

Conflict of Interest Policy

Version 1.4 / Last Amended 03/26/2023

I. Purpose

- A. The purpose of the Conflict of Interest Policy is to protect the interests of the National Association of Intercollegiate Gymnastics Clubs, (hereinafter known as the NAIGC), a tax-exempt organization, when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Board Member of the NAIGC 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.

II. Definitions

- A. Interested Person - Any Board Member, principal officer, operations specialist, or member of a committee with Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- B. Financial Interest - A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - 1. An ownership or investment interest in any entity with which the NAIGC has a transaction or arrangement,
 - 2. A compensation arrangement with the NAIGC or with any entity or individual with which the NAIGC has a transaction or arrangement, or
 - 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the NAIGC is negotiating a transaction or arrangement.
- C. Compensation- Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
 - 1. Any Interested Person who receives compensation, directly or indirectly, from the NAIGC for services is precluded from voting on matters pertaining to that member's compensation.
 - 2. Any Interested Person whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the NAIGC, either individually or collectively, is required to provide information to any committee regarding compensation.

III. Procedures

- A. Duty to Disclose: Any Interested Person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board and members of committees with Board delegated powers that are relevant.
- B. Determining whether a Conflict of Interest exists: Based on a review of all material facts and any follow-up conversation(s) with the interested person, the Board and/or relevant committee will conduct a follow-up meeting to determine whether a conflict of interest exists. Whether a conflict of interest exists shall be in accordance with voting procedures as laid out in the Voting Policy.
- C. Procedures for Addressing the Conflict of Interest

1. An Interested Person may make a presentation at the Board and committee meeting, but after the presentation, they shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
2. In the event the chairperson has a conflict of interest, the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the Board or committee shall determine whether the NAIGC 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.
4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a vote of the disinterested Board Members whether the transaction or arrangement is in the NAIGC's best interest and whether it is fair and reasonable. In conformity with the above determination, the Board or committee shall decide whether to enter into the transaction or arrangement.

D. Violations of the Conflict of Interest Policy

1. If the 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 allow the member to explain the alleged failure to disclose.
2. If the Board or committee determines the member has failed to disclose an actual or possible conflict of interest after hearing the member's response and after making further investigation as warranted by the circumstances, they shall take appropriate disciplinary and corrective action.
3. Examples of disciplinary or corrective actions
 - a) Reevaluation of the transaction or agreement in question.
 - b) If a monetary transaction did occur as a result of this conflict, a reverse transaction may be necessary.
 - c) Suspension or removal from Board, Operations Team, or Committee assignments.

IV. Records of Proceedings - The meeting minutes of the Board, and operational teams and task forces shall contain:

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

- V. Annual Statements - Each Board Member, principal officer, and member of a committee with Board delegated powers shall annually sign a [Conflict of Interest Acknowledgement and Disclosure Form](#) which affirms that such person:
 - A. Has received a copy of the Conflict of Interest Policy,
 - B. Has read and understands the policy,
 - C. Has agreed to comply with the policy, and
 - D. Understands the NAIGC is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.
- VI. Periodic Reviews - To ensure the NAIGC operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted by the Finance Committee. The periodic reviews shall, at a minimum, include the following subjects:
 - A. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
 - B. Whether partnerships, joint ventures, and arrangements with management organizations conform to the NAIGC's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in impermissible private benefit or in an excess benefit transaction.
- VII. Use of Outside Experts - When conducting the periodic reviews as provided for in Article VI, the NAIGC may, but need not, use outside experts. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.
- VIII. Amendments
 - A. This document may be amended by the NAIGC Board.