



ETHICS AND CONDUCT POLICY

Policy

North Texas Compensation Association is committed to operate all its activities within the spirit and letter of all laws affecting its organization and volunteers. All volunteers must exercise the highest level of integrity, ethics and objectivity in actions and relationships which may affect the Association or where the volunteer represents or negotiates on behalf of the Association. Volunteers must not misuse the authority or influence of their positions in these relationships.

Guidelines

1. General

- a. This policy applies to all volunteers of North Texas Compensation Association.
- b. It always has been and continues to be the intent of the Association that its volunteers maintain the highest ethical standards in their conduct of Association affairs. The following sets forth in summary form for the benefit of all volunteers the Association's policy with respect to: (1) gifts, favors, entertainment and payments given or received; (2) potential conflicts of interest; and (3) certain other matters.
- c. The essence of this policy is that each volunteer will conduct the Association's business with integrity, in compliance with applicable laws, and in a manner that excludes consideration of personal advantage.
- d. Strict adherence to this policy will protect the Association and its volunteers from criticism, litigation or embarrassment that might result from alleged or real conflicts of interest or unethical practices. Volunteers should report potential violations of this policy through the President or a member of the Board of Directors. Upon notification of a potential violation, every effort must be made to protect the identity of the volunteer, or the volunteer may elect to report anonymously.
- e. This policy must be regularly communicated to all volunteers. Appropriate communications also should be made to others outside the Association who may transact business with the Association. These policies may be supplemented from time to time by more specific guidelines.



2. Conduct with Vendors - Gifts and Gratuities

To ensure the highest level of objectivity in dealing with its vendors, suppliers, contractors and agencies, volunteers shall not:

- a. Solicit, request or accept any gratuity, kickback, free services or special favors from vendors, agencies, suppliers or contractors of the Association that would, in any way, place the Association or the vendor in an uncomfortable or compromising position. Normal business entertainment or gifts of a nominal value (*defined as less than \$50*) that are consistent with generally accepted industry practice may be accepted when such have not been solicited and are not being made in return for a special consideration or decision. Cash in any amount shall never be solicited or accepted.
- b. Utilize for personal use hotels, lodges or retreat facilities or other lodging owned or supplied by vendors, suppliers, contractors or agencies. Infrequent exceptions for events such as supplier-sponsored seminars must have advance written approval of the President.
- c. Jointly own property with or conduct any business not on behalf of the Association with any vendor, supplier, contractor or agency or their officers or employees.

3. Conduct with Members, Associates & Customers

Entertainment and/or gifts to any members, associates, customers, members of the Board of Directors and/or any other persons dealing/associated with North Texas Compensation Association activities, should always be in good taste, modest and should not be of a character or amount which is intended to influence the individual from making an independent decision.

- a. All entertainment must be closely associated with business discussions, presentations, etc., and detailed records must be kept of such entertainment.
- b. Any gifts exceeding \$50 received by a volunteer from any vendor, sponsor, member, associate, customer, member of the Board of Directors and/or any other person dealing/associated with North Texas Compensation Association activities, regardless of its nature (*speaking engagement, presentation, celebration and/or recognition*) must be reported to the President. Such gifts, excluding normal gratuities for services rendered, should never be in the form of cash.
- c. In any instance where there may be a question of whether entertainment or a gift is inconsistent with this policy, advance approval must be secured from the President before the expense is incurred.



4. Undisclosed Commissions, Kickbacks, Bribes, Etc.

The Association shall not authorize or condone any payment by a volunteer which is an undisclosed commission, kickback or bribe to a third party for obtaining discretionary business, a contract, a competitive award or otherwise bestowing a special favor. Likewise, no payment shall be made to any sales agent, consultant or other independent third party with the intent or understanding that any part of such payment is to be used for any purpose or remitted to any other person or entity other than as described by the invoice or document supporting the payment. No deviation from this policy is authorized under any circumstance.

5. Other Potential Issues

- a. Any ownership position held in any vendor/supplier firm must be disclosed to the President.
- b. Any family member employed by a vendor/supplier, or who has a financial interest in a vendor/supplier must be reported to the President.
- c. Any situation, or involvement with a vendor/supplier that could be construed, by a reasonable person, as a potential conflict of interest should be reported to the President.
- c. Representing North Texas Compensation Association shall be done with integrity & professionalism including but not limited to conduct at events, communications electronically or in person and social media.

6. Political Contributions and Activities

- a. The use of Association funds for political contributions, whether direct or indirect, is prohibited.
- b. Political activities: The Association encourages individual volunteers to be active participants in public affairs, and to support the political parties, candidates, advocacy organizations, affiliations and charities of their choice. Occasions may arise when these actions may appear to be in conflict with the prohibition of political contributions by the Association. Management must be alert to this situation and obtain formal approval from the President before giving authorization in any instance where there is the slightest question as to the propriety or legality of an action.
- c. Under no circumstance should any volunteer's personal involvement in such activities result in any material impact on any North Texas Compensation Association business activity or function, nor indicate any relationship to, representation of, or support of North Texas Compensation Association.



7. Procedures for Addressing the Conflict of Interest

- a. Should the President become aware of a potential conflict of interest, an investigation shall be initiated and a determination made whether a special session of the Board of Directors will be convened. At the discretion of the Board of Directors, an interested person may make a presentation, but after such presentation, he/she shall leave the meeting during the discussion of, and vote on, the transaction or arrangement that results in the conflict of interest.
- b. The President or Board of Directors, if appropriate, shall appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the President or Board of Directors shall determine whether North Texas Compensation Association can obtain a more advantageous transaction or arrangement with reasonable efforts 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 attainable under circumstances that would not give rise to a conflict of interest, the President shall refer the matter to the Board of Directors. The Board of Directors shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in North Texas Compensation Association's best interest; for its own benefit; whether the transaction is fair and reasonable to North Texas Compensation Association; and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

8. Violations of the Business Ethics and Conduct Policy

- a. If the President or Board of Directors has reasonable cause to believe that any volunteer subject to this policy has failed to disclose actual or possible conflicts of interest, it shall inform the volunteer of the basis for such belief and afford the volunteer an opportunity to explain the alleged failure to disclose.

As a Board Member of the North Texas Compensation Association, I agree to abide by the guidelines set forth in the Business Ethics and Conduct policy stated.

Signature / Date