution of the Board of Directors. All officer positions require a commitment of extra time and responsibility. Board members who cannot make this extra commitment should not seek or accept this office.

2.8. Treasurer.

According to Article 3, Section 9 of the bylaws: “The Treasurer will provide oversight of financial transactions and records of the Corporation. The Treasurer shall ensure that audited financial reports of each fiscal year are prepared and presented at each annual membership meeting. The Treasurer shall perform such other duties as may be determined from time to time by the Board of Directors.”

The Board of Directors assigns the following additional duties and authorities to the Treasurer:

- Assist the board to understand the annual budget before approval.
- Assist the board to understand regular financial reports.
- Arrange training programs focused on finances for the board.
- Chair the Finance, Audit and Compensation Committee.

Like all officers, this position has no authority to speak or act on behalf of the board other than the authority specifically granted in the bylaws, in board policy or by resolution of the Board of Directors. All officer positions require a commitment of extra time and responsibility. Board members who cannot make this extra commitment should not seek or accept this office.

2.9. Secretary.

According to Article 3, Section 10 of the bylaws: “The Secretary will write or oversee the writing of the minutes of Board meetings and the annual membership meeting. The Secretary shall also provide oversight of other records and correspondence of the Board of Directors. The Secretary shall also perform such duties as may be determined from time to time by the Board of Directors. In addition, the Secretary shall maintain records relating to the Conflict of Interest and Whistleblower policies.”

The Board of Directors assigns the following additional duties and authorities to the Secretary:

- If the minutes are taken by another person, the Secretary shall validate the accuracy of minutes before they are sent to the full board.
- Ensure that the minutes are safely archived.
- Oversees other records of the board, including the charter and any historical documents.
- At the direction of the board, and on behalf of the board, signs notes, contracts and other official agreements.
- Research organization records, when necessary, for information requested by the board.
- Maintain records of board member attendance at board meetings and inform the Chairperson of excessive absences.
- Maintain records of election and appointment dates of volunteers.
- Ensure that all official documents are safely passed to the next Secretary.

2.10. Board Member Orientation and Development.

The Board of Directors believes that professional development for board members is vital to good governance. Therefore, new board members will be given, within 30 days of election, a thorough orientation about the NBRPA, board operations, finance, board ethics, responsibility and liability. The orientation will include, but not be limited to:

- Organizational mission.
- Term of office.
- Board of Directors meeting schedule.
- Organizational chain of command.
- Board meeting attendance expectations.
- Director and officer position descriptions.
- Bylaws.
- Election of officers.
- Conduct of meetings.
- Conflict of interests.
- Code of ethics.
- Board-President relationship.
- President's position description.
- Director expense reimbursement.
- Strategic plan.
- Minutes from the previous fiscal year.
- Financial reports and financial audit from the previous fiscal year.

The Board of Directors will also budget for ongoing board development. The line item will be used to pay for publications and materials to assist the board to learn the job; training and in-service programs oriented to board operations; and travel to conferences and conventions that will assist directors to develop their governance skills. The Nominating & Corporate Governance will be responsible for coordinating this activity.

2.11. Board Self-Evaluation.

Performance accountability for the board can only be maintained at a high level through regular self-evaluation of the board's work. Therefore, the board will annually conduct a written self-evaluation of the board's performance for the past year. The evaluation will include, but not be limited to:

- Quality of meetings.
- Progress on the long-range plan.
- Fiscal monitoring.
- Level of participation in board activities by all board members.
- Committee performance.
- Cohesiveness of the board team.
- Quality of the relationship with the President.
- Exercise of vision on behalf of the organization.
- Member relations.

It will be the responsibility of the Chairperson to initiate the board self-evaluation.

2.12. Board of Directors Meetings and Travel.

In all instances, the Board of Directors, President and staff will be judicious and reasonable when incurring travel and meeting expenses on behalf of NBRPA.

- a. Authorized travel is defined as travel in connection with the business of the NBRPA which has been directed or requested and approved in accord with NBRPA policy or by board resolution prior to the departure date.
- b. Authorized travel shall include attendance at regular or special meetings of the Board of Directors; travel to and from the meetings; and hotel room expenses concurrent with the meetings.
- c. Airline travel will be booked coach class. Mileage will be reimbursed at the standard federal rate.
- d. Directors will be reimbursed for out-of-pocket expenses actually incurred. Claimed expenses for lodging, travel, car rental and miscellaneous expenses must be documented by original receipts. Unless specifically authorized by the Board of Directors, no expenses are authorized nor will be reimbursed by NBRPA for expenses of friends, relatives or families accompanying a director on NBRPA business, nor for any non-related business travel or extension of stay beyond completion of the said business.
- e. At the completion of authorized travel, an expense report will be submitted to NBRPA's accounting office. The report will list by date and place all reimbursable expenses claimed, and will be accompanied by the required receipts and invoices. Expenses charged to the NBRPA must be listed on the expense report and accompanied by original receipts.
- f. Upon completion of the authorized travel other than a regular board meeting, a report must be submitted to the board to demonstrate completion of the purpose and to share business information with the rest of the board.
- g. A majority of directors will not be authorized to travel in the same vehicle or on the same airline flight.
- h. In conjunction with the Board of Directors' regular meeting in February, each director will be provided with two (2) tickets to the NBA All Star Game and other ticketed basketball events.

2.13. Contracts and Fees for Services.

Both (1) fees for services provided to the association; and (2) contracts for legal counsel, consultants, auditors or other services for the association may be negotiated and executed only:

1. By the President or his or her staff designee in administration of daily operations; or
2. By the Chairperson, or other director when designated by a vote of the board.

Any costs billed to the association as a result of individual board members who have contracted for services without the specific authority of the Board of Directors, will be the sole responsibility of the director who made unauthorized contact.

Section 3: Meetings of the Board of Directors

3.1. General Rules of Conduct for Board Meetings.

- a. Only directors, the President, and staff persons designated by the President will regularly take part in the discussions at board meetings. Portions of the meeting may be designated for communication from guests or members (see also Policy #3.5).
- b. Board meetings begin promptly at the time stated on the agenda. As a matter of courtesy to other board members, and to allow meetings to operate in an efficient and business-like manner, all directors are expected to be in attendance when the Chairperson calls the meeting to order.
- c. Directors should schedule enough time to be able attend for the entire meeting. Entering a meeting late or leaving early is disruptive to the meeting.
- d. Standard business casual dress is appropriate for most board meetings unless announced otherwise prior to the meeting.
- e. Directors should bring necessary materials with them to the meeting, including the meeting packet sent to all board members prior to the meeting. Duplicate materials will not be provided at the meeting.
- f. Short breaks of 10 to 15 minutes will be scheduled during all meetings. Board members are expected to return promptly to the meeting as soon as the announced break time has expired.
- g. Board members are expected to be courteous and respectful to others at the meeting regardless of disagreements, which are a natural part of board deliberations. The Chairperson will not tolerate personal attacks or crude language of any kind.
- h. Cell phones should be turned off or switched to vibrate so the meeting is not disrupted. Making or returning calls should be done during the breaks in the meeting.
- i. No electronic recording devices will be permitted for use by staff, individual directors or guests at the meeting.

3.2. Parliamentary Authority and Rules for Board Debate and Discussion.

Meetings of the NBRPA board will be governed by the parliamentary rules as outlined in Robert's Rules of Order Newly Revised in all cases where current bylaws and current board policies do not apply.

