



National Rural Economic Developers Association Policy and Procedure Manual

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POLICY 150 BOARD OF DIRECTORS COMMITTEES

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POLICY

The Board of Directors may appoint committee members and their operations as stated in the organization's bylaws. The Board of Directors has general control over all committees and it is a Board of appeal from all actions of committees.

Each committee shall perform those functions and undertake the responsibilities directed by the Board from time to time, or by the committee Chair with Board approval.

PROCEDURE**Committee Structure**

1. The Board President shall, subject to the approval of the Board, appoint such committees as are deemed necessary for the internal administration of organization's affairs and to carry out the work of the organization.
2. A member shall be eligible to serve on the same committee for as many successive years as are deemed appropriate by the Board President and the members of the Board of Directors.
3. Each member of the Board shall be an ex officio member of one or more committees as directed by the Board President and shall be liaison between each such committee and the Board of Directors.
4. The Board President shall be an ex officio member of all committees and, as such, shall have all the privileges of membership thereon.
5. Each committee shall transact such business as may be referred to it by the Board President or the Board. Except when acting within the purpose for which it was appointed by the Board, a committee shall not take action until a report has been made to the Board and approved by the Board.

Standing committees are: Executive, Nominating, Finance ~~and Audit~~ and Bylaws.

Committees:

The following committees are typically established and not described in the bylaws:

Annual Conference Committee.

The Annual Conference Committee is responsible for the planning of the Annual Conference. The Chair of this committee is the First Vice President. Planning functions include developing the program schedule and content; securing speakers, securing conference sponsors/exhibitors, approving the conference budget and conference registration materials and producing marketing highlights for NREDA publications.

Development (Non-Dues) & Sponsorship Committee.

The Development & Sponsorship Committee is responsible for researching potential NREDA revenue generating ideas other than membership dues income. The Committee will receive proposals from potential vendors, partners or

alliances that offer programs, review opportunities, and present options to the NREDA Board of Directors. This Committee will develop and cultivate sponsorship relationships and opportunities.

Awards Committee.

The Awards Committee is responsible for the administration of NREDA's Economic Development Leadership Awards and Organizational Excellence Award that will be presented at the Annual Conference. This Committee will solicit nominations for the awards, screen the nominations and make the selection of recipients for each award. [The NREDA Board President has the ability to bestow the President's Award recognizing an individual or individuals who deserve recognition for their efforts within NREDA. The President and Committee will coordinate efforts regarding selections.]

Professional Development Committee.

The Professional Development Committee is responsible for determining the professional development needs of the membership of NREDA and recommending appropriate programs to address those needs. This may include surveying the membership through the website, emails, mailings, etc. to determine what types of topical educational programs would be of interest. This Committee would then make recommendations to the Board on specific programs that NREDA should initiate. If it is determined by the Committee and Board that a topical program should be presented each year, the Committee would be responsible for developing the program. This Committee will also screen opportunities that are presented to NREDA for co-sponsorships of outside educational/training programs. They will then make a recommendation to the Board for any programs that they feel NREDA should co-sponsor.

Rural Issues Committee

The Rural Issues Committee is responsible for monitoring federal legislation that can have an impact on economic development in rural America. The Committee will keep the Board apprised of this legislation. This monitoring will include developing and maintaining relationships with the legislative staffs of affiliated organizations.

Membership Committee.

The Membership Committee is responsible for leading NREDA's efforts to attract new members and retain existing members. This includes but is not limited to developing marketing (attraction) materials and campaigns and contacting non-renewals.

Past Presidents' Council.

The Past Presidents' Council will consist of all Past Presidents of NREDA. The direction of this council is determined by the Board of Directors and tasks will be assigned as necessary. The Past President's Council shall be chaired by the Immediate Past President.

Publications & Marketing Committee

The Publications & Marketing Committee is responsible for the editorial content of the NREDA New Brief e-bulletin, build a social media presence and the monitoring of updates and maintenance of the website. The Publications Committee chair will contact all NREDA committee chairs periodically to encourage activities updates for the NREDA New Brief.

Strategic Alliances Committee.

The Strategic Alliances Committee is responsible for identifying organizations that NREDA shall consider for strategic partnerships. These can be any organizations that have a similar mission to promote rural economic development or that have research, training programs or other services that could be of benefit to NREDA members, etc. The Committee will make recommendations to the Board on organizations that they feel would be good strategic fits for NREDA. Upon Board approval, the Committee will work to negotiate reciprocal arrangements on membership, exhibit spaces, conference registrations, etc..

Qualifications of Committee Chairs, Co-Chairs, Secretaries, and Members,

The purpose and function of a committee can be best served by members and Chairs that have a continuing interest and experience in its work. While there is a duty to serve others, more can be accomplished if the particular service is a privilege and is not imposed. Thus, the following should be observed with respect to all committees:

1. The membership of a committee should consist of only those persons who request assignment to that committee, or who are asked to serve on a specific committee and consent to do so.
2. If, during the year a Chair needs more active members, he or she is responsible for recruiting new committee members.

For each Organization year, the Board President shall select all the committee Chairs, as well as the Co-Chairs.

Functions and Responsibility of Chairs, Co-Chairs and Secretaries**Committee Chair**

1. The Chair and/or Co-Chair shall inspire, initiate, and direct committee activities.
2. The Chair and/or Co-Chair shall lead all committee meetings and oversee its activities, or arrange for Co-Chair to do so.
3. The Chair and/or Co-Chair may confer with past Chairs to identify opportunities and problem areas.
4. The Chair and/or Co-Chair may refer to committee notes of prior meetings to maintain continuity and remain aware of past problems and proposed solutions.
5. At the beginning of the year, the Chair and/or Co-Chair may identify action items, activities, and an implementation schedule, through the strategic planning process, to be amended and improved upon as the year unfolds.
6. The Chair and/or Co-Chair may request Board approval for all committee activities that require Organization financing.
7. The Chair and/or Co-Chair may recruit additional committee members when needed. The Chair may review the background of each new Organization member to see if he or she might benefit from the work of the committee.

8. The Board of Directors committee liaison may prepare a report of committee activities and deliver the report to the Board of Directors.
9. The Chair and/or Co-Chair may designate a Secretary to take notes at each committee meeting.
10. The Chair and/or Co-Chair may set standards for attendance and participation of committee members and for replacing those not active. If, in the opinion of the Chair and Co-Chair, a member's failure to attend or other lack of performance has not served the committee well, they may recommend that the member should not be reappointed to the committee.
11. The Chair and/or Co-Chair may attend a committee orientation session hosted by the Board President and the AML Account Executive.
12. The Chair and/or Co-Chair may conduct an organizational committee meeting within the first two (2) months of the organization's fiscal year to define and outline the scope and objectives of committee work and procedures to be followed and provide a report of activities/accomplishments at the end of the year.

Committee Co-Chair

1. The Co-Chair or the Chair's designee shall alternate the above responsibilities in the absence or at the direction of one another.

Committee Secretary

1. The Secretary may keep a record of members' attendance at committee meetings and functions.
2. The Secretary of each committee shall assure that all notes of that committee's meetings are posted within the organization's files at NREDA Headquarters.

POLICY 160**BOARD OF DIRECTORS RESPONSIBILITIES**

Approval Date: Updated in 2009 *Items in Italics*
Revision Date(s): Approved March 2011

POLICY

The performance of the responsibilities and actions of the Board of Directors shall be reflected in the meeting minutes as recorded by the Association Management, Ltd. (AML) Account Executive and approved by the Board of Directors Secretary/Treasurer. The Board of Directors has final authority over all actions of the committees.

Duties

The organization requires individuals serving as members of the Board of Directors to uphold their fiduciary obligations to the organization. The fiduciary obligations of the Board of Directors members include:

1. The duty of care
 - a. The Board of Directors member is required to make prudent business decisions that are in the best interest of the organization taken as a whole.
2. The duty of loyalty
 - a. The Board of Directors member cannot serve while having an unresolved conflict of interest with another organization.
3. The duty of obedience
 - a. The Board of Directors member is required to obey federal and state not-for-profit laws as well as the organization's own bylaws and policy.

Oversight

1. The Board of Directors of the organization is responsible for reviewing and approving the organization's:
 - a. Exempt purpose of the organization;
 - b. Vision, mission and strategic direction;
 - c. Annual budget;
 - d. Key financial transactions;
 - e. Compensation practices and policies;
 - f. Fiscal and governance policies;
 - g. Program services, accomplishments, and measurement method;
 - h. Form 990 and all subsidiary schedules (review and approval to occur prior to submission).

The Board of Directors is responsible for detecting and remedying potential wrongdoing by management.

The Board of Directors shall establish a Finance Committee composed of three (3) organization members with appropriate financial expertise and chaired by the Secretary/Treasurer. The Finance Committee shall be charged with providing the Board oversight for the organization's: development of the annual budget; periodic independent review; preparation and initial review of the annual Form 990; proper nonprofit accounting procedures; development and monitoring of internal control procedures; monitoring of potential unrelated business income; recommendations and evaluation of any outsourced investment advisors; and other matters as determined by the Board of Directors.

2. The Board of Directors of the organization shall review the organization's mission statement, goals, programs, and activities annually to assure they advance the organization's mission and make prudent use of its resources.
3. The Board of Directors of the organization shall review the organizational and governing instruments, including but not limited to the bylaws and articles of incorporation, no less frequently than every five (5) years.
4. The Board of Directors of the organization shall review the organization's fiscal and governance policies and procedures no less frequently than every three (3) years.
5. The Board of Directors shall annually review the organization's liability insurance based on the organization's program activities and financial capacity. The AML Account Executive shall provide the Board of Directors with research and recommendations concerning the appropriate liability insurance for the organization.
6. The Board of Directors of the organization is responsible for the selection of the outsourced management company. The President of AML shall work with the Board President to monitor the performance of the AML staff.

Confidentiality

Basic Confidentiality Policy: Confidentiality in the best interest of NREDA. A Director should keep confidential all matters involving the Association that have not been previously disclosed.

Public Disclosures and Official NREDA Spokesperson Policy: Official NREDA Spokespersons include the NREDA President and members of the Executive Committee (First Vice President, Second Vice President, Secretary/Treasurer, Immediate Past President, or the Executive Director. An NREDA Director is sometimes asked by the press or public officials to comment on matters of sensitivity to the Association. However, an individual Director is not authorized to be a spokesperson for NREDA. When a response to an inquiry is likely to be disseminated, the Director should avoid responding; and instead redirect the inquiry to one of the Official Spokespersons for NREDA.

