

ORGANIZATIONAL DOCUMENTS

Certificate of Incorporation

By-Laws

Conflict of Interest Policy

Article I - Purpose

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

Article II - Definitions

1. Interested Person

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

2. Financial Interest

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

- a.** An ownership or investment interest in any entity with which NAM has a transaction or arrangement,
- b.** A compensation arrangement with NAM or with any entity or individual with which the Organization has a transaction or arrangement, or
- c.** A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which NAM is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

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

Article III - Procedures

1. Duty to Disclose

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

2. Determining Whether a Conflict of Interest Exists

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

3. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chair of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the governing board or committee shall determine whether NAM can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in NAM's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to

disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action

Source: IRS Form 1023

Nonprofit Association of the Midlands

Conflict of Interest Policy

This conflict of interest policy is directed to all officers, board members, committee members, staff, volunteers, interns and consultants of the Nonprofit Association of the Midlands (NAM). It shall be signed upon the initial contract of the individual with the Nonprofit Association of the Midlands and hence annually while a relationship with NAM exists.

No member of the Nonprofit Association of the Midlands or any of its officers, board members, committee members, staff, volunteers, interns or consultants shall derive any personal advantage or improper benefit, directly or indirectly, by reason of his or her participation with the Nonprofit Association of the Midlands. Each individual shall disclose to the Nonprofit Association of the Midlands any personal interest he or she may have in any matter pending before the Nonprofit Association of the Midlands and shall refrain from participation in any decision on such matter.

Any Nonprofit Association of the Midlands officer, board members, committee member, staff, volunteer, intern or consultant who is an officer, board member, committee member or staff member of a borrower organization or a loan applicant agency shall identify their affiliation with such agency or agencies; further, in connection with any credit policy committee or board action specifically directed to that agency, they shall not participate in the decision affecting that agency and the decision must be made and/or ratified by the full board.

At this time, I am a board member, committee member, or employee of the following organizations:

This is to certify that I, except as described below, am not now, nor at any time during the past year, have been:

1. A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party doing business with the

Nonprofit Association of the Midlands which has, or could have, resulted in personal benefit to me.

2. A recipient, directly or indirectly, of any salary payments or loans or gifts of any

kind or any free services or discounts or other fees from, or on behalf of, any person or organization engaged in any transaction with the Nonprofit Association of the Midlands

Exceptions to 1 or 2 above are stated below, with a full description of the

transactions(s) and of the interest, whether direct or indirect, that I have (or have had during the past year) in the persons or organizations having transactions with the Nonprofit Association of the Midlands.

Signature

Date

Printed Name: _____

Board Responsibilities

Board of Directors Job Description

The board of directors is responsible for implementing NAM's mission to increase the member organizations' capacity to deliver programs and services efficiently and effectively in response to community needs.

Responsibilities

The board is responsible for: overseeing the Association's legal responsibilities; determining long range issues, needs and program focus; establishing policies; recommending officers for

election; representing NAM in the community; selecting the executive director; providing financial stewardship; enlisting the support of others; and, exercising fiscal responsibility with Association assets. Board members who are representatives of nonprofits must ensure that their organization becomes a member of the Association.

Duties

- To serve on the NAM board for a minimum term of three years with the option of serving an additional term if nominated.
- To attend 75% of scheduled board members per year and demonstrate board support by attending at least two NAM special events; e.g. membership meetings. Excused absences will be considered.
- **To assist in agency fundraising and helping with the development of grants or cultivation of donors.**
- To participate and provide leadership in at least one committee.
- To serve as an ambassador for NAM and act as a liaison with the public both in personal relationships as well as professional capacity. To be available to assist the agency in developing business and media relationships as needed.
- To carry out special duties and roles as assigned by the board president.

Benefits

- Influence programs and services available to nonprofit organizations in the community
- Network with community peers to enhance business, personal and educational opportunities
- Meet new people who share common interests

- Use skills to enhance the overall mission and successes

Nonprofit Association of the Midlands

Code of Ethics Board Members

Goal: To establish a set of principles and practices of the Nonprofit Association of the Midlands (NAM) Board of Directors that will set parameters and provide guidance and direction for board conduct and decision-making.