- a. The Chairperson of the Board shall annually appoint one director to serve as the parliamentarian of the Board of Directors. The parliamentarian shall be versed in Roberts' Rules of Order, Newly Revised, and assist or counsel the Chairperson of the Board in the application of Roberts' Rules; and, furthermore, serve as an arbiter in the event of procedural disagreements among directors.
- b. Motions for action by the board will be made in the following manner:
 - (1) Director addresses the Chairperson.
 - (2) Director is recognized by the Chairperson.
 - (3) Directors begins by saying, "I move that..." and states the desired action.
 - (4) Another director must second the motion.
 - (5) The Chairperson will restate the motion as, "It has been moved and seconded that..." and repeats the exact motion, then asks if there is discussion of this motion.
 - (6) When the Chairperson determines that the issue has been adequately debated, the Chairperson or person keeping the minutes will repeat the exact wording of the motion and then will ask the board to vote: "Those in favor of the motion, say 'yes' (or 'aye'); Those opposed to this motion say 'no' (or 'nay')."
 - (7) The chairperson will state the outcome of the vote and what action will be taken.
- d. Individual board members are encouraged to limit discussion on each issue so that all may address the issue.
- e. Debate will be confined to the issue under consideration, and the Chairperson is expected to declare extraneous debate out of order.
- f. All issues under consideration are professional, not personal matters. Personal attacks, abusive language, sarcastic remarks, and derogatory language are never acceptable in the debate of an issue. The Chairperson will not tolerate such discussion.
- g. When a controversial issue is discussed, the Chairperson will ensure equal comment for all sides of the issue.

3.3. Meeting Attendance Requirements.

- a. Members of the Board of Directors must attend and actively participate in meetings to maintain governance continuity, to be fully informed about the issues on which they will vote, and to meet their responsibility to contribute to the decisions the board is required to make.
- b. Directors will attend all of the board's meetings, missing only in the event of personal crisis.
- c. If a board member will be absent from all or part of any meeting, the board member is expected to contact the Chairperson or President as soon as the need to be absent is known.
- d. If a director is absent from three consecutive board meetings, the Chairperson will ask the board to consider removing the director.

3.4. Schedule of Regular Meetings.

Regular meetings of the Board of Directors will be held six times per year. So that board members can schedule for the meetings well in advance, the specific dates will be established for the full year at the board's organizational meeting each year. The board will make every effort to maintain those dates for its meetings. Before the beginning of every board year, the board will establish a calendar of events for the board year. The calendar will list items that regularly require board action during specific times each year. The calendar will include, but not be limited to:

- Approval of budget.
- Board development activities and/or team-building activities.
- Presidential performance evaluation and determination of compensation.
- Evaluation of board performance and/or board meetings.
- New board member orientation.
- Chapter, regional, national meetings.
- Planning retreat.
- Professional Membership Annual Meeting.
- Board reorganization (appointment of committees, seat new board members, elect officers).

3.5. Executive Session of Board Meetings.

The Board of Directors reserves the right to enter "executive session" and close all or a portion of meetings to Professional Members or other parties. Such closed sessions will be utilized typically for topics such as:

- Discussion by the board which could harm the reputation and character of any person.
- Information discussed by the board which could have an adverse legal impact on the organization's legal position if the information were public knowledge.
- Information discussed by the board which could have an adverse impact on the finances or negotiating position of the organization if the information were public knowledge.

To go into executive session, a motion must be made and approved by a majority of the board stating the specific reasons for closing the meeting. Business conducted in the closed session must pertain directly to the stated purpose for closing the meeting.

Because the NBRPA Board of Directors seeks to engender a relationship of trust with the President, it will view the President as an equal leader on the Board of Directors in all matters brought before the board, save for voting. However, limited circumstances may arise where an executive session without the President in attendance may need to occur. Those circumstances may include discussion on matters such as:

- The annual financial audit.
- President performance and compensation.
- Termination of the President.
- Matters related to Presidential succession.
- Legal issues related to the President.
- Disciplinary matters related to directors.

The President reserves the right to dismiss any staff member from all or a portion of a board meeting without the board moving executive session.

3.6. Meeting Agendas.

Three weeks prior to a meeting of the Board of Directors, the President will give notice to all directors that the deadline for requesting issues be put on the agenda is in one week. Following that deadline, the President will draft an agenda for discussion with the Chairperson of the Board, with final approval of the agenda by the Chairperson. The agenda and related materials will be delivered (by mail or electronically) to directors at least 5 business days ahead of the meeting. The agenda will be formally adopted at the beginning of the meeting with any additions to the agenda requiring an affirmative vote of the majority of directors. Additions to the agenda at that time should be discouraged because directors will not have had adequate opportunity to consider the issue and gather related information.

3.7. Voting at Board Meetings

1. All members of the NBRPA Board of Directors who are present when a question is considered will vote upon the question unless excused by the other members present or unless disqualified by conflict of interests.
2. Voting on all motions will be by voice unless requested otherwise by a member of the board, at the direction of the Chairperson, or required elsewhere in this policy manual.
3. A director who is present at a meeting of the board at which action is taken on any corporate matter will be presumed to have concurred in the action taken unless the dissent of the board member is entered in the minutes of the meeting. Such dissent will be indicated by a simple "no" vote on the action.
4. A board member who is absent from a meeting of the board at which action is taken will be presumed to have concurred in the action unless the board member files a written dissent with the Chairperson prior to the approval of the minutes of said meeting.
5. No proxy votes or director alternates will be permitted.

3.8. Minutes of the Board of Directors' Meetings

Minutes of the meeting are a record of the actions of the board, not a record of discussion. Minutes of board meetings will include:

- Date, time and place the meeting was called to order; and the time the meeting was adjourned.
- Type of meeting – regular, special or continued.
- The name of the presiding officer and the names of those board members present.
- The exact wording of all motions, whether passed or failed.
- Disposition of each motion made – passed or failed. (If the vote is by roll call, each board member's vote will be recorded by name. When a ballot vote is taken, the number voting for and the number voting against will be recorded. No views, protests or explanations from board members about the vote will be recorded in the minutes unless the full board votes to allow such entries.)
- Notation that financial reports were examined by the board.
- Committee reports or resolutions may be attached to the minutes if these items provide important clarification for the minutes of the meeting.
- Minutes are an official record and will be kept on file by both the Secretary and the President.

So that board members can accurately review the minutes taken of the meeting, copies of the unapproved minutes of each board meeting will be distributed to all board members within five business days of the conclusion of the meeting.

3.9. Anti-Trust Laws

All meeting participants must strictly observe anti-trust compliance laws and rules. The Board of Directors and all committees shall review this policy annually. Violation of the antitrust law is a serious matter, may involve a felony and jail sentence, and can create very serious problems for those concerned. Exercise extreme care in avoiding discussion of prohibited or questionable subjects. The following topics or subjects are outside the scope of permitted discussions. All participants should refrain from making remarks or references regarding the following:

- Current, future or past prices among competitors.
- What constitutes a “fair” profit level among competitors.
- Possible increases or decreases of prices among competitors.
- Standardization or stabilization of prices among competitors.
- Pricing procedures, including wholesalers’ margins, markups, cost percentages, formulas or policies for arriving at prices, or brokers’ fees or commissions.
- Cash discounts.
- Credit terms.
- Allocation of markets.
- Other restraints on distribution or competition.
- Refusal to deal with a supplier because of its pricing or distribution practices.
- Whether or not the pricing practices of any industry member or supplier are unethical or constitute an unfair practice.

Section 4: Risk Management

4.1. Indemnification of the Board of Directors.

As stated in Article 3, Section 11 of the bylaws: “Any director or officer who is involved in litigation by reason of his or her position as a director or officer of this organization shall be indemnified, or ‘held harmless,’ by the Corporation to the fullest extent authorized by law as it now exists or may subsequently be amended. This indemnification is in force provided that directors act in good faith in the service of the best interests of the Corporation. Indemnification is prohibited where it has been established by the Board or by an adverse final judgment that a director’s acts were committed in bad faith or were the results of active or deliberate dishonesty.”