Private Disclosures Policy: Even when a response to an inquiry is not likely to be further disseminated, the Director should exercise confidentiality in the best interests of the Association. The Director should take into consideration whether the information recipient is a NREDA member; whether disclosure of the information has been authorized for dissemination, and the consequences to the Association of this disclosure. All cases of doubt should be resolved in favor of confidentiality. A Director should feel free at all times to consult with an Official NREDA Spokesperson whether disclosure is appropriate.

NREDA Annual Strategic Planning:

The Board of Directors should conduct a strategic planning process every two years. Invitations to participate should be sent to, current Board of Directors and Committee Chairs. The Board may want to consider including a few allied groups. The Strategic Plan Facilitator will be selected by the Incoming NREDA President. The Board of Directors has input on the location of the planning session and determines a budget for the planning event. Locations may be selected based on other allied partner events or future annual conference sites.

Legal Counsel

1. The Board of Directors is ultimately responsible for legal compliance of the organization. Legal expenses are the financial responsibility of the organization.
2. The Board of Directors of the organization reserves the right to seek legal counsel. The AML Account Executive, on behalf of the Board President of the organization has the authority to seek legal counsel. The Board President or the AML Account Executive of the organization may ask legal counsel to: attend meetings, provide legal advice, or provide legal service in any matter of concern to the organization.
3. AML shall maintain a relationship with legal counsel specializing in association nonprofit law and shall serve as a resource to the Board of Directors to resolve any legal issues.

Endorsements: (The Rural Issues Committee will be considering this section)

NREDA will consider endorsements of other organizations considering:

1. *The benefit to NREDA members; the educational nature of the program/organization; the endorsements are not counter to NREDA's mission or jeopardize the NREDA non-profit tax status.*
2. *NREDA as an organization will not endorse political candidates. All endorsements require NREDA Board of Director's approval.*

Event Endorsements & Co-Sponsorships

The NREDA Board of Directors will consider requests from other organizations for event endorsement and co-sponsorship on a case-by case basis.

Strategic Alliances - NREDA Representation on Other Boards of Directors, Commissions, Task Forces and Councils:

The NREDA Board of Directors will consider requests from other organizations for NREDA members to serve on their Boards on a case-by-case basis. Reciprocal membership agreements may also exist between strategic alliances of NREDA. The NREDA Executive Committee will gather information and seek interest from the Board of Directors or membership. The Executive Committee will narrow the field and send recommendations to the Board of Directors for full approval. Multiple factors will be considered such interest/ability to serve, political interest, and accessible geographic location. NREDA has a strategic alliance with the following:

Organizations (may include but are not limited to the below organizations):

International Economic Development Council (IEDC) – Signed MOU 2/2011

MidAmerica EDC

National Association of Development Organizations (NADO)

*National Rural Electric Cooperative Association (NRECA
& Touchstone Energy)*

National Rural Telecommunications Cooperative (NRTC)

NTCA The Broadband Association (NTCA)

National Association of Counties (NACo)

National Rural Utilities Cooperative Finance Corporation (CFC)

United States Department of Agriculture (USDA)

Board of Directors Education and Performance

1. Board members shall be familiar with the organization's basic rules and compliance.
2. The Board President, with the assistance of AML, shall establish an effective, systematic process for educating and communicating with Board members to ensure that they are aware of their legal and ethical responsibilities, are knowledgeable about the programs and activities of the organization, and can carry out their oversight functions effectively.
3. Board training shall include assuring that Board members are aware of their personal liability for the Board's actions or for its failure to take action and of the protections available to them. All Board members shall receive oral and written instruction regarding the organization's governing documents, finances, program activities, and governing policies and practices.
4. The members of the Board of Directors shall evaluate their performance as a group and as individuals no less than every three years.
5. Members of the Board of Directors shall be provided with clear guidelines establishing the duties and responsibilities of each member, including meeting attendance, preparation, and participation; committee assignment; and the kinds of expertise Board members are expected to have or develop in order to provide effective governance. Guidelines establishing the duties and responsibilities of Board members shall be included in the annual orientation session as prepared by the AML Account Executive.

PROCEDURE

1. The AML Account Executive shall assist the Board President in fulfilling the responsibilities of the Board of Directors by maintaining a calendar of all needed reviews and providing any necessary supporting research and/or documents.
2. The AML Account Executive shall assure that all members of the Board of Directors have oral and written information, as needed, regarding:
 - a. Organizational documents;
 - b. Finances;
 - c. Program activities;
 - d. Governing policies, procedures, and practices.

POLICY 170**BUDGET**

Approval Date: *Items in italics*
Revision Date(s): Approved March 2011

POLICY

The organization is committed to superior stewardship of the funds entrusted to it. The organization shall prepare an annual operating budget which shall be approved and monitored by the Board of Directors.

Budget Planning

The Finance Committee, with support from the NREDA staff, shall prepare a budget in late September. The Committee shall work to submit a draft budget to Executive Committee at the October meeting. Final approval on the next fiscal year's budget shall come at the November board meeting.

Operating Budget

An annual operating budget shall be constructed in a manner seeking to devote the majority of the organization's resources to approved program expenses. Funds shall be allocated in the budget to provide for: solicitation of prospective members; collection of membership dues; and promised benefits to members. Funds shall be allocated in the budget to assure that qualified personnel and/or management services are attracted and retained to: provide programs; recruit and manage volunteers; raise funds; and ensure proper administration.

The annual operating budget shall include provisions for any capitalized acquisitions.

The organization shall provide prudent yet sufficient resources for effective administration including:

- Management services;
- Financial and investment management;
- Recordkeeping;
- Soliciting and managing contracts;
- Legal services;
- Support of the governing body
- Dues levels, conference, sponsorship and ad rates.

On an annual basis, the Association Management, Ltd. (AML) Account Executive and Chief Financial Officer shall prepare an estimated year-end in preparation for the initial operating budget to ensure that adequate funds are available to carry out the programs and services designed to meet the needs of the organization and its mission statement.

Budget Approval

The initial budget review shall be performed by the Finance Committee. The Finance Committee shall make recommendations to the full Board of Directors concerning approval of the annual budget.

The Board of Directors shall review and approve the organization's annual budget. The Board of Directors shall monitor actual performance against the budget. The Board of Directors shall

monitor current year financial performance against financial performance of the prior year. Any revision to the current year budget must be approved by the Board of Directors.

The Board of Directors shall routinely consider creation or maintenance of a cash reserve fund as a component of the annual operating budget planning.

PROCEDURE

1. The AML Account Executive and Chief Financial Officer shall coordinate the annual operating budget preparation process and obtain the approval of the Finance Committee and the Board of Directors.
2. Implementation, reporting, and monitoring of the budget shall be the responsibility of the Treasurer. The AML Chief Financial Officer and Account Executive shall serve as a resource to the Treasurer in evaluating and monitoring in budget.

POLICY 180**CODE OF ETHICS**

Approval Date: Approved March 2011

Revision Date(s):

POLICY

The National Rural Economic Developers Association is committed to maintaining an ethical and transparent organization.

The Board of Directors shall maintain a Code of Ethics for Board members, staff, and volunteers. All Board members shall be given a copy of the Code of Ethics pledge, and shall be expected to sign the code on an annual basis, agreeing to adhere to the provisions of that code. A copy of the annual ethics pledge is found on the last page of this policy.

The Code of Ethics policy and provisions shall be discussed in orientation sessions for new Board members, management services, staff, and volunteers.

Code of Ethics for Organizational Management

1. Conflicts of Interest
 - a. Every individual serving on the Board of Directors as well as all key employees are required to sign the organization's Conflict of Interest Annual Disclosure Form.
 - b. In this respect, all real or perceived conflicts of interest must be brought to the attention of the appropriate level of management for consideration and possible action.
2. Disclosure of financial information as required by federal and state law.
 - a. It is the policy of the organization that all regulations that require certain financial documents to be disclosed to the general public and shall be followed as required by federal and state law.
3. Confidentiality of information.
 - a. It is the policy of the organization that financial information provided to the organization from members, and customers shall be safeguarded and subject to absolute confidentiality.
 - b. Information includes, but is not limited to:
 - i. Bank information and account numbers;
 - ii. Credit card information;
 - iii. Social Security information;
 - iv. Credit information.
4. Due diligence.
 - a. It is the policy of the organization that appropriate due diligence shall be followed in all decisions and actions that shall affect the organization. Additionally, all decisions and actions shall be made in the best interest of the organization taken as a whole, and no individual shall benefit personally at the expense of the organization.
5. Applicable federal and state nonprofit laws.
 - a. It is the policy of the organization that it shall comply fully with all current federal and state nonprofit laws.
6. Accurate and timely financial reporting.
 - a. The accounting and financial reports shall be accurate and prepared on a timely basis and distributed to Board of Directors members as soon as practicable.

- b. Monthly statements shall include, but not be limited to:
 - i. The Statement of Financial Position (Balance Sheet);
 - ii. The Statement of Activity (Income Statement);
 - iii. Actual versus budget data;
7. Financial statements.
 - a. The organization shall require an independent review that shall be performed by an independent accounting firm of Certified Public Accountants as recommended by the Finance & Audit Committee and approved by the Board of Directors.
 - b. The financial statements shall be prepared under the supervision of Association Management, Ltd. (AML) Chief Financial Officer who shall be required to have expertise in nonprofit accounting and auditing procedures.
 - c. The organization shall engage the services of a Certified Public Accounting firm with expertise in nonprofit accounting to prepare the annual IRS Form 990.
 - d. The Finance & Audit Committee shall make recommendations to the Board of Directors concerning the potential rotation of the CPA firm and/or managing partner performing the annual review on a five year basis.
8. Management letter.
 - a. If the organization receives a management letter accompanying the annual review of the financial statements, the management letter shall be distributed to Board members and AML with the expectation of confidentiality.
9. Meeting with auditors.
 - a. The Finance & Audit Committee may meet with representatives of the CPA firm performing the annual review as soon as practical after completion of the review to examine the financial statements, IRS Form 990, and any comments or problems identified by the CPA firm. The Board of Directors is charged with fully discussing the reviewed financial statements and management letter issues.
10. Effective internal controls.
 - a. To protect the assets of the organization, AML shall develop and maintain an effective internal control plan for the organization's Finance & Audit Committee.
11. Committees.
 - a. The policies and procedures of the organization apply to all committees to ensure the operations and activities of such are consistent with those of the organization.
12. Alcohol and controlled substances.
 - a. It is the policy of the organization to prohibit possession, sales, use, or being under the influence of illegal drugs or alcohol while engaged in the business of the organization.
 - b. Alcohol and drug abuse shall not be tolerated. Violations of this policy may result in disciplinary action or termination.
 - c. Use of alcohol at appropriate organization events is allowed with the prior approval of the Board of Directors during the budget process or in other board action.