Code: Members of the Board of Directors of the NAM are committed to observing and promoting the highest standards of ethical conduct in the performance of their responsibilities on the board of NAM. Board members pledge to accept this code as a minimum guideline for ethical conduct and shall:

Accountability

1. Faithfully abide by the Articles of Incorporation, by-laws and policies of NAM.
2. Exercise reasonable care, good faith and due diligence in organizational affairs.
3. Fully disclose, at the earliest opportunity, information that may result in a perceived or actual conflict of interest.
4. Fully disclose, at the earliest opportunity, information of fact that would have significance in board decision-making.
5. Remain accountable for prudent fiscal management to association members, the board, and nonprofit sector, and where applicable, to government and funding bodies.

Professional Excellence

6. Maintain a professional level of courtesy, respect, and objectivity in all NAM activities.
7. Strive to uphold those practices and assist other NAM members of the board in upholding the highest standards of conduct.

Personal Gain

8. Exercise the powers invested for the good of all members of the organization rather than for his or her personal benefit, or that of the nonprofit organization they represent.

Equal Opportunity

9. Ensure the right of all association members to appropriate and effective services without discrimination on the basis of geography, political, religious, or socio-economical characteristics of the state or region represented.
10. Ensure the right of all association members to appropriate and effective services without discrimination on the basis of the organization's volunteer or staff make-up in respect to gender, sexual orientation, national origin, race, religion, age, political affiliation or disability, in accordance with all applicable legal and regulatory requirements.

Confidential Information

11. Respect the confidentiality of sensitive information known due to board service.

Collaboration and Cooperation

12. Respect the diversity of opinions as expressed or acted upon by the NAM board, committees and membership, and formally register dissent as appropriate.
13. Promote collaboration, cooperation, and partnership among association members.

Employer Response

When allegations of ethics violations occur, NAM will engage in a timely, impartial investigation as follows:

14. When there exists an established agency policy that outlines the procedures for handling violations, those procedures shall prevail.
15. When there is no established policy or procedure in place to deal with a specific allegation, the following procedures shall prevail:
 - The Executive Committee of the NAM Board shall direct the investigation.
 - A reasonable timeframe shall be established in order to allow sufficient time to obtain relevant information. "Reasonable" shall generally be within a ten working day time period unless there are mitigating circumstances.

- The anticipated timeframe for resolution shall be shared with the individual making the complaint.
- The outcome of the investigation shall be shared with the parties involved to the extent required by law.

Approved: Nonprofit Association of the Midlands, Board of Directors, July 18, 2008

Board Member Responsibilities

The commonly accepted responsibilities of effective board members are to:

Ensure that the organization's mission is clear, appropriate and relevant as times change.

Determine that the organization's programs and activities support the organization's mission and achieve both their short-term goals and long-term purpose.

Exercise fiduciary responsibility to obtain and appropriately use the resources required to carry out the organization's mission and sustain it.

To fulfill these responsibilities, board members (trustees) work together to:

Cultivate a deep understanding of what the organization is doing through involvement in its activities.

Act as ambassadors for the organization, explaining its purpose and needs to the community.

Select, establish conditions of employment for, work with and evaluate the Executive Director.

Make sure that the organization fulfills its ethical, legal and regulatory obligations.

Attend board meetings fully prepared to discuss, ask questions and make decisions related to the organization's purpose, goals, and activities.

Support and monitor the organization's fundraising and use of funds.

Evaluate the composition and performance of the board and recruit future board leadership.

Duty of Care

The duty of care describes the level of competence that is expected of a board member, and is commonly expressed as the duty of "care that an ordinarily prudent person would exercise in a like position and under similar circumstances." This means that a board member owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.

Duty of Loyalty

The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain, but must act in the best interests of the organization.

Duty of Obedience

The duty of obedience requires board members to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage donated funds to fulfill the organization's mission.

SAMPLE Board of Directors Commitment Form

I, _____ (please print) agree to the following during my tenure on the Organization's board:

Participation in board meetings

Attend and actively participate in all eight (8) meetings, except in case of family or business emergency. By-laws call for meeting with Board President after missing three (3) consecutive board meetings. After three (3) non-consecutive board meetings missed you will be contacted by the governance committee.

Fundraising

Make personal contribution agreed upon at beginning of year. Participate in general campaign as outlined by development committee for each year. Make contact with at least 3 donor/corporate contacts.

Committee participation

Attend and participate on at least one committee/work group.

Retreat

Attend annual board retreat, except in case of family or business emergency.

Board Development

Nominate at least one viable board candidate or work group participant annually.

Notification and Response (on-going)

It is every board member's responsibility to stay in touch with the staff. If someone phones, faxes or emails you for information, it is your responsibility to respond in a timely and professional manner.

I enthusiastically agree to participate in all the above board activities.

Signed

date

Directors' & Officers' Liability Insurance Policy