Furthermore, the Board of Directors instructs the President to secure Director and Office Insurance (“D&O Insurance”) to protect the Corporation, its directors and officers. The policy will insure past and present directors and the association against any loss arising from a claim for any actual or alleged wrongful act. Directors are advised that D&O Insurance is not designed to protect any director if he or she has willfully acted in bad faith, been careless, or been deliberately dishonest.

4.2. Maintenance of NBRPA Documents.

All major documents of the NBRPA (such as the articles of incorporation, real estate titles, building blueprints and any other historical or archived documents) will be held in a safety deposit box in a bank designated by the President.

4.3. Loss Limitation.

The President will limit the threat of financial loss for NBRPA and claims of liability against NBRPA, its Board of Directors and staff by taking actions such as, but not limited to:

- Purchase Directors’ and Officers’ (D&O) Insurance.
- Insure against embezzlement, casualty losses to full replacement value, and against liability losses (to board members, organization or staff) beyond the minimally acceptable prudent level.
- Have a thorough review of insurance coverage is done at least every five years by an insurance professional who specializes in nonprofits.
- Ensure that all personnel with access to significant amounts of money are appropriately bonded.
- Work with a certified public accountant to ensure there is an appropriate policy of internal controls and segregation of duties in place, and said policy is being implemented accordingly.
- Ensure that facilities and equipment are properly maintained.
- Disburse funds only under controls sufficient to meet the board-appointed auditor's standards.
- Ensure off-site backup of all computers and other financial records.

4.4. Record Retention and Destruction Policy.

NBRPA will retain records for the period specified below and, subsequently, destroy such records after the period has elapsed.

Articles of Incorporation	Permanent
Board minutes	Permanent
Bylaws	Permanent
Committee documents and correspondence	3 years
Contracts	7 years beyond life of agreement
Contracts – publicly filed	10 years
Correspondence (General)	2 Years
Correspondence (Legal / Important)	Permanent
Email messages	5 Years
Employment Applications	3 Years

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Employee Assignments and Garnishments	7 Years
Employee Benefit Plan Documents	7 Years
Employee Personnel Records	7 Years
Employee retirement, pension records	Permanent
Employee Timesheets	7 Years
Employee Workman's Compensation Documents	7 Years
Finance - Accounts Payable Ledgers and Schedules	7 Years
Finance - Accounts Receivable Ledgers and Schedules	7 Years
Finance - Audit Reports of Independent Accountants	Permanent
Finance - Bank statements and reconciliations	3 Years
Finance - Bank Deposit Slips	3 Years
Finance - Cancelled checks (routine)	3 Years
Finance - Cancelled checks (important)	Permanent
Finance - Depreciation Schedules	Permanent
Finance - Financial Statements (including Trial Balances)	Permanent
Finance - Inventories	7 Years
Finance - Invoices from Vendors	7 Years
Finance - Invoices to Customers	7 Years
Finance - Ledgers General	Permanent
Finance - Ledgers Paid Bills & Vouchers	7 Years
Finance - Ledgers Subsidiary	7 years
Finance - Payroll records	7 years
Finance - Tax Return Worksheets	7 Years
Finance - Tax Returns	Permanent
Finance - Uncollectable Accounts & Write-offs	7 Years
Finance - W-2 / W-4 / 1099 Forms, withholding, etc.	7 Years
Grant Inquiries	1 Year
IRS Form 990	7 years
IRS Form 1023 - Letter of Determination	Permanent
Insurance - Accident Reports and Claims	Permanent
Insurance - Policies (Current)	Permanent
Insurance - Policies (Expired)	3 Years
Intellectual property and trade secrets	Life of the secret
Legal documents - contracts, leases, licenses	3 years beyond life of agreement
Legal documents - all other	10 years
Marketing and Sales Documents	3 years
Organizational records: articles of incorporation, IRS letter of determination, and bylaws	Permanent
Patents & Related Papers	Permanent
Press releases	Permanent
Property - documents related to real property (Appraisals, construction documents, contracts, deeds, leases, mortgages)	Permanent
Public filings	Permanent
Service contracts - significant	3 Years
Stock and Bond Certificates (Cancelled)	7 Years
Stock and Bond Records	Permanent
Tax records: payroll records, tax payments, revenue and expense reports, accounting procedures	7 Years
Trademark, copyright records	Permanent

Section 5. Membership

5.1. Membership Dues.

The dues schedule for Professional Members will be set by resolution of the Board of Directors at least 90 days prior to the beginning of the fiscal year.

5.2. Dues Waiver.

Dues of the Professional Members who are 70 years of age or older are waived. Professional Members age 70 and older shall receive all benefits and rights bestowed upon dues paying Professional Members.

5.3. Use of NBRPA name or logo

The name and logo of NBRPA shall not be used by any person or organization in any way which indicates, tends to indicate, or implies NBRPA endorsement of any product, service, program, company organization, event or person, endorsement of which has not been authorized by the NBRPA Board of Directors.

Section 6. President / Chief Executive Officer

6.1. The President's Position Description and Role in the Organization.

Pursuant to Article 5, Section 1 of the Bylaws, the Board of Directors may hire a President to serve as the paid chief executive officer of the NBRPA. The President is subject to applicable state and federal laws, as well as organizational bylaws and policies. He or she is an employee of the Board of Directors subject to the provisions of the individual employment contract. The President is accountable to the Board of Directors as a whole. The President shall, at the direction and under the supervision of the Board of Directors, be responsible for the active administration of all daily affairs and business operations of the NBRPA including:

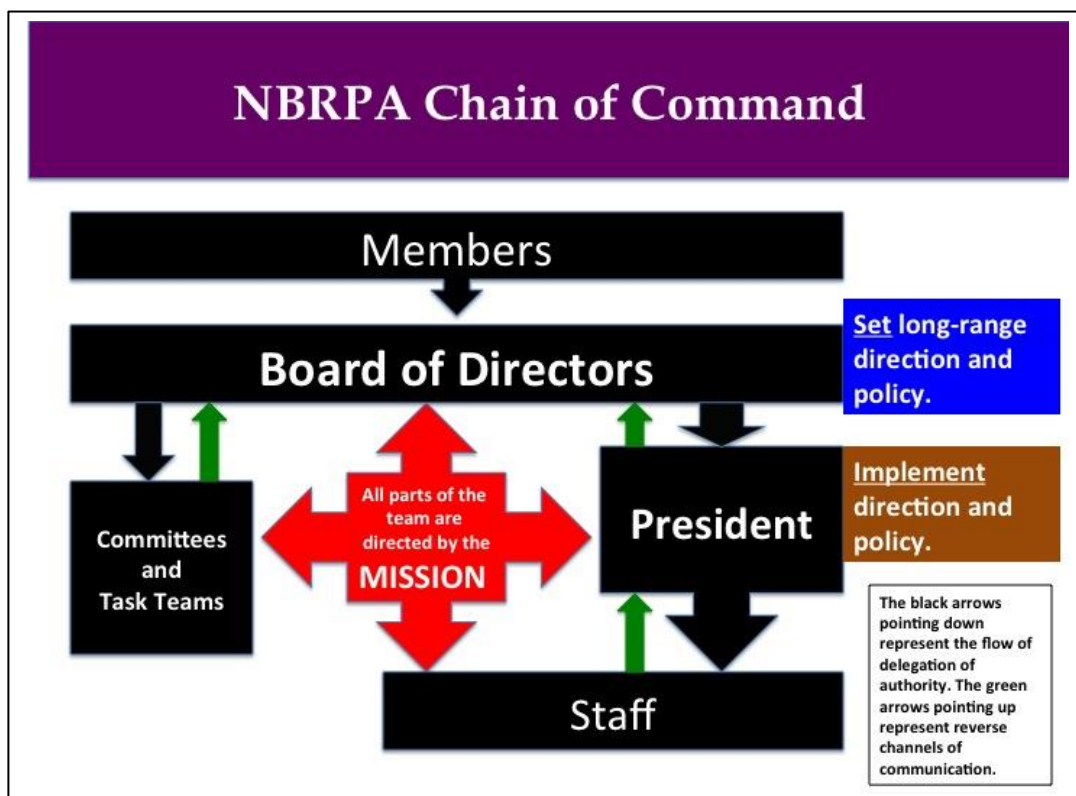
- Devote time and energy effectively to the position and, in doing so, maintain high standards of ethics, honesty and integrity in personal and professional relationships.
- Professionally implement the mission of the organization and the policies of the Board of Directors.
- Ensure that all government and legal requirements of the organization are met.
- Recommend policies to the board and/or assist the board in the formulation of policies for the effective and economical operation of the NBRPA and its programs.
- Develop and recommend to the Board of Directors, specific, written, long and short-range plans for the development of programs and services. Furthermore, drive the ongoing implementation of those plans by the board, staff and committees.
- Evaluate the services being provided by the NBRPA in relation to specified goals and standards, and recommend modifications, where appropriate.
- Provide executive communication/counsel to the Board of Directors on such matters as special events; relevant trends; material external and internal changes and the assumptions upon which any board policy has previously been established; submission of monitoring data in a timely, accurate and understandable fashion; provisions of the board policies being monitored; marshaling as many staff and external points of view, issues and options as needed for fully informed board choices.
- Interpret trends in the fields of service in which the NBRPA is engaged by maintaining involvement in the professional field as a whole.
- Understand the financial needs of the organization and provide quality day-to-day management of all assets. The President will ensure that organizational funds are spent appropriately, always in the best interest of those served. Furthermore, the President will provide to the board accurate, understandable financial reports on a regular basis.
- Prepare budgets and be accountable for control of those resources once approved.
- Hire, train, direct, evaluate, discipline and terminate employees; and furthermore oversee and keep a healthy and diverse workforce.
- Determine individual staff compensation within the budget allotted by the Board of Directors.
- Maintain appropriate relations with the board and various committees, and keep them informed.
- Assist with orientation and training programs for the board.
- Promote active participation by volunteers in the organization's work.
- Communicate with members and the public, and maintain appropriate relations with other professional organizations.
- Create sound working relationships with related leaders and organizations, or applicable government bodies.
- Serve as an ex officio, non-voting member of the Board of Directors.

Acting with the authority granted above, the President may not perform, allow or cause to be performed any act which is unlawful, insufficient to meet commonly accepted business and professional ethics, in violation of funding source requirements or regulatory bodies, or contrary to explicit board constraints on executive authority.

6.2. Board-President Relationship.

The Board of Directors recognizes and maintains the following guidelines in its relationship with the President/Chief Executive Officer:

- The board reserves the authority to establish policies, approve plans, and programs and delegate authority to the President.
- The board will approve policies and long-range plans and programs for NBRPA, and delegate authority to the President to execute and carry out the policies, plans and programs. The President will be responsible for hiring capable personnel within the limitations of board policy and budget constraints, determining the appropriate compensation, training, supervising, disciplining and terminating if necessary.
- Board members will refrain from individually discussing management and personnel issues with personnel other than the President.
- Authority for management of the NBRPA will be through the Board of Directors to the President, then to other personnel (see chain of command chart below). The board recognizes that efficient management can exist only through mutual understanding and cooperation between the board and the President. The board also recognizes that the President is accountable to the board to show results, but the President cannot perform well and show good results if not given latitude to exercise independent judgment in executing board policy. Therefore, the board grants that latitude of judgment and discretion and expects full accounting of performance from the President.
- The board recognizes its position as the employer of the President and will be responsible for a systematic annual evaluation of his or her performance. The evaluation will be for the purpose of improving the President's performance and to provide a basis for consideration of the executive's salary for the next year.
- The President's employment with NBRPA may be terminated for cause upon written notice to the executive and in accordance with the board/executive contract in effect.
- No individual board member, officer or committee has any authority over the President.



6.3. Performance Evaluation of the President

As the employer of the President, the NBRPA will regularly evaluate the work performance of the President.

- a. The Board of Directors empowers the Executive Committee to facilitate the evaluation, but the entire board will have the opportunity for input.
- b. Compensation of the President will be determined after completion of the evaluation, but shall be subject to the terms of the employment contract. Any increase in compensation will be effective beginning with the pay period in which the employment anniversary date falls or such other date as the board determines. (See also policy #6.4)
- c. The process begins with a review of the current job description to determine accuracy and appropriateness. Then an evaluation checklist based upon the job description and organization objectives is developed. Respondents will be asked to rate the President's performance against bottom line indicators such as:
 1. Fulfillment of the job description.
 2. Evaluation category: Organizational leadership
 - ✓ Implements the mission.
 - ✓ Understands the needs of members.
 - ✓ Represents the organization well to members, public, and others.
 3. Evaluation category: Business / financial management
 - ✓ Understands/supervises accounting programs.
 - ✓ Presents an understandable budget.
 - ✓ Makes good financial reports to the board.
 - ✓ Seeks new sources of funding.
 - ✓ Ensures legal requirements met.
 4. Evaluation category: Relationship with the board
 - ✓ Provides adequate assistance to the board.
 - ✓ Ensures proper flow of information to the board.
 - ✓ Publicly supports board decisions.
 - ✓ Interprets and executes board policy.
 - ✓ Accepts constructive criticism from board.
 5. Evaluation category: Personal characteristics
 - ✓ Maintains high standards of ethics, integrity.
 - ✓ Exercises good judgment in making decisions.
 - ✓ Works well with individuals and groups.
 - ✓ Communicates clearly and concisely.
 6. Evaluation category: Innovation and improvement
 - ✓ Accepts and promotes positive change.
 - ✓ Seeks advanced training to improve skills.
 - ✓ Proposes good new ideas for better service.
- d. The President should complete a self-evaluation based upon the same categories.
- e. From the input of all participating in the review, a consensus opinion will be compiled. One joint review will then be presented to the President. The President has the right to respond to the review verbally and/or in writing. The President has the right to discuss the results of the review with the board. Dialogue between the board and the President is encouraged in order to help address any problems in a candid and professional manner.
- f. The final agreed-upon evaluation shall be signed by both the President and the Chairperson. A copy of the evaluation is given to the President, and the original evaluation is kept on file by the Chairperson to be passed on to the next board Chairperson.

6.4. Compensation of the President

IRS Form 990 requires the disclosure of the compensation of executives, key employees and board members. IRS Form 990 requires disclosure of whether the organization has used a formal process to determine the compensation of the chief executive officer. In the interest compliance and transparency, the NBRPA adopts the following policy in that regard.

The President's compensation and adjustments to that compensation will be:

- Determined by the Board of Directors acting upon a recommendation of the Finance, Audit and Compensation Committee. The process and justification for the compensation and adjustments will be documented in minutes of the Finance, Audit and Compensation Committee.
- Based upon the experience and skills demonstrated at the time of hiring, and adjusted accordingly as experience and skills increase over time.
- Based upon objective data for similarly qualified persons in comparable positions; determined in part through study of resources from entities such as the American Society of Association Executives, Illinois Society of Association Executives, and Guidestar.org listing of Form 990s for similar organizations.
- Subject to the terms of the employment contract.

6.5. Presidential Succession Policy.

The goal of the succession plan is to provide guidelines for the smooth continued operation of NBRPA.

Prior to the need for transition, ensure:

- a. The organization's fundamental documents are current and filed correctly: articles of incorporation, bylaws and IRS letter of determination.
- b. The board policy manual is current.
- c. The President's position description is current.
- d. A strategic plan is in place and a status of progress is up to date.
- e. The Board of Directors has formally adopted a succession plan.
- f. An annual calendar of important events, timelines and deadlines is in written form.
- g. A schematic of critical relationships, contacts and contact information is in written form.
- h. Two staff people and one board member are aware that all of the above information is in place and where it is located.

Upon the resignation, retirement, dismissal or death of the President:

1. The Chairperson will appoint an interim President. A senior veteran staff person should strongly be considered to fill the position. A management company or consultant specializing in nonprofits may be considered to provide professional interim management.
2. Review and make necessary changes to security issues, including check-signing authority.
3. The Board of Directors will authorize expenditures for the transition, including the possibility of hiring an executive search consultant/firm.
4. The Chairperson will appoint a Search Committee. The committee will be five persons, at least three of whom are from the current board and no more than two of whom shall be past chairmen. At least one person on the committee will have professional human resources experience.
5. Keep the staff, members and other stakeholders informed of timelines and general status of the process throughout the search.
6. The Search Committee will consult with legal and accounting counsel.
7. The Search Committee will discuss the possibility of hiring a professional CEO search consultant/firm. The outgoing President or interim President will work with the Chairperson or designated committee member to draft and send a request for proposal to qualified search consultants. If a consultant is hired, this firm would typically handle #9, 10, and 12 in the plan.
8. The Search Committee (in concert with the search consultant if one is hired) will develop a profile of the preferred candidate.
9. The notice of the open position will be posted on the organization's website, distributed to like-organizations, and advertisements placed with the local society of association executives, the local council

of nonprofits, and similar regional or national organizations. Candidates who are well qualified for a President position may not be job hunting and may need to be invited to apply.

10. Resumes will be reviewed and narrowed down to the most qualified 6-8 candidates. Any additional information required of these candidates should be sought. Phone interviews will be conducted with the 6-8 candidates and references will be checked for those who do well in the interviews.
11. Following phone interviews, the search will be narrowed to 3-5 candidates. In-person interviews of these candidates should include the same interview guide and format so all candidates are considered equally.
12. Conduct a credit and criminal check of the finalists.
13. Conduct second interviews. The Search Committee will then make a single recommendation to the Board of Directors.
14. The board will ratify the final candidate. A unanimous selection by the board is not necessary, but can signify the organization's confidence in the candidate.
15. Once the Board of Directors has ratified the candidate, the Chairperson of the Board or chair of the search committee will extend an offer to the candidate.
16. Once an agreement has been reached with the final candidate, an email announcement / newsletter article / special mailing should introduce the new President to members and other stakeholders.

In most cases, if the departing President is staying until the replacement is hired, the overlap period between the departing and new President should be minimal. If the person who is hired is appropriately qualified, it is best not to engender any confusion to the board or staff as to who is in charge of operations.

Section 7. Finances.

7.1. Fiscal year.

The NBRPA fiscal year will be the first day of January to the last day of December.

7.2. Accounting.

NBRPA will utilize generally accepted accounting practices that are required and/or recommended by regulatory or lending agencies and the association's auditor. The accounting practices and procedures used will allow for adequate management of NBRPA's revenues and expenses, and will provide adequate systems of monitoring by the Board of Directors as well as outside auditors. All records shall accurately reflect the organization's revenues, expenses, assets and liabilities. The President shall create and implement a policy of internal controls and segregation of duties that is satisfactory to both the Board of Directors and the qualified CPA firm which performs the annual audit of financial records.

7.3. Budget.

An annual operating budget will be prepared by the President and presented to the board for approval at least 10 days prior to the beginning of the next fiscal year. The budget will reflect the cost of carrying out the programs and services of NBRPA for the next fiscal year, and anticipated revenues of NBRPA.

The budget will be viewed by the board as its financial plan for NBRPA. Approval of the budget by the board will provide authority to the President to manage NBRPA's finances according to the plan without seeking further approval of the board. However, the President will keep the board well informed of the ongoing status of the financial plan, and will not make significant expenditures outside of the budget plan without seeking board approval to amend the budget.

7.4. Audit.

An annual audit of finances will be conducted by an independent auditor appointed by the Board of Directors. The Board of Directors designates the Finance, Audit and Compensation Committee to act as the board's Audit Committee to:

- Seek competitive bids for auditing services at least every 5 years. The same auditing firm may be used no more than 7 consecutive years.
- Annually recommend to the board a firm to perform the audit. Selection will be based on consideration of cost, professional qualifications, reputation and relevant experience.
- Work with the auditor to determine the scope of the annual audit.
- Review the independent auditor's management letter regarding the audit.
- Ensure that the outside auditor reports to the full board after the annual audit.
- Define areas of risk, and recommend financial policies to prevent fraud in those areas of risk.
- Ensure that controls are in place so that assets are protected, transactions are authorized and appropriately recorded, and that management and staff are in compliance with regulations and laws.

7.5. Financial Reports.

Reports reflecting the organization's financial condition will be presented to the Finance, Audit and Compensation Committee monthly and to the Board of Directors quarterly. These financial reports will include:

- A statement of financial condition (i.e. balance sheet).
- A statement of revenue and expense (i.e. income statement or profit and loss statement) which will include a year-to-date comparison with the previous year and the budget.
- A statement of cash flow.

7.6. Working Capital Reserves.

A working capital reserve sufficient to keep NBRPA operating for at least a 60-day period will be maintained at all times.

7.7. Whistleblower Protection Policy.

NBRPA will adhere to all federal, state, and local laws and/or regulations; and its board, President and staff will act in an honest and ethical fashion. In support of these principles, NBRPA has adopted this “whistleblower” protection policy. Pursuant to this policy, any director, officer, employee, or volunteer who becomes aware of any violation of federal, state, or local law or regulation, including any financial wrongdoing, should immediately report the violation to the President to allow the organization to investigate and, if applicable, correct the situation or condition. If the President is involved or is believed to be involved in the matter being reported, employees may, in the alternative, make a report to the Chairperson of the Board.

Upon receiving the report, the President or Chairperson will contact legal counsel. An investigation will be conducted and appropriate action taken within a reasonable period of time. Such complaints will be held in confidence to the extent the needs of the investigation permit.

“Financial wrongdoing” may include, but is not limited to:

- Questionable accounting practices.
- Fraud or deliberate error in financial statements or recordkeeping.
- Deficiencies of internal accounting controls.
- Misrepresentations to company officers or the accounting department (including deviation from full reporting of financial conditions).

If any employee reports in good faith what the employee believes to be a violation of the law and/or financial wrongdoing to the President, its officers, or to a federal, state, or local agency, or assists in an investigation concerning financial wrongdoing, it is NBRPA’s policy that there will be no retaliation taken against the employee.

Although the employee is not expected to prove the truth of an allegation, the employee should be able to demonstrate to the person contacted that the report is being made in good faith. Allegations made in bad faith may result in disciplinary action. Employees are reminded of the importance of keeping financial matters confidential. Employees with questions concerning the confidentiality or appropriateness of disclosure of particular information should contact the President.

No director, officer, employee or volunteer who in good faith reports any action or suspected action taken by or within NBRPA that is illegal, fraudulent or in violation of any adopted policy of the NBRPA shall suffer intimidation, harassment, discrimination or other retaliation or, in the case of employees, adverse employment consequence.

The confidentiality of any information provided pursuant to this Policy shall be preserved to the greatest extent required by law. A copy of this Policy shall be distributed to all directors, officers, employees and to volunteers who provide substantial services to the NBRPA.

7.8. Loans and Grants from NBRPA

There shall be no loan or grant of organizational funds to any director, officer, executive, staff, or any of their relatives.

7.9. Investment Policy Statement (IPS).

NBRPA is a 501(c)(3) non-profit corporation and shall be operated exclusively for charitable and educational purposes as provided for in the Internal Revenue Code. The purpose of this investment policy statement (IPS) is to assist the Board of Directors in effectively supervising, monitoring and evaluating the investment of NBRPA's assets. The Finance Committee will review this IPS annually and will monitor investment performance on a quarterly basis; and subsequently make recommendations to the board for any necessary modifications.

Statement of Objectives

The Board of Directors has adopted this formal policy for investing its reserves to protect the principle amount while producing growth consistent with the board's tolerance for risk. The primary investment objectives are to preserve and protect assets by earning total return appropriate to the NBRPA's time horizon, liquidity needs and risk tolerance; while at the same time providing liquid reserves adequate to meet the organization's cash flow.

The Finance Committee may recommend contracting with a qualified investment professional or firm to advise and assist with the implement of this IPS. Care will be taken to incur investment fees that are reasonable in relation to the assets. As it monitors the investment of funds, the Finance Committee will consider factors such as general economic conditions and trends, tax ramifications, and cash flow requirements.

Guidelines and Investment Policy Cash Flow Requirements.

Staff will build a monthly cash flow projection for the year, designed to highlight the expected peaks and valleys of cash flow. Cash equivalent investments will be maintained in order to meet the liquid reserve requirements described above. The remainder of the portfolio will remain fully invested otherwise, in investment vehicles that maximize potential return while allowing cash flow needs to be met.

Insurability.

Assets will be monitored and transferred within NBRPA's bank and investment accounts in such a way as to avoid or minimize balances which exceed applicable FDIC, SIPC or bank insurance limits.

Asset Allocation Constraints.

The strategic asset allocation goal for NBRPA's investment assets is as follows:

- 10-20% Equities
- 20-30% Fixed Income
- 50-70% Cash or Cash Equivalents

Definitions.

For the purposes of this Investment Policy Statement, the following definitions will apply:

- Equities – Investment vehicles where the form of ownership is in the stock of companies or in mutual funds holding stocks.
- Fixed Income – Investment vehicles where the form of ownership is in debt instruments, including corporate bonds, government bonds, U.S. Treasury bills or bonds, mutual funds whose asset holdings are fixed income instruments, and certificates of deposit (CDs).
- Cash Equivalents – Includes bank savings, checking and money market accounts; investment company money market accounts and other vehicles with liquidity substantially equivalent to cash.

When managing and investing its institutional funds, the Corporation will consider, to the extent relevant: (a) general economic conditions; (b) the possible effect of inflation or deflation; (c) the expected tax consequences, if any, of investment decisions or strategies; (d) the role that each investment or course of action plays within the overall investment portfolio of the Corporation; (e) the expected total return from income and the appreciation of investments; (f) other resources of the Corporation; (g) the needs of the Corporation and its funds to make distributions and to preserve capital; and (h) an asset's special relationship or special value, if any, to the purposes of the Corporation.

Section 8: Public Communications and Affiliations

8.1. Authorized Spokespersons.

In most instances, the President or the President's staff designee will serve as the authorized spokesperson of the NBRPA. The Chairperson serves as spokesperson of the Board of Directors.

Individual directors may not speak to the public or the media on behalf of the Board of Directors unless authorized by the board to do so. When speaking about the NBRPA or about board action, directors should be careful to define when their remarks represent personal opinion and when their remarks represent official board position. Directors must be aware that they are always seen as board members even when they designate comments as personal.

8.2. Board Correspondence.

Correspondence on behalf of the Board of Directors will be approved by the board or its Chairperson. Except when otherwise designated by the Board of Directors, or legally required to be sent out over the Treasurer's name, all correspondence from the board will be over the Chairperson's name. Correspondence from the board will be prepared by the President or his or her staff designee as directed by the board.

8.3. Response to Complaints.

When a director is contacted by a Professional Member or someone from the general public who has a concern or complaint about NBRPA or persons within NBRPA, the director will follow these procedures:

- Remember that individual directors have no power or authority to speak or act for the full board.
- Listen to the person's concern.
- Express a desire to reach a satisfactory solution.
- Explain that the board and management have established a process for handling concerns, which starts with the person most immediately responsible. Suggest that the concern be discussed with the person immediately responsible.
- Refer complaints to the official complaint form available from the administrative office.
- Assure the person that the Chairperson and President will be informed of the concern.
- Ask the person to report back to you about the progress or resolution of the concern, if desired.
- Inform the Chairperson and President of the complaint or concern.

8.4. Affiliations.

From time to time, NBRPA may choose to affiliate with other organizations. Official organizational affiliations require the approval of a majority vote of the Board of Directors.

Section 9. Committees and Volunteers

9.1. Use of Volunteers

Volunteers are a valuable supplement to the work of board and staff. The Board of Directors encourages that volunteers be used, when possible, to enhance programs and services. Volunteer work groups may be in the form of temporary committees or temporary task forces or project teams. The following shall apply to all volunteer work groups:

1. A member of the Board of Directors shall serve as a liaison to each committee or task force created by the board.
2. The President or designated staff person will serve as a liaison to each committee or task force created by the board.
3. The Anti-Trust Policy (Policy #3.9) will annually be reviewed with each volunteer work group.
4. All volunteers will receive an orientation wherein their roles will be clearly defined, and adequate training will be provided about the mission and policies of the organization.
5. A background check will be completed when the President determines that the volunteer function requires it.
6. All volunteers who may have access to confidential information about organizational programs or services will be required to sign a confidentiality statement.
7. Terms for committee or task force members shall be for one year, at which time the work of each volunteer will be evaluated, and determination made to extend that service or terminate that service.
8. Meetings will be convened by the committee chairperson or by a majority of the members of said committee.

9.2. Committee Purpose and Accountability.

Pursuant to Article 6, Section 4 of the bylaws, the board may establish or abolish committees as necessary. Committees and other volunteer work groups exist to assist the board and staff in the implementation of programs and services; and/or investigation or analysis of special issues on behalf of the board. The board will annually review the work of each committee and determine which committees will be reappointed and which committees will be abandoned as no longer necessary.

Committees are a subsidiary of the board, and will be expected to report their work to the full board on a regular basis. Committees may not speak or act for the board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated to not conflict with authority delegated to the President. As such, committees do not exercise authority over staff which is the responsibility of the President.

9.3. Committee Appointment and Number of Members.

Part 1. Appointment. The Chairperson of Board will appoint the chairpersons of committees. Committee chairpersons shall appoint the at-large members of committees subject to approval by the Board of Directors. This policy shall apply to all committees except the Executive Committee.

Part 2. Number of Members. There shall be no more than 9 committee members consisting of: Six at-large committee members; one committee chair; the association chairperson of the board; and the association vice chairperson.

9.4. Duties of Committee Members.

Duties of the members of individual committees and task forces will vary, but certain basic committee member responsibilities remain the same for all volunteer work groups. Those responsibilities include:

- Attending meetings of the committee to which the board member is assigned.
- Preparing for committee meetings by studying the agenda and researching issues to be discussed at committee meetings.
- Actively participating in discussions at committee meetings.
- Following through promptly on any assignments for the committee.
- Supporting committee recommendations before the board and membership.

9.5. Guidelines for the Committee Chairperson

The committee chairperson will be expected to lead the committee just as the board Chairperson is expected to lead the board. The committee chairperson is accountable for ensuring the productivity of the committee by:

- Planning the agenda for the committee meetings in collaboration with the staff liaison.
- Ensuring that all members of the committee are notified of committee meetings.
- Convening committee meetings and keeping meetings on track.
- Appointing a member of the committee to keep a written record of committee actions.
- Encouraging the committee to take action on the issues discussed by the committee.
- Ensuring that reports and recommendations for action from the committee are presented to the board.
- Leading the committee to evaluate its own operations.
- Coordinating meeting dates to avoid conflict and to ensure completion of staff support and research for the committee.

9.6. Forfeiture of Committee Position.

The position of any committee or task force member will be forfeited, with or without cause, by a resolution of a majority of the Board of Directors.

9.7. Executive Committee.

As stated in Article 6, Section 1 of the bylaws: “The Executive Committee shall consist of the Chairperson of the Board, Vice Chairperson, Treasurer and Secretary, as well as the President as an ex officio, non-voting member. The immediate past Chairperson shall also serve on the Executive Committee if his or her term on the Board of Directors continues even upon surrender of the Chairperson position. The duties of the Executive Committee are to make recommendations to the Board when necessary or appropriate; provide counsel to the President/CEO; act on behalf of the board during emergency situations when it is not practical or feasible to convene the full Board of Directors; and to act when specifically empowered to do so from time to time by the Board of Directors. When acting in an emergency situation, the Executive Committee shall have and exercise all of the powers of the Board of Directors in the management of the business and affairs of the Corporation, except for the filling of vacancies on the Board of Directors; the fixing of compensation of the directors for serving on the Board or on any committee; the amendment or repeal of the articles of incorporation, bylaws or the adoption of new bylaws; and such other limitations as may exist in law. The Executive Committee shall also be subject to such restrictions or limitations as the Board of Directors may from time to time specify.”

9.8. Nominating & Corporate Governance Committee.

According to Article 4, Section 3 of the bylaws: “A Nominating and Corporate Governance Committee will invite nominations from the membership for the director positions and, furthermore, draft an election ballot, subject to approval by the Board of Directors. The Board of Directors shall, in policy, prescribe additional parameters and instruction to the committee.”

Perpetuation of the organization is a significant responsibility of the Board of Directors, and requires that care be taken in the selection of directors. Highly qualified candidates must be recruited and nominated to ensure continuity and excellence in governance.

Part 1. The board designates the following parameters and instructions to the Nominating & Corporate Governance Committee:

- a. The Nominating & Corporate Governance Committee will invite nominations from the membership for the elected director positions, allowing at least 30 days for the submission of those nominations. Persons nominated by the membership or by members of the Nominating & Corporate Governance Committee will be required to complete an application, may be interviewed by the committee, and will be screened by the committee against the eligibility requirements and qualifications listed in Article 3, Section 2 of the bylaws and Policy #2.5 of the Board Policy Manual.
- b. The Nominating & Corporate Governance Committee will draft an election ballot, subject to approval by the Board of Directors. The number of candidates for any director position on the ballot is made at the

discretion of the Nominating & Corporate Governance Committee, subject to the approval of the Board of Directors.

Part 2. Furthermore, the board designates the following duties to the Nominating & Corporate Governance Committee:

- a. Assess the board's current composition and identify missing qualities and characteristics.
- b. Draft a recruitment plan and continuously cultivate new prospects.
- c. Maintain a file of potential board members.
- d. Develop job descriptions for board members (within the parameters set in the bylaws and these policies).
- e. Orient new board members as described in Policy #2.10.
- f. Facilitate ongoing board development.
- g. Ensure that the board regularly engages in self-assessment as described in Policy #2.11.
- h. Keep abreast of nonprofit governance issues and practices; and alert or educate the Board of Directors accordingly.
- i. The committee shall address any other governance issues that the board may designate to it from time to time.

9.9. Finance, Audit and Compensation Committee.

The board cannot delegate responsibility or liability in any area, including oversight of finances. However, the board shall appoint a Finance, Audit and Compensation Committee to help provide prudent management of and clarity about organizational finances to the board. In addition to directors and members who have a depth of knowledge on finance, accounting, and investment management, the board may also choose to appoint outside experts (such as a banker, accountant, investment specialist, etc.) to be on the committee.

General Duties of the Committee

- Review the proposed budget drafted by the President prior to it being presented to the board.
- Assist the President in presenting the proposed budget to the board.
- Study regular financial reports to identify trends and warning signs, measure performance against benchmarks, and provide an analysis on the financial health of the organization to the board.
- Recommend investment policy based upon the goals, risk tolerance and spending plans of the board. Choose an investment manager and carefully monitor investments. (See also Policy #7.9.)
- Review the sources of funding for the organization to ensure stability.
- Perform other duties related to financial matters as requested by the board.
- Make recommendations for adjustments to the President's compensation. (See Policy #6.4.)

Audit Duties of the Committee

Pursuant to Article 6, Section 3 of the NBRPA Bylaws, the duties and responsibilities of the Audit Committee shall include the following:

- a. annually retain or review the retention of the Corporation's independent outside auditor;
- b. review with the independent auditor the results of the audit and any management letter;
- c. oversee the adoption and implementation of, and compliance with, any Conflict of Interest Policy or Whistleblower Policy of the Corporation;
- d. review with the independent auditor the scope and planning of the audit prior to its commencement;
- e. review and discuss with the independent auditor (i) any material risks and weaknesses in internal controls identified by the auditor, (ii) any restrictions on the scope of the auditor's activities or access to requested information, (iii) any significant disagreements between the auditor and management, and (iv) the adequacy of the Corporation's accounting and financial reporting processes;
- f. annually consider the performance of the auditor; and
- g. annually report to the Board of the Corporation on the Audit Committee's activities.

9.10. Member Services & Benefits Committee.

The goals of the Member Services & Benefits Committee are to identify beneficial programs to serve members and recruit and retain members.

General Duties of the Membership Committee

- a. Identify potential new member services and benefits.
- b. Review the ongoing relevance of existing member services and benefits.
- c. Develop membership recruitment and retention strategies with staff.
- d. Identify prospective members and serve as an outreach team which personally shares information about the value of membership with those prospects.
- e. Communicate regularly with current members as a means to bolster membership retention through both:
 - (1) Sharing information about the activities about the association; and
 - (2) Gathering insight and ideas from members.
- f. Implement the Dave Debusschere Scholarship Program.

Section 10. Personnel.

10.1. Personnel Policies.

Appropriate and complete personnel policies will be adopted by the President and reviewed by legal counsel for accuracy and completeness. The President will annually report to the Board of Directors that all personnel policies have been reviewed and updated.

Personnel policies are published in a separate Employee Handbook. All employees will be given a copy of the most recent and updated Employee Handbook, and will sign acknowledgment of such receipt. Implementation and administration of all personnel policies are the responsibility of President.

10.2. Professional Memberships.

The Board of Directors recognizes the importance of employees staying current in fields related to their employment and the importance of maintaining professional status. Therefore, NBRPA may pay for the cost of professional memberships for employees within the limits of the budget and provided such membership is in the best interest of NBRPA.

NBRPA may also pay the cost for employees to attend meetings related to their professional memberships if the meeting is judged to be in the best interest of NBRPA.

Requests for reimbursement must be made to the President and be given prior approval by the President.

10.3. Nepotism.

Directors and members of their immediate families may not be employed by NBRPA, except by vote of the Board of Directors. Members of the immediate family of the President may not be employed by NBRPA, except by vote of the Board of Directors. The term "immediate family" is defined as the relationship of spouse, parents, children and siblings.

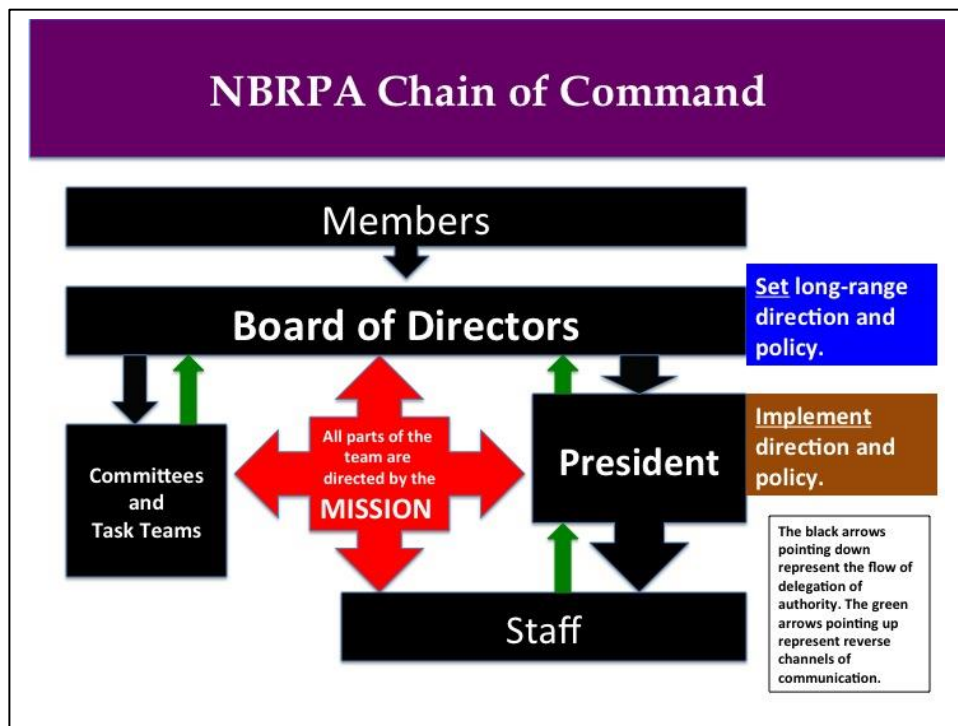
10.4. Chain of Command.

The Board of Directors is concerned about the needs and success of staff, and will work through the chain of command to facilitate the success of all staff.

The board expects all staff to respect and follow the chain of command when registering complaints, making suggestions, and in any other way communicating with the board about the business of the organization. Staff members who take complaints, requests, criticism or other organization business directly to the Board of Directors or to individual directors without working through the President will be considered insubordinate and subject to disciplinary measures by the President.

The board expects all directors to respect and follow the chain of command when communicating with staff about the business of the organization. Directors will not take complaints, suggestions, requests or demands to the staff except through the President. When a director receives a complaint or suggestion from a staff member other than the President, the director will remind the staff member of the policy about following the chain of command. The director will also report the staff communication to the President.

This policy does not preclude directors and staff from communicating and working together on regular organizational business, such as through the organization’s committee or task force structure. However, staff ultimately answer to the President, not the board, committees or committee chairs.



10.5. Non-Discrimination Policies

*The following policy is part of the NBRPA Employee Handbook and is applicable to association employees. **The principles contained herein shall also apply to the Board of Directors.***

Equal Employment Opportunity Policy

It is the Association's policy to promote equal employment opportunity and continue the Association's practice of non-discrimination in all employment matters.

Scope of Policy

This policy applies to all employees and job seekers. This policy covers all terms, conditions, and privileges of employment including recruitment, selection, training and development, job assignment, supervision, promotion or transfer, compensation, benefits, layoff and recall, social and recreational programs, termination, and retirement.

Employment decisions of the type listed above shall be made on the basis of objective, job-related criteria, without regard to the following characteristics of an individual: age, race, religion, creed, sex, ancestry, alienage, color, disability (whether physical or mental), marital status, medical condition, national origin, pregnancy, sexual orientation and gender identity, veteran and military status, unfavorable discharge from military status, arrest, conviction and criminal history records information, genetic information, citizenship status, and status as a victim of domestic violence, stalking or sex offenses.

Additional protected characteristics in certain states: name change; AIDS or being HIV positive; medical condition, including genetic characteristics; use of lawful products outside work; childbirth or related medical conditions; actual or perceived gender; domestic partnership; and service in the military. Included in the definition of each protected category is the perception of membership in a protected category and an individual's association with an actual or perceived member of a protected category.

Violations of this Policy

Violations of this policy, regardless of whether or not a law has been violated, will not be tolerated. If the outcome of an investigation results in a violation of this policy, appropriate corrective action will be taken, up to and including termination of employment.

Americans with Disabilities Act

The policies and principles of equal employment opportunity also apply to our responsibility under the Americans with Disabilities Act. The Association will provide, upon request, reasonable accommodation to an employee with a disability, in order to enable the employee to successfully perform the essential duties of their job, unless doing so would result in an undue hardship to the Association.

In general, it is your responsibility to notify your manager of the need for an accommodation. Upon doing so, we may ask you for your input on the type of accommodation you believe may be necessary or the functional limitations caused by your disability. Also, when appropriate, we may need your permission to obtain additional information from your physician or other medical or rehabilitation professionals.

The Association shall also provide, upon request, reasonable accommodation to a job seeker with a covered disability, to enable the candidate to complete the application process, unless doing so would result in an undue hardship to the Association.

No Harassment Policy

The Association is committed to a work environment in which all individuals are treated with respect and dignity. Every individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including all forms of harassment. Therefore, The Association expects that all relationships among employees will be business-like and free of bias, prejudice and harassment.

Sexual Harassment

Sexual harassment is a form of discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example:

- (1) Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- (2) Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- (3) Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment includes a wide range of subtle and not so subtle behaviors and may involve individuals of the same or different sex. Depending on the circumstances, behaviors may include, but are not limited to:

- unwanted sexual advances or requests for sexual favors;
- sexual jokes and innuendo;
- verbal abuse of a sexual nature;
- commentary about an individual's body, sexual prowess or sexual deficiencies;
- leering, whistling or touching;
- insulting or obscene comments or gestures;
- display in the workplace of sexually suggestive objects or pictures; and
- Other physical, verbal or visual conduct of a sexual nature.

Other Harassment

Other forms of harassment are also covered under this policy. These include, but are not limited to: epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace. Harassment on the basis of any other protected characteristic is also strictly prohibited. Under our policy, harassment is verbal or physical conduct that diminishes or shows hostility or dislike toward an individual because of his/her race, color, religion, sex, sexual orientation, national origin, age, disability, marital status, citizenship or any other characteristic protected by law or that of his/her relatives, friends or employees.

Individuals and Conduct Covered

This policy applies to all applicants, employees, and people not directly connected to the Association (e.g., an outside vendor, consultant or member). Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Reporting an Incident of Harassment, Discrimination or Retaliation

The Association encourages reporting of all perceived incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe that they are the victim of such conduct should discuss their concerns with their immediate manager, any member of management, the HR Representative or the President and CEO. In addition, the Association encourages individuals who believe they are being subjected to such conduct promptly to advise the offender that his or her behavior is unwelcome and request that it be discontinued. Often this action alone will resolve the problem. The Association recognizes, however, that an individual may prefer to pursue the matter on a more formal basis.

Complaint Procedure

If an individual does not want to address the offender directly, or if such action does not end the offensive conduct, the individual should notify his/her manager, or a member of management who may, if the individual so requests, talk to the alleged offender on the individual's behalf. In addition, there may be instances in which an individual wishes to speak with the Association's outside human resources consultant, and such discussion is encouraged.

An individual reporting harassment, discrimination or retaliation should be aware; however, that the Association may decide it is necessary to take action to address such conduct beyond an informal discussion. This decision may be discussed with you. The best course of action in any case will depend on many factors and, therefore, the informal procedure will remain flexible. Moreover, the informal procedure is not a required first step for the reporting individual.

The Association encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, while no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Investigation Process

All reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

If an investigation points to misconduct constituting harassment, discrimination or retaliation, action will be taken appropriate to the circumstances. Responsive action may include training, referral to counseling and/or disciplinary action such as warning, suspension without pay, or termination of employment, as the Association believes appropriate under the circumstances.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

No Retaliation

The Association prohibits retaliation against any individual who reports discrimination or harassment, or participates in an investigation of such reports. Acts of retaliation should be reported immediately and will be promptly investigated and addressed.

False Complaints

False and malicious complaints of harassment, discrimination or retaliation as opposed to complaints which, even if erroneous, are made in good faith, will also be the subject of appropriate disciplinary action.