Violations of the Code of Ethics

1. All Board of Directors members and AML employees are expected to report any violations of this code to the Board President. Violations may result in reprimands and possible terminations.

PROCEDURE

1. The AML Account Executive shall administer the Code of Ethics policy of the organization.
2. The AML Account Executive shall make the Board President aware of any reported violations of the Code of Ethics.
3. The Board of Directors shall annually approve a code of ethics pledge for Board members. All Board members shall be given a copy of the code of ethics pledge, and shall be expected to sign the pledge on an annual basis, agreeing to adhere to the provisions of that pledge.
4. The organization shall include a discussion of the code of ethics in orientation sessions for new Board and staff members and volunteers and shall regularly address adherence to the code in their ongoing work.

Annual Code of Ethics Pledge for Board Members

1. As a member of the National Rural Economic Developers Association (NREDA) Board of Directors, I **shall**:
 - Listen carefully to fellow Board members and the NREDA outsourced management services staff;
 - Respect the opinion of other Board members;
 - Respect and support the majority decisions of the Board of Directors;
 - Recognize that all authority is vested in the Board of Directors when it meets in legal session and not with individual Board members;
 - Keep well-informed of developments that are relevant to issues that may come before the Board of Directors;
 - Participate actively in Board meetings, committees, and actions;
 - Be informed regarding association issues and industry developments;
 - Forcefully advocate for your views when policies are being determined; once association position is adopted, fully support it;
 - Call to the attention of the Board of Directors any issues that I believe shall have an adverse effect on National Rural Economic Developers Association or those that the Board of Directors serves;
 - Refer member or outsourced management services staff complaints to the Board President;
 - Recognize that the Board member's job is to ensure that NREDA is well managed, not to manage NREDA;
 - Vote to hire the best possible company to manage NREDA;
 - Represent all constituents of National Rural Economic Developers Association and not a particular geographic area or special interest groups;
 - Review agendas and supporting materials prior to meetings;
 - Suggest new members for the association and/or for the Board and committees, assist in involving them;
 - Consider myself a "trustee" of NREDA and do my best to ensure that NREDA is well maintained, financially secure, growing and always operating in the best interest of persons served;
 - Always work to learn more about the Board member's job and how to do it better; and;
 - Declare any conflict of interests between my personal life and my position on the NREDA Board of Directors, and avoid voting on issues that appear to be a conflict of interest.

2. As a member of the NREDA Board of Directors I **shall not**:
 - Be unduly critical, in or outside of the Board meeting, of other Board members or staff members, or their opinions;
 - Use NREDA or any part of NREDA for unfair personal advantage or the unfair personal advantage of my friends or relatives;
 - Discuss the confidential proceedings or distribute the proprietary documents of the Board of Directors outside the Board meeting;
 - Assert authority as a Board member except when participating in a meeting of the Board or as unless delegated by the Board;
 - Promise, prior to a meeting, how I shall vote on any issue in the meeting; and
 - Interfere with duties of the AML Account Executive or undermine the Account Executive's authority.

Signature: _____ Date: _____

POLICY 190 COMPENSATION

Approval Date: Approved March 2011
Revision Date(s):

POLICY**Board of Director Compensation**

Members of the organization's Board of Directors shall serve without compensation other than reimbursement for expenses incurred to fulfill their Board duties based on available funds in the yearly budget.

Employee Compensation

At the present time, NREDA does not employ an Executive Director or any other paid staff members. In the event that the organization should hire any paid staff members, the organization shall develop a compensation policy and compensation committee. The Association may enter into contractual relationships with other independent vendors for an agreed upon scope of services and appropriate compensation.

PROCEDURE

1. The AML Account Executive shall administer reimbursement to Board of Directors members for prudent and reasonable expenses incurred to fulfill their Board duties (see Policy 330 – Reimbursement and Travel Expenses).

POLICY 193**COMMUNICATIONS AND PUBLIC RELATIONS**

Approval Date:

Updated 2009 Revision Date(s): Updated Nov. 2017

POLICY***NREDA Display Booth Exchange:***

Traditionally NREDA does a tradeshow at the Annual Conference. Exhibit space exchanges will be considered on a case-by-case basis and determined if it is beneficial to NREDA as an organization or the membership.

Electronic Communications:

The Board of Directors and Committee Chairs will facilitate and encourage with assistance from Staff the use of electronic media to enhance two-way communications within NREDA organization and externally to promote the mission of NREDA.

Newsletter:

NREDA has an annual contract with newsletter vendors for editorial and electronic distribution. Monthly the editor and designer, assisted by the Publications & Marketing Committee will publish News Brief, an educational and informational resource for rural economic developers. Issues may include, but are not limited to, NREDA member updates, upcoming NREDA events, employment opportunities and other timely feature articles.

E-mails to Membership:

E-mails to the NREDA membership addressing singular subject matter will be respectful and limited to important and timely information. The primary communication method to the general membership will be via the monthly newsletter. Articles of interest, upcoming events and general membership information will be highlighted in the newsletter. Reference to new and updated information on the NREDA Web site will also be communicated as needed to direct members to the Web site.

Web site:

The purpose of the NREDA Web site is:

- 1. To disseminate information about the National Rural Economic Developers Association (NREDA) and its members and other interested parties. Announcements intended for a limited audience are not appropriate for the Web site.*
- 2. To disseminate information about rural economic development to its members and other interested parties.*
- 3. To facilitate communication among NREDA's members and others involved in rural economic development by providing appropriate directory information.*
- 4. To facilitate members' (and others') use of the Internet for professional information needs by providing up-to-date links to appropriate sites.*
- 5. To supplement or substitute for print publication of information as appropriate.*

Administration and Content:

1. *Staff serves as the Webmaster.*
2. *The Webmaster performs the customary functions of the position, or other duties, as directed by the Executive Committee, Executive Director or the Publications Committee.*
3. *The Webmaster will work with the Publications Committee and Executive Director to ensure that the Web site follows NREDA policies and practices of effective communication and creates a positive image for NREDA.*
4. *Web site content is considered a publication of NREDA and therefore must conform to NREDA publication policies.*
5. *The Webmaster will only accept content submissions in electronic form. All materials will be reviewed by the Executive Director in consultation with the Publications Committee and the Executive Committee.*
6. *Online availability of member information through the NREDA Web site (membership directory) will be limited to the membership.*
7. *Advertising is currently not available on the NREDA Web site. The Executive Committee may authorize advertising on the Web site. Upon such authorization, NREDA will seek advertising in accordance with existing policies and following presentation guidelines to be developed by the Publications Committee and approved by the Board of Directors.*
8. *All material on the Web site will be reviewed on a regular basis by the Publications Committee, Executive Director and the Webmaster for accuracy and currency. The Webmaster will make necessary changes.*
9. *The Webmaster will remove material from the Web site that is out of date or upon request of the Publications Committee, the Executive Committee or Executive Director.*
10. *Links to other sites of interest to the membership will be established by the Webmaster, in consultation with the Publications Committee.*
11. *All pages on the Web site will include the date of latest revision.*

Membership:

1. *Any NREDA member may choose to maintain a Web site separately from that of the NREDA. These sites may be linked to and from the NREDA Web site with the approval of the Publications Committee.*
2. *NREDA reserves the right to publish information about its members on the NREDA Web site.*
3. *NREDA will not distribute or sell its list of members.*

Web site Banner Advertisements:

NREDA offers banner advertisements on the NREDA Web site and the NREDA newsletter. Policies will be addressed on an as needed basis.

Posting of Employment Opportunities:

As a benefit to the membership, NREDA will post employment opportunities related to Economic Development in the United States.

- *In order to qualify for being posted, the employment opportunity must be for an economic development position.*

- *Publication of these employment opportunities will include but is not limited to announcement in the NREDA Newsletter and posting on the appropriate section of the NREDA Web site.*
- *NREDA will charge a fee to announce / post this employment opportunity. At the time of the adoption of this policy, the fee is established at \$50 for Members and \$150 for Non-members. The fee may be adjusted (at any time) by a vote of the NREDA Board of Directors.*
- *In exchange for this fee, the employment opportunity will be posted for 60 days or until any application deadline specified by the organization, whichever occurs first.*

NREDA Listserv & Social Media Sites

The National Rural Economic Developers Association Publications and Marketing Committee recognize the benefit of social media as part of its ongoing communications strategy and furthering NREDA's stated mission. Various social media platforms will be utilized to communicate information that might be relevant to both NREDA members, prospective members and the rural economic development community.

While we encourage active participation by those engaged in rural economic development, we reserve the right to monitor and remove inappropriate content from both NREDA members and non-members contributions and to block any users who do not abide by these guidelines.

Outlined below are examples of items that would be deemed **appropriate** for exchange, but not limited to

- Requesting information on options and sources for products or services or responding to such requests with recommendations and where they may be obtained is permitted.
- Public service announcements of new publications, grants or other resources.
- Post original information unless it meets the "fair use" guidelines of copyright law, or you have permission from the original source.

However, the following would be considered **inappropriate** content and would be subject to immediate removal.

- Specific promotion of an individual's or organizations' products and/or services for the sole purpose of gaining commercial business be it for profit or non-profit.
- Abusive, defamatory, profane, threatening, offensive, derogatory remarks or illegal materials are strictly prohibited and will be removed.
- Personal and confidential information about others.
- Messages with content that could present legal issues.
- Content that encourages members to arrive at any agreement leading to price fixing, boycotting another's business or other conduct intended to illegally restrict

free trade.

Please be mindful of diversity, experience, technical knowledge and the wide range of issues and concerns in our profession when contributing content to the platforms. This will help promote an atmosphere of open exchange of information. Consideration should be given to sending your message to the most appropriate platform(s).

NREDA suggest that contributors not attach files to messages when a hyperlink can be used.

Any other “Police Actions” taken by NREDA and the various media platforms will be handled on a case by case and shared with appropriate parties. The length of individual comments is managed by the media platform. Any changes in media platform may require NREDA to revise/update this policy as needed.

These social media pages, accounts and sites are provided as a service of NREDA. NREDA is not responsible for the opinions and information posted on these sites by others. In no event shall NREDA be liable for any special, indirect, or consequential damages or any damages whatsoever resulting from loss of use, data, or profits, arising out of or in connection with the use or performance of any information posted on this site.

PROCEDURE

The AML Account Executive shall administer the Communication and Public Relations Policies.

POLICY 195 CONFERENCES

Approval Date: Updated 2009
Revision Date(s): January 2018

POLICY

***Fees:** Non-Member registration fees should be at least \$100 - \$200 higher than the Member rate for all programs and conferences. (Spouse/guest fees may vary.)*

***Additional Conferences/Seminars:** Additional NREDA Conferences/Seminars will be determined by the Board of Directors upon recommendations from the NREDA Professional Development Committee and planned at least 12 months in advance (if possible).*

***Location/Site Selection:** Annual Conference site selection will be determined at least 18 months in advance. The Board of Directors will provide Staff with three potential host cities (with respect to geographic base of NREDA Members, rotating East, West and Central locations, and rotating city and resort locations. Staff (often with the assistance of a third-party hotel site research firm) will gather information and make hotel recommendations to the Board of Directors. Staff will perform site inspections of the properties. If possible, the Conference Committee Chair, a representative of the Board of Directors or other designated representatives may perform site inspections of the properties. Involvement of local NREDA members is a strong consideration when choosing site locations. Other considerations may include: local member involvement and willingness to co-chair the conference planning committee, ability to recruit sponsorships and local financial support, facility availability, ability to recruit local volunteer/NREDA member involvement for the planning committee, the types of local interest activities/tours, availability and ease as a travel destination and cost effectiveness of the hotel/meeting facilities.*

Sponsors

The purpose of sponsor recruitment is to cover conference costs and keep registration fees low. Sponsorship levels will be determined at the October budget meeting and solicited shortly thereafter by a board member or committee member. NREDA has the right of refusal to decline the participation of a potential sponsor, exhibitor or involvement of an individual at NREDA sponsored event. The practice of NREDA regarding solicitations for sponsorships of conferences and events is to consider the relationship to the association's mission. The practice is to decline cash contributions but entertain the appropriate in-kind methods for partnering. (i.e. promotion of event in newsletter and/or on web site.)

Conference Chair Responsibilities

The NREDA First Vice -President Co-Chairs the event with a local host; recruit committee members, begin planning one year in advance, oversee recruitment of sponsors, suggest local points of interest (golf, tours, receptions, etc.) enlist CVB or Chamber support, develop and run agenda during conference calls, maintain deadlines, work with staff as advisor and counsel.

Conference Registrations

Gold Level and higher sponsors will be allowed to receive complimentary registrations for members and/or non-members. Any other non-members registering for the conference must pay at the non-member rate unless the attendees are from the host state, neighboring regional area or

some other special promotion established by the Board of Directors. Refer to the annual/sponsor/exhibitor conference sponsor guidelines.

- 1) *NREDA membership policy states that an attendee paying the full “non-member” rate is given an individual membership to NREDA for the remainder of the current year (from the point of registration) as well as membership for next calendar year.*
- 2) *Limited Affiliate Members get the “member” registration rate as part of their affiliate membership.*
- 3) *Some sponsorship levels include a complimentary registration(s). Please refer to the most recent marketing kit for specific information.*
- 4) *As an incentive to encourage attendance of USDA State Directors, we have offered a special registration rate of \$500 for any USDA State Director that attends the conference. (Based on staff analysis, this registration fee basically covers the hard costs of the conference.)*

As an incentive to drive conference attendance, first-time conference attendees are able to register at the regular member rate regardless of whether they are currently a member of NREDA. Please note, this policy is separate from the membership policy (see 1 above), therefore, membership in NREDA is not included when someone uses this option to register for the conference.

Given the important partnership between NREDA members and USDA Rural Development, USDA State Directors (or designees) can register and attend the NREDA conference at the regular member rate.

Conference Manual

A Conference Manual is developed, maintained and passed on each year to the conference chair for reference.

Conference Registration for NREDA Honorary Members & Past Presidents

Annual Conference registrations are complimentary for Honorary members.

Retired Past Presidents will pay ½ Annual Conference registration fees. [Q. Have we been doing this?]

Past Presidents’ Council Funding:

The NREDA Past Presidents’ Council will be encouraged to meet at NREDA Annual Conferences. NREDA will support the efforts of the NREDA Past Presidents’ Council by providing up to \$500 in funding for meeting expenses held in conjunction with the Annual Conference.

Speaker Reimbursement

The conference chairs will determine appropriate compensation for presenters. (i.e. speaking fee, lodging, meals, exhibit or registration) This determination will be flexible based on the conference budget, travel time and need to negotiate. General Session speakers are traditionally paid \$1,000-\$3,000 with a maximum payment of \$4,000. Breakout Session speakers traditionally receive no fee with a maximum honorarium of \$500. Both general session and breakout speakers have a cap of \$850 for speaker expenses to cover travel, meals, parking, personal transportation and one night’s lodging unless otherwise negotiated. If speakers are NREDA members, it is not expected to pay a speaker fee, airfare or other expenses. There will be no waived registration fees, but NREDA may reimburse for one night of lodging.

PROCEDURE

1. The AML Meeting Planner shall assist the Conference Committee and Board President in administering the Conference Policy.

POLICY 200**CONFLICTS OF INTEREST**

Approval Date: Approved March 2011

Revision Date(s):

POLICY

The organization shall require a disclosure of all conflicts of interest to protect the National Rural Economic Developers Association's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director of the organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Definitions

1. Interested Persons – Any director, staff, or member of a committee with Board of Directors 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 the organization has a transaction or arrangement,
 - b. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the organization is negotiating a transaction or arrangement.
3. 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. A person who has a financial interest may have a conflict of interest only if the appropriate Board of Directors or committee decides that a conflict of interest exists.

Recording of Proceedings

1. The minutes of the Board of Directors and all committees with board delegated powers shall contain:
 - a. The names of the person who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors' or committee's decision as to whether a conflict of interest in fact existed.
 - b. The names of the persons who were present for the discussions and votes relating to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Compensation

1. A voting member of the Board of Directors who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to the member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Annual Declaration

1. Within the first month of the fiscal year, each Board of Directors member and the Association Management Ltd. (AML) Account Executive, President, and Chief Financial Officer shall annually sign an annual declaration which affirms such person:
 - a. Has received a copy of the conflicts of interest policy,
 - b. Has read and understands the policy,
 - c. Has agreed to comply with the policy, and
 - d. Understands the organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
2. Where deemed appropriate by the AML Account Executive, a conflict of interest annual declaration shall be acknowledged and signed by:
 - a. Staff members (if any) and AML employees;
 - b. Consultants.
3. Copies of the annual conflict of interest declaration and compensation conflict of interest declarations are found on the final pages of this policy.

Periodic Reviews

1. To ensure the organization does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
 - a. Whether compensation arrangements and benefits provided to key staff members (if any) are reasonable, based on competent survey information and the result of arm's length bargaining.
 - b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.
2. When conducting the periodic review as provided above, the organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

PROCEDURE

1. Duty to Disclose
 - a. 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 Board of Directors delegated powers considering the proposed transaction or arrangement.
 - b. At the time of each meeting of the Board of Directors, members shall state any known conflicts of interest as pertaining to items on the agenda. All such stated conflicts of interest shall be recorded in the minutes.
2. Determining whether a Conflict of Interest exists
 - a. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Directors 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 Board of Directors 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 Board President or Committee Chair shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the Board of Directors or committee shall determine whether the organization can obtain with reasonable efforts a more advantaged 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 Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
4. Violations of the Conflicts of Interest Policy
 - a. If the Board of Directors 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 Board of Directors or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.
5. The AML Account Executive shall assure that all appropriate Conflict of Interest Annual Declaration Statements are completed and signed each year. The AML Account Executive shall maintain a file of all Conflict of Interest Annual Declaration Statements.

**NATIONAL RURAL ECONOMIC DEVELOPERS ASSOCIATION (NREDA)
CONFLICT OF INTEREST STATEMENT ANNUAL DECLARATION**
For Governing Body Members, Officers, Committee Members, Staff, and Consultants

A conflict of interest arises when a person in a position of authority over an organization, such as an officer, director, or manager, may benefit financially from a decision he or she could make in such capacity, including indirect benefits such as to family members or businesses with which the person is closely associated. For this purpose, a conflict of interest does not include questions involving a person’s competing or respective duties to the organization and to another organization, such as serving on the boards of both organizations that do not involve a material financial interest of, or benefit to, such person.

No member of NREDA or any of its committees shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with NREDA. Each individual shall disclose to NREDA any personal interest that he or she may have in any matter pending before the board and shall refrain from participation in any decision on such matter.

Any member of The NREDA Governing Body or any of its committees or staff who is an officer, Governing Body member, committee member, or staff member of any affiliated organization shall: identify his or her affiliation with such agency or agencies; he or she shall not participate in the decisions affecting that agency; and the decision must be made and/or ratified by the full board.

Any member of NREDA Governing Body, any committee, and any staff member shall refrain from obtaining any list of NREDA members or donors for personal or private solicitation purposes at any time during the term of their affiliation.

- 1. I do not have a business relationship or family relationship with another board member or key employee of NREDA. Any business or family relationship that is an exception to this statement is fully described below including the percentage of business ownership.

- 2. At this time, I am not a participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party doing business with NREDA that has resulted or could result in personal benefit to me. Any activity or transaction that is an exception to this statement is fully described below including the interest, whether direct or indirect, that I have (or have had during the past year) in the persons or organization transacting business with NREDA

- 3. At this time, I am not a recipient, directly or indirectly, of any salary payments, 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 NREDA Any activity or transaction that is an exception to this statement is fully described below including the interest, whether direct or indirect, that I have (or have had during the past year) in the persons or organizations transacting business with NREDA.

By signing below, each person is affirming they have received a copy of the Conflicts of Interest Policy, has read and understands the policy, and agrees to comply with the stated policy. Furthermore, the individual is affirming they understand NREDA is a nonprofit organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Signature: _____ Date: _____

Printed Name: _____

POLICY 210**DOCUMENT RETENTION**

Approval Date: Approved March 2011
Revision Date(s):

POLICY

The purpose of the Document Retention policy is to document fully the work of the National Rural Economic Developers Association and its membership. These records are available for use by the National Rural Economic Developers Association members and the National Rural Economic Developers Association office for historical, informational and event purposes.

The Association Management, Ltd. (AML) Account Executive and the Board of Directors shall periodically (at least every three years) review these policy procedures with legal counsel and/or the organization's tax accountant to ensure that they are in compliance with new or revised regulations.

Record retention is essential for archives, tax purposes and for the continued success and growth of the National Rural Economic Developers Association. The following lists give retention periods for most of the common records of the organization. Some of the lists are required /mandatory for legal reasons, and some have been set for informational, historic, archival, use, or access needs. It is generally agreed that one (1) copy of retained records shall be preserved. Records that can be disposed of after a certain length of time should be marked with the disposal date. The retention period shown is the number of years from the date the tax returns for the organization were filed.

The organization shall follow the document retention procedures outlined below. Documents that are not listed but are substantially similar to those listed in the schedule, shall be retained for the appropriate length of time.

Electronic documents shall be retained as if they were paper documents. Therefore, any electronic files, including records for payments made online, that fall into one of the document types on the retention schedule shall be maintained for the appropriate amount of time. Any email message that relates to the aforementioned records should be printed in hard copy and kept in the appropriate files or moved to an "archive" computer file folder. Backup and recovery methods shall be tested on a regular basis.

The Organization records shall be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping the organization operating in an emergency shall be duplicated or backed up daily and maintained off site.

The organization's AML Account Executive is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction. Destruction of financial and personnel-related documents shall be accomplished by shredding.

Document destruction shall be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction shall be reinstated upon conclusion of the investigation.

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against the organization, its management company, and its employees and possible disciplinary action against responsible individuals.

PROCEDURE

The AML Administrative Director along with the Account Executives and CFO review client financial and other records to determine which items are to be removed, archived or destroyed. If a record is to be removed or destroyed from hardcopy or electronic files, the items are placed in an office recycling bin or deleted by the AML Account Executives. If the items are of financial or sensitive nature they are placed in an in-office secure shredding bin provided by a certified document shredding company, then shredded by the contracted document shredder.

The organization shall retain records for the following periods of time:

TYPE OF RECORD	RETENTION PERIOD
Accounting	
Accounts receivable & payable	6 years
Auditors reports/work papers	Permanent
Bank deposit slips	7 years
Bank statements, reconciliations	7 years
Budgets	3 years
Canceled checks, generally	7 years
Cash disbursements journal	Permanent
Cash receipts journal	Permanent
Check registers	7 years
Depreciation records	Permanent
Employee expense reports	4 years
Employee payroll records (W-2, W-4 annual earnings records, etc.)	4 years
Financial statements (annual)	Permanent
Financial statements (interim/internal)	Permanent
General journal or ledger	Permanent
Inventory lists	Permanent
Investment account statements, reconciliations	7 years (fiscal year end permanent)
Invoices	3 years
Payroll registers, journal	7 years
Petty cash vouchers	3 years
Board, Committee and Corporate Records	
Agendas and Action Items	Permanent
Annual reports	Permanent
Articles of Incorporation	Permanent
Authorizations and appropriations for expenditures	3 years
Board Policies	Permanent
Constitution and Bylaws	Permanent
Contracts, generally (includes listing and buyer rep. agreements)	7 years
Contracts, government	4 years
Contracts, sales (UCC)	4 years
Correspondence – general	4 years

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IRS Application for Tax-Exempt Status	Permanent
IRS Determination Letter	Permanent
Minutes (board and committees)	Permanent
Qualifications to do business	Permanent
Reorganization records	Permanent
Reports	3 years
Strategic Plan	Permanent
Insurance	
Accident reports	6 years
Insurance claims	7 years
Insurance policies	5 years
Miscellaneous Legal	
Claims and litigation files	7 years
Copyright, patent and trademark registrations	Permanent
Accreditation Audit	4 years
Personnel	
Applications	3 years
Employee earnings/payroll records	6 years
Employee files	7 years
Employee pension records, including service, eligibility, personal information, pensions paid	7 years
Employment contracts	Permanent
Equipment Purchases	11 years
Wage Execution	2 years
Government reports	6 years
Medical or exposure to toxic substances records	30 years
Pension, profit-sharing plans	Permanent
Termination agreements	Permanent
Time cards/sheets	4 years
Real Estate	
Contract w/ Architect or Professional Engineer	9 years
Deeds	7 years
Leases	7 years
Mortgages and notes	7 years
Partnership and Joint Occupancy	7 years
Purchases, including title abstracts, opinions, insurance policies, sales agreements mortgages, deeds	20 years
Sales agreement	9 years
Surveys	Permanent
Title abstract or opinion	11 years
Title policy (owner)	Permanent
Member Information	
Membership Directories	Permanent
Membership Records	Permanent
Membership Proposals	7 years
Membership Surveys	Permanent

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Taxes	
Forms 1098 and 1099	7 years
Income tax returns (Forms 990 and 990-T) and canceled checks (federal state and local)	Permanent
Payroll tax returns (includes Forms 941, W-2, W-3)	7 years
Property tax returns	3 years
Sales and use tax returns	10 years
State Unemployment Tax Records	7 years
Special real estate tax classification (farm, forest, open space) applications	11 years
General	
Supporting correspondence and notes regarding patents, copyrights, licenses, agreements, bills of sale, permits, liabilities, etc.	Greater of the life of principal document which it supports at or 3 years
Conferences, Monthly and Annual Events	
Agendas and Action Items	3 years
Brochures	Permanent
Conference/Event Insurance	3 years
Contracts (facility/hotel, food & beverage, speakers, sponsor, exhibit)	3 years
Programs	Permanent
Registrations and Registration Packets	3 years
Surveys, Remarks	3 years

POLICY 250**FINANCIAL MANAGEMENT AND CONTROL**

Approval Date: Updated in 2009 *Items in italics*
Revision Date(s): Approved March 2011

POLICY

The National Rural Economic Developers Association is committed to prudent and secure financial and nonprofit controls.

Bad Debt

The organization shall monitor any overdue accounts receivable and make reasonable efforts to collect any bad debt. The Association Management, Ltd. (AML) Chief Financial Officer shall make the Treasurer aware of any bad debt for a member or an event written off in excess of \$500.00. The AML Chief Financial Officer may provide the Treasurer with a copy of the Aged Receivable Report on a quarterly basis.

NREDA Membership Dues Schedule/Processes:

The first dues notices should be sent by mid-November to allow members to pay before the end of their fiscal year (if member's fiscal year ends December 31). The second notice will be sent mid-January and the third notice will be sent in mid-February. All member benefits will be terminated and no voting privileges will be granted after March 1 for nonpayment.

Membership Incentive Programs***New Member Incentive Rate***

- *New Member Rate of \$200 went into effect February 13, 2015.*
- *New members that join from January 1 through August 1, have membership for that year only at the \$200 New Member Rate. They will be billed at the regular member rate in November for coming year's membership renewal.*
- *For a new member that joins on or after August 1, the membership rate is also \$200 and will extend until December 31 of the following year. For example, a new regular member joining in August of 2016, will be considered a paid member through 2017.*
- *An individual can only use this incentive program once and cannot rejoin as an Affiliate Limited Member after being a regular member.*

Affiliate Limited Membership Program for Regional Economic Development Organizations

In February 2015, the NREDA Board established a pilot incentive program for regional groups. This trial program was available for 2015 and 2016. The intent of the pilot project is to introduce NREDA to individuals who are part of a regional economic development group but not yet a member of NREDA by offering a discounted rate. Through exposure and involvement in our organization, it is hoped that these limited members see the benefits of 1) networking with other rural economic development professionals, 2) receiving information through NREDA communications, and 3) taking part in NREDA events which are offered at the regular member rate. After experiencing these organizational benefits for a limited time, it is hoped that members of the regional groups will become Regular Members of NREDA. Given the success of the pilot incentive program, the Membership Committee proposes the creation of an NREDA Affiliate Limited Membership category be established as follows:

Eligibility

- *The Category of Affiliate Limited Membership becomes available effective November 4, 2016 with the passage of updated bylaws of the organization.*
- *To qualify for an Affiliate Limited Membership, an organization must meet the definition of Limited Affiliate member as outlined in Article III, Section 1b which includes any regional organization that consists of separate development organizations such as regional economic development groups, regional marketing groups, regional corridors, regional utility groups, and councils of governments and is formed for a specific purpose with defined membership goals within that group.*

Categories

- *Affiliate Limited Members will be categorized as either 1) primarily including community based economic development or government officials or 2) primarily including rural utilities.*
- *This membership category is not available to individuals who have previously been a member of NREDA.*

Duration of Affiliate Limited Membership Eligibility

- *The Affiliate Limited Membership does not expire. Although it is hoped that individuals in the regional group will want to become Regular Members of NREDA and serve in NREDA leadership roles.*
- *To encourage the conversion to Regular Members of NREDA, individuals in a regional group are eligible to join at the new member incentive rate as outlined in program #1 above.*

Dues Pricing for Affiliate Limited Members

- *Dues for Affiliate Limited Members is as follows:*
 - o *\$500: an organization of 2-4 members*
 - o *\$1,000: an organization of 5-10 members*
 - o *\$1,500: an organization of 11-15 members*
 - o *\$2000: an organization of 16-20 members*
- *If the regional group has more than 20 members, they would pay \$1,000 per each additional group of 10. For example a total of \$3000 for groups 20-30 members; \$4000 for groups of 31-40 members, etc.*

Affiliate Limited Membership Benefits/Restrictions/Responsibilities

- *The affiliate organization shall designate a contact person to receive official notices.*
- *The affiliate organization shall provide names and contact information of all members of the group and must identify what category (Elec or Telephone coop, Gov't, Assn, Econ Dev Org, Consult); and they will be entered in the database and linked to the main contact.*
- *Members of the affiliate organization will receive the monthly newsletters, NREDA communications and may attend the annual conference and other events at the member rate.*
- *Members of the affiliate organization may serve on NREDA committees.*
- *Members of the affiliate organization do not have voting rights.*
- *Members of the affiliate organization do not qualify to run for the NREDA Board.*
 - *Members of the affiliate organization do not qualify to apply for NREDA scholarship funds.*

Note: The Affiliate Limited Membership category is not to be confused with the Group Discounted Membership Rate where multiple members from the same organization receive a discounted membership rate.

3. Group Discounted Membership Rate

Cooperatives or corporations that have two or more regular memberships are allowed to designate who would be their main contacts and are allowed to designate who attends the annual conference under the same number of current memberships. This encourages a company to continue NREDA membership when existing members retire or leave the organization.

Student/Retired Memberships:

Students may be members of NREDA at a minimal rate. Students are defined as an individual enrolled at a college, university, community college or other educational institution full-time (12+ credit hours at the undergraduate or graduate level) in an economic development or related degree program. This same rate will be extended to include those NREDA members who have retired from the profession but are not recipients of the honorary membership status.

Benefits for Honorary Members:

A Past President or Founder of the Association may be considered for Honorary membership. The Board of Directors votes to approve recommendations for Honorary membership. Honorary members are identified as Honorary member in the NREDA database. Dues are complimentary for Honorary members.

Credit Cards

Credit cards issued to or paid by the organization shall be for reasonable business purposes and not for the personal activities of any individual. All credit card transactions must be within the purchasing authority as described in the organization's Reimbursement and Travel Policy (Policy 330). The Treasurer shall approve the authorization of and establish charge limits for any new credit cards. In the event of loss of any credit cards or termination of the card holder, the AML Account Executive shall immediately cancel the credit card.

Financial Institutions

The Board of Directors shall approve establishment of any and all financial institution accounts (including merchant accounts established to accept credit card payments). Authorization of signatories for any financial institution account shall be made by the Board of Directors. A single signature is acceptable for transactions less than or equal to \$10,000. The AML Chief Financial Officer shall obtain and document the approval of the Board of Directors for any check in excess of \$500 if the expenditure is outside of the budget allocations and documentation provided. All expenditures require approval by the NREDA Treasurer thru the payables system. The organization shall require all bank and investment accounts to be routinely reconciled.

Unless otherwise specified by the Board of Directors, the following individuals shall serve as financial institution signatories: and AML Account Executive(s), and AML President.

The organization shall work to limit the fees associated with merchant accounts to process credit cards with a goal of keeping such fees below three (3) percent.

Generally Accepted Accounting Principles

The organization shall maintain an accrual system of financial records in accordance with generally accepted accounting principles. Financial and operational tools and reports shall be utilized to facilitate financial oversight and appropriation of sufficient funds to maintain organization operations.

Independent CPA Firm Review

The AML Chief Financial Officer shall provide recommendations concerning the independent firm of Certified Public Accountants engaged by the organization. AML shall limit its recommendation to firms that have experience and expertise in nonprofit accounting, auditing, and preparation of IRS Form 990.

An review of the organization's financial records and processes shall be performed by an independent accounting firm of Certified Public Accountants as designated by the Finance & Audit Committee and approved by the Board of Directors. The results of the review shall be presented to the Finance & Audit Committee and to the full Board of Director for approval. The Finance Committee and the Board of Directors shall examine and approve IRS Form 990 prior to submission to the IRS. The organization recommends a review every five years.

The Finance Committee may make recommendations to the Board of Directors concerning the potential rotation of the CPA firm and/or managing partner performing the annual review on a five-year basis.

The Chair of the Finance Committee shall assure that the committee is provided education to avoid conflicts of interest between the outside auditors and the organization's paid staff.

Internal Controls

The Finance Committee shall assure that an internal control program is implemented, monitored, and followed at all times to protect the assets of the organization.

AML shall provide the organization with an internal control program that requires, but is not limited to, ensuring that no one person bears the sole responsibility for receiving, depositing, and spending the organization's funds. The internal control program shall be periodically reviewed and updated by the Finance Committee. The Finance Committee shall present the internal control plan to the full Board of Directors for approval. The Board of Directors shall be made immediately aware of any material diversion of the organization's assets.

Management Services

The organization may provide reasonable reimbursement for management services as provided by an individual or a management services company. A management fee may be paid for services as outlined in the contractual agreement between the organization and the management company.

Non-Tax Deductible Receipts

Member payment of dues and/or other fees paid to the National Rural Economic Developers Association are not tax deductible as a charitable contribution to the member but may be considered as a business expense. All billing invoices or other solicitation materials (in written or printed form, by television or radio, or by telephone) must contain language in an easily recognizable format stating that the National Rural Economic Developers Association is not eligible to receive contributions deductible as charitable contributions for federal and state income tax purposes.

Unrelated Business Income Transactions

The Finance & Audit Committee shall annually review the transactions and activity of the organization for any potential unrelated business income transactions. The Finance & Audit Committee shall make the Board of Directors aware of any potential unrelated business income transactions and assure that IRS Form 990-T is filed in the event of any unrelated business income transactions.

PROCEDURE

1. The organization's fiscal year shall be from January 1 to December 1.
2. The Finance & Audit Committee shall assure that an internal control program is implemented, monitored, and followed at all times to protect the assets of the organization. The AML Account Executive and Chief Financial Officer shall maintain internal control review standards and assume responsibility for adequate segregation of duties and control of assets.
3. The AML Chief Financial Officer shall coordinate the establishment of all financial institution accounts. The AML President shall open, examine, and initial all bank and investment statements. Bank reconciliations shall be performed by or reviewed by a person who does not prepare or sign the checks.
4. The AML Administrative Director shall administer the policy as related to merchant accounts.
5. The AML Chief Financial Officer shall provide written direction and procedures for accounting procedures including but not limited to: reconciliation of control accounts; receipt of funds; disbursement of funds; cash and asset account reconciliation; and cash management.
6. The AML Chief Financial Officer shall assist the Treasurer in monitoring bad debt and make timely and reasonable efforts to collect all accounts receivable. The AML Account Executive shall provide the Board of Directors routine reports concerning any overdue accounts, efforts made to collect the amounts, and accounts written off.
Procedures for management of bad debt shall include:
 - i. Dues statements shall be delivered yearly to organization members.
 - ii. Reminder statements are delivered on a timely basis after the initial due date to all delinquent accounts.
 - iii. Failure to respond to the past due notice or abide by the terms agreed upon shall result in termination of membership from the organization.

POLICY 260**FINANCIAL REPORTING**

Approval Date: Approved March 2011

Revision Date(s):

POLICY

Association Management, Ltd. (AML) shall maintain and utilize a management information system to generate key financial reports on a monthly basis. The AML Chief Financial Officer is responsible to assure that all financial reports are complete, current, and accurate.

In compliance with FASB 117, the organization shall provide, on a monthly basis, the following financial reports:

- Statement of Financial Position (Balance Sheet) accounting for the organization's total assets, liabilities, and net assets;
- Statement of Activities (Income Statement) reporting the change in an organization's net assets;

According to the intent of the donor, the organization shall account for the Fund Balance in the Statement of Financial Position by three classes of net assets:

- Permanently restricted – including Endowment Funds
- Temporarily restricted
- Unrestricted

The Unrestricted Fund Balance is used in the absence of donor-imposed restrictions. The Board of Directors may designate portions of the Unrestricted Fund Balance for specific projects or intentions. The amounts of change in each of the fund classes of net assets shall be displayed in a Statement of Activities. The organization shall assure that all donations accepted for restricted purposes shall be used for the purposes consistent with the donor's intent, whether as described in the relevant solicitation materials or as specifically directed by the donor.

In compliance with FASB 116, the financial reports shall clearly identify the proportion of the organization's budget allocated to program, administrative, and fundraising expenses. Contributions received, including unconditional promises to give, shall be recognized as revenues in the period received at their fair values. Contributions made, including unconditional promises to give, are recognized as expenses in the period made at their fair values. Conditional promises to give, whether received or made, are recognized when they become unconditional, that is, when the conditions are substantially met.

The organization shall comply with all regulations with regard to accounting requirements, cost allocations, and audits when awarded a grant or contract. Awards from grants and/or pledges shall be recorded as revenue in the period of the award.

PROCEDURE

1. The AML Chief Financial Officer shall oversee the preparation of monthly financial reports including a Statement of Position (Balance Sheet) and Statement of Activities (Income Statement). The financial statements shall be presented to the Board of Directors at each board meeting. The Board of Directors shall review the reports for variances and trends to evaluate the organization's performance and to make current and informed decisions ensuring financial success. Financial reports may be distributed electronically or by paper.
2. The AML Chief Financial Officer and/or Account Executive shall assist the Treasurer in a periodic review of financial and operational reports to provide oversight of the organization's operations.
3. Year-to-date financial performance information shall be annualized and utilized to prepare the organization's annual budget for the upcoming year.
4. Staff members do not have the authority to designate portions of the Unrestricted Fund Balance. Only the Board of Directors may designate portions of the Fund Balance.

POLICY 270 FISCAL SOLVENCY

Approval Date: Approved March 2011
Revision Date(s):

POLICY

The National Rural Economic Developers Association is committed to maintaining a fiscally strong operation in order to continue its services to the community.

The Board of Directors shall routinely consider maintenance of a cash reserve fund as a risk management strategy.

As a long-term goal, NREDA should strive to have at least one year's operating budget in cash reserves (as determined by the annual operating budget). At a minimum, the organization shall maintain at least 90 days of cash on hand in the organization's savings account.

PROCEDURE

1. The Association Management, Ltd. (AML) Account Executive and/or Chief Financial Officer shall assist the Treasurer in collecting, analyzing, and utilizing financial information on a periodic basis to ensure that there is sufficient funding to maintain organization operations.
2. In the event that the organization would become financially challenged, a cost/benefit review of each program shall be completed by the Treasurer with the assistance of the AML Account Executive and Chief Financial Officer. Contingency plans shall be developed in the unlikely event of operating shortfalls.
3. Reduction or suspension of services or termination of unprofitable programs, events, certification programs, educational programs, of other activities may be considered by the Board of Directors in financially challenging times.

POLICY 275**IDENTITY THEFT PREVENTION**

Approval Date: Approved March 2011

Revision Date(s):

POLICY

The organization's policy is to protect our members and clients and their accounts from identity theft and to comply with the Federal Trade Commission's (FTC) Red Flags Rule. Our identity theft policies, procedures, and internal controls will be reviewed and updated periodically to ensure they account for changes both in regulations and in our business.

Program Adoption

National Rural Economic Developers Association developed this Identity Theft Prevention Program pursuant to the Federal Trade Commission's Red Flags Rule, which implements Section 114 of the Fair and Accurate Credit Transactions Act of 2003. This Program was developed with oversight and approval of Association Management, Ltd. (AML) which provides management services to the organization. AML will take steps to assure the organization that reasonable policy and procedures are designed and implemented to detect, prevent, and mitigate the risk of identity theft.

Red Flags Rule Definitions Used in This Program

Account: a continuing relationship with a creditor to obtain a product or service that includes deferred payments for services or property.

Covered account: any account offered or maintained by National Rural Economic Developers Association for which identity theft is a reasonably foreseeable risk that may impact National Rural Economic Developers Association members or clients or the safety and soundness of Professional Developers of Iowa, including financial, operational, compliance, reputation, or litigation risks. A National Rural Economic Developers Association example of a "covered account" is a client billing account.

Identity Theft: fraud committed or attempted using the identifying information of another person without authority.

Identifying Information: any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including name, address, telephone number, social security number, date of birth, government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number.

Red Flag: a pattern, practice, or specific activity that indicates the possible existence of identity theft.

IDENTIFICATION OF RED FLAGS

To identify relevant Red Flags, our organization assessed these risk factors: 1) the types of covered accounts it offers, 2) the methods it provides to open or access these accounts, and 3) its previous experience with identity theft. We considered the Red Flags from the FTC Appendix A, “Red Flag Identification and Detection Grid” as they fit our situation.

Suspicious Account Activity or Unusual Use of Account

Red Flags

1. Change of address for an account followed by a request to change the individual’s name;
2. Payments stop on an otherwise consistently up-to-date account;
3. Account used in a way that is not consistent with prior use;
4. Mail sent to the account holder is repeatedly returned as undeliverable;
5. Notice to the organization that the individual is not receiving mail sent by the organization;
6. Notice to the organization that an account has unauthorized activity;
7. Breach in the organization’s computer system security; and
8. Unauthorized access to or use of individual account information.

Alerts from Others

Red Flag

1. Notice to the organization from an individual, identity theft victim, law enforcement, or other person that it has opened or is maintaining a fraudulent account for a person engaged in identity theft.

These examples are not exhaustive of a mandatory checklist, but a way to help our organization think through relevant Red Flags in the context of our business. Based on this review of the risk factors, sources, and FTC examples of Red Flags, we have identified our organization’s Red Flags, which are contained in the first column of Appendix A, “Red Flag Identification and Detection Grid.”

DETECTING RED FLAGS

New and Existing Accounts

In order to detect any of the Red Flags identified above associated with the opening of new and existing covered accounts, AML personnel will take the following steps to obtain and verify the identity of the person opening or making transactions in the account. Each business unit responsible for offering covered accounts is expected to document the steps they will take, considering methods such as:

1. Investigation of any transaction in locations different than the member’s geographic location maintained in the AML database.
2. Investigation of any question, complaint, or fraud alert provided by an individual, financial institution, PayPal account, or other source of creditable information.

RESPONDING TO RED FLAGS TO MITIGATE IDENTITY THEFT

In the event AML personnel detect any identified Red Flags, such personnel shall take one or more of the following steps, after consulting with the AML Administrative Director and depending on the degree of identity theft risk posed by the Red Flag:

Prevent and Mitigate

1. Contact the affected individual, using information already on file;
2. Change any passwords or other security devices that permit access to accounts;
3. Continue to monitor an account for evidence of identity theft;
4. Members shall be dropped from the membership roster and benefits cease when dues are not paid within the expiration date;
5. Close a new account;
6. Close an existing account;
7. Reopen an account with a new number;
8. Notify the AML Administrative Director to have the incident logged, and for additional assistance if needed;
9. Determine that no response is warranted under the particular circumstances.

Protect Personal Information

In order to further prevent the likelihood of identity theft occurring with respect to National Rural Economic Developers Association accounts, AML personnel shall adhere to NREDA's policies and practices regarding protection of personal information by:

1. Collecting only the personal information that is needed for the organization's purposes;
2. Retaining personal information for only the time period legally required and/or necessary for the organization's purposes;
3. Protecting personal information collected, used, disclosed, and retained;
4. Ensuring additional protection methods on sensitive personal information that is retained;
5. Restricting access to personal information only to individuals who have a business need to access information;
6. Disposing of personal information appropriately;
7. Instilling awareness and training employees on the proper handling of personal information;
8. Understanding the requirements of applicable data privacy protection laws and regulations;
9. Conducting regular risk assessments to identify where and how the organization stores or transmits personal information;
10. Developing, reviewing, and assessing the information security management program, policies, and procedures to ensure they are current and effectively communicated throughout the organization.

PROCEDURE

1. The AML Account Executive shall administer the Identity Theft Prevention program working in consultation with the AML Chief Financial Officer and AML Administrative Director.
2. The AML Account Executive will advise NREDA's Board of Directors of any instances of actual or attempted identity theft.
3. The AML Chief Financial Officer and/or AML Administrative Director shall annually review the Identity Theft Prevention policy using Appendix A, "Red Flag Identification and Detection Grid" of the FTC's Red Flags Rule. A report, either written or oral, of this annual review will be provided to all members of the Board of Directors.
4. The following procedures shall be implemented by the AML personnel to protect the organization's members and clients from identity theft:
 - a. Paper copies of all registration forms, membership forms, credit card payment information, and other confidential data shall be stored in a secure locked file in the office of the AML Administrative Director or AML Chief Financial Officer.
 - b. Keys to the secure locked files referenced above shall be restricted to the AML President, Administrative Director and Chief Financial Officer.
 - c. All batches of confidential information shall be shredded after the batch is posted to the AML database.
 - d. Electronic copies of all registration forms, membership forms, credit card payment information, and other confidential data shall be stored on the secure servers and databases provided by AML.

POLICY 280**INFORMATION TECHNOLOGY MANAGEMENT**

Approval Date: Approved March 2011

Revision Date(s):

POLICY

The organization shall protect data processed by an electronic information management system and allow access only to those individuals or entities that have been granted access rights. The organization shall follow accepted standards of practice for creating, changing, and safeguarding passwords that are used to access the electronic information management system.

All electronic data shall be backed up on a daily basis. The organization shall have systems and processes in place to guard against, detect, and report malicious software. Restoration of the organization's backup procedures shall be tested at least on an annual basis.

Member information contained on the web site and in the member directory is intended for personal use of organization members only. Its use for commercial purposes is prohibited unless prior sanction of the organization's Board of Directors has been obtained.

PROCEDURE

The Association Management, Ltd. (AML) Account Executive and Technology Director shall administer the information technology management policy through the employment of adequately trained staff or outsourced third party services.

POLICY 290**INVESTMENT OF FUNDS**

Approval Date: Updated in 2009 *Items in italics*
Revision Date(s): Approved March 2011; Revised February 2013

POLICY

The organization is committed to safeguarding the funds of the organization with a conservative investment policy. The Board of Directors shall determine what portion of investment returns, if any, may be used for immediate operations or programs.

Investment Policy:

1. *NREDA Finance and Executive Committees, with the assistance of the Secretary/Treasurer and Staff, will analyze the cash flow needs in order to determine if idle funds can be invested in certificate of deposits or other appropriate interest earning investment for the benefit of the organization.*
 - *Investments will be made in accounts that are FDIC or otherwise government insured.*
 - *Investments should allow appropriate liquidity in the event of unforeseen expenses.*
2. *The Executive Committee may activate a task force to establish a formal investment policy for a more formalized review of investment criteria.*

Investment in common stock or other securities not fully insured by the Federal Deposit Insurance Corporation (FDIC) must be approved, in advance, by the Board of Directors. Investment in individual stocks is prohibited.

The organization shall require an internal control program that requires, but is not limited to, ensuring that no one person bears the sole responsibility for receiving, depositing, and spending the organization's funds including any invested funds.

The organization may select one or more independent investment managers to handle the organization's investments. The Board of Directors shall select and monitor the performance of all independent investment managers. In the event that the organization chooses to investigate investments other than FDIC instruments or the selection of a new independent investment manager(s), the Finance & Audit Committee shall assist the Board of Directors in establishing criteria for the independent investment manager selection. *At the point in time that NREDA has \$100,000 in reserves, the Executive Committee may activate a Task Force to review the investment policy for a more formalized review of investment criteria*

The organization shall not participate in joint ventures with other organizations without the prior approval of the Board of Directors.

PROCEDURE

1. The Association Management, Ltd. (AML) Chief Financial Officer shall provide research to the Treasurer concerning investment of excess funds. The AML Chief Financial Officer shall include a cash flow projection with any investment recommendation.
2. AML shall develop and maintain an effective internal control plan for the organization's Finance & Audit Committee.
3. The AML Chief Financial Officer and Board Treasurer shall serve as primary liaisons between the Board of Directors and any third-party investment managers.

POLICY 300 LOANS

Approval Date: Approved March 2011
Revision Date(s):

POLICY**LOANS**

The organization **shall not** provide loans (or the equivalent, such as loan guarantees, purchasing or transferring ownership of a residence or office, or relieving a debt or lease obligation) to directors, officers, members, or trustees.

The organization **shall not** grant loans to employees.

The organization **does not** routinely authorize operating loans, including lines of credit, to finance the activities of the organization. Any loans, including line of credit, must be approved by the Board of Directors and must not exceed the amount of revenue anticipated to finance the activity and/or project in question.

PROCEDURE:

1. The AML Chief Financial Officer shall assist the Board Treasurer in making the Board of Directors aware of any anticipated need for borrowing.

POLICY 305 MEMBERSHIP

Approval Date: 11/01/2009 *Items in italics*
Revision Date(s): Approved March 2011

POLICY***Membership Expiration/Termination:***

The NREDA membership year is January 1 through December 31. All member benefits will be terminated and no voting privileges will be granted after March 31 for nonpayment.

Membership Mailing List:

The NREDA membership list is not available for purchase. Members are listed individually with complete contact information on the Members Only Section on the NREDA Web site.

Group Membership Discounts

NREDA is an individual based membership organization, however, NREDA allows for a discount for organizations with two or more members.

POLICY 310**PROTECTION OF ASSETS**

Approval Date: Approved March 2011

Revision Date(s):

POLICY

The Board of Directors shall review the major risks to which the organization is exposed on a periodic basis and ensure that systems are in place to adequately manage the risk. Risk analysis shall include, but not be limited to, the size, programmatic focus, geographic location, and complexity of the organization's operations.

The Board of Directors shall annually review the organization's liability insurance based on the organization's program activities and financial capacity. The AML Account Executive shall provide the Board of Directors with research and recommendations concerning the appropriate liability insurance for the organization.

The Board of Directors shall routinely consider maintenance of a cash reserve fund as a risk management strategy.

The organization shall keep timely and accurate records of all capital equipment and furnishings (including any donated capital equipment and furnishings). All fixed assets shall be depreciated using straight-line depreciation with useful lives as directed by the IRS. The Association Management, Ltd. (AML) Chief Financial Officer is responsible for maintaining an accurate inventory of all fixed assets.

The organization shall dispose of assets which are no longer needed or functioning in a manner consistent with good administration of the organization. The organization may attempt to sell disposed assets or donate disposed assets to other charitable organizations.

A fixed asset is defined as a tangible item costing \$1,000 or more with a useful life in excess of one (1) year.

Authorization from the Board President and AML Account Executive is required prior to disposal of any fixed assets.

PROCEDURE

1. The AML Account Executive shall provide the Board of Directors with research and recommendations concerning the organization's risk management protection, including annual review of applicable insurance policies.
2. The AML Account Executive shall supervise the disposal of any fixed assets and document such disposal in the fixed asset schedules.
3. An item's first-year depreciation shall be based on the number of full months the item is in services.

Fixed Asset	Depreciation Method	Depreciation Schedule
Furniture and fixtures	Straight-line	7 years
Computer equipment	Straight-line	5 years
Software	Straight-line	3 years
Leased Capital Equipment	Straight-line	Lifetime of the lease

POLICY 320**PUBLIC INSPECTION REPORTING**

Approval Date: Approved March 2011

Revision Date(s):

POLICY

It is the policy of the organization that the three (3) most current years of public inspection reports shall be provided in a timely, accurate, and transparent manner. Public records shall be made available to members and the general public in accordance with federal and state law regulations.

In order for members of the Board of Directors to adhere to their fiduciary responsibilities, the Board of Directors of the organization has the right to examine *all* records of the organization unless protected by privacy laws, such as medical information.

Record Inspection Rights

IRS regulations require the organization to make certain records available for public inspection as a condition of maintaining the tax-exempt status.

1. Anyone requesting the review of applicable documents must be provided access.
2. Individuals are not required to reveal why they are making the request to review the organization's documents.
3. Requests for public information may be made in person and shall be provided on the day of the request.
4. Requests for public information may be made in writing and shall be fulfilled within 30 days after receiving payment for the postage and handling expenses.

Records available for Inspection

IRS regulations require that the following records must be made available for public inspection:

1. Form 990 (Return of Organization Exempt from Income Tax), including all schedules and attachments.
2. Form 1024 (Application for Recognition of Exemption under Section 501(a)).
3. All correspondence submitted by the tax-exempt organization supporting these documents, as well as correspondence issued by the IRS with respect to these documents.

NOTE: IRS regulations do **not** require that the names and addresses of contributors (Form 990 Schedule B) are made available for public inspection. The organization shall protect the privacy of its contributors and shall not publish their names or addresses.

To create an atmosphere of trust and transparency with the general public, certain reporting not required by the IRS shall be provided in pdf format on the organization's web site for public inspection including, but not limited to:

1. Organization's vision and mission statement,
2. List of Board of Director members,
3. List of Key Staff members and contact information,
4. Bylaws,
5. Articles of Incorporation,
6. Code of Ethics Policy,
7. Conflict of Interest Policy,
8. Whistleblower Protection Policy,
9. Reimbursement and Travel Expense Policy,

Place for Inspection

The organization shall make documents available for public inspection at:

1. The organization's web site.
2. The organization may mail the information to a requestor.
 - a. The requestor shall be required to prepay a \$3.00 postage fee and a photocopying fee of \$1.00 for the first page and \$.15 for each subsequent page requested.

PROCEDURE

1. The Association Management, Ltd. (AML) Account Executive shall assure that all documents required for public inspection are prepared on a timely basis. The AML Account Executive shall assure that pdf copies of the required public information are posted on the organization's web site.
2. The AML Account Executive shall assure that all requests for public inspection made in person at the organization's headquarters are handled on the day of the request in a congenial manner.

POLICY 330**REIMBURSEMENT AND TRAVEL EXPENSES**

Approval Date: Approved March 2011

Revision Date(s):

POLICY**Expense Reimbursement**

Members of the organization's Board of Directors shall serve without compensation. Board member may receive reimbursement for expenses incurred to fulfill their board duties within the budgetary constraints of the organization. The Association Management, Ltd. (AML) Account Executive may request reimbursement of any expenses from an officer of the Board of Directors.

Purchases, including gifts, shall be made in the most cost-effective manner and shall not exceed budgeted allowances for such items. Accounts payable (invoices) containing proper documentation of supplies or services shall be paid within 30 days.

No person, including the AML Account Executive and members of the Board of Directors, shall approve their own request(s) for reimbursement.

Travel Expenses

Expenses for transportation, lodging, and meals must be documented to establish that they were incurred in connection with the work of the organization and not the personal activities of an individual. Lavish or extravagant expenditures shall not be approved or allowed. Credit card receipts must include an itemized description of the purchase(s).

The organization shall provide reimbursement for necessary and reasonable travel expenses incurred by the Board of Directors, AML Account Executive, or affiliated parties. Any travel advances are deducted from the subsequent reimbursement to the party. It is the policy of the organization to establish travel expense limitations and guidelines as follows:

1. Authorizations
 - a. All travel requests must be for budgeted travel or approved by the Board of Directors.
2. Travel Advances
 - a. Travel advances shall be issued if requested at least 10 days prior to the trip. The advance shall not exceed anticipated out of pocket expenses. Advances for speakers shall not exceed 25% of the estimated travel costs.
3. Personal Mileage
 - a. The organization requires use of rental vehicles for out of town travel unless prior approval is granted by the AML President. Use of a personal vehicle for business purposes supporting the organization shall be reimbursed at the IRS mileage rate. Commuting mileage shall not be reimbursed.
4. Public Carrier
 - a. The most cost-effective means of travel, such as coach airfare, must be used. Travel may be arranged through a travel agency or an on-line discount provider. Receipts are required for reimbursement.
5. Lodging
 - a. Lodging expenses shall be reimbursed for the basic room charge and applicable taxes. Incidental expenses charged to the room shall not be reimbursed for Board members. Incidental expenses for the AML staff may be reimbursed for reasonable

and necessary business purposes. Receipts are required for reimbursement.

6. Meals

- a. Reasonable and necessary meal expenses shall be reimbursed at a rate not to exceed rates that are reasonable and necessary in the location of the travel including applicable taxes. Receipts are required for reimbursement. Tips should be noted on meal receipts. Use of alcohol at appropriate organization events is allowed with the prior approval of the Board of Directors during the budget process or in other board action. Reasonably priced meals shall be provided for guests at board meetings and during site visits.

7. Taxi or Vehicle Rental

- a. Actual taxi fares, including tips, shall be reimbursed entirely. Tips must be noted on taxi receipts. Receipts are required for reimbursement.
- b. Reasonable and necessary vehicle rentals shall be reimbursed. Receipts are required for reimbursement.
- c. Parking and toll expenses shall be reimbursed. Receipts are required for reimbursement.

Companion Travel

Companion travel or travel expenses shall **not** be routinely reimbursed by the organization. A quorum of the Board of Directors may approve companion travel or travel expenses when the travel would clearly be in the interest of the National Rural Economic Developers Association. Any expenses allocated to companion travel or travel expenses shall be considered income to the Board Member and reflected in an annual IRS Form 1099 to the Board Member unless they are deemed to be reasonable and necessary to the business interests of the National Rural Economic Developers Association.

Reasonably priced meals may be provided for guests at board meetings and during site visits.

Prohibited Reimbursements

Alcohol and controlled substances

1. It is the policy of the organization to prohibit possession, sales, use, or being under the influence of illegal drugs or alcohol while engaged in the business of the organization.
2. Alcohol and drug abuse shall not be tolerated. Violations of this policy may result in disciplinary action or termination.
3. Use of alcohol at appropriate organization events is allowed with the prior approval of the Board of Directors during the budget process or in other board action.

The organization does not routinely provide reimbursement for the following types of expenditures:

- First-class or charter travel;
- Tax indemnification and gross-up payments;
- Discretionary spending accounts;
- Housing allowance or use of residence for personal use;
- Payments for business use of personal residence;
- Health or social organization dues or initiation fees;
- Personal services (e.g., maid, chauffeur, chef)

Any reimbursement of such expenses shall require substantiation and approval of the Executive Committee or Board President and Treasurer prior to reimbursement.

PROCEDURE

1. During the annual budget preparation process, the AML Account Executive and Chief Financial Officer shall project the administrative expenses required for the upcoming year with an approximate monthly cost. Upon final approval of the budget the Board of Directors, the AML Account Executive shall be authorized to purchase budget approved items in the amounts and at the cost indicated.
2. The Board of Directors must approve items not included in the original budget but subsequently identified as necessary to the operation of the organization.

POLICY 340 REPORTING AND OTHER REQUIREMENTS

Approval Date: Approved March 2011
Revision Date(s):

POLICY

The National Rural Economic Developers Association is a tax exempt organization under section 501(c)(6) of the Internal Revenue Code which provides exemption from federal income tax.

The organization shall comply with all regulatory and necessary reporting requirements. The organization shall routinely prepare and file the following reports:

1. IRS Form 990 or 990-EZ – Return of Organization Exempt for Income Tax;
2. IRS Form 990-T;
 - a. The organization shall submit Form 990-T in the event that the organization realizes gross unrelated business income of \$1,000 or more.
 - i. Unrelated business income results from a trade or business performed on a regular basis that is not substantially related to the organization's tax-exempt purpose.
3. IRS Forms 1099 and 1096 – Annual Summary and Transmittal of US Information Returns, if needed;
 - a. The organization shall submit IRS Form 1099 to reflect payments to all individuals and/or vendors receiving \$600 or more from the organization annually.
 - b. The organization shall obtain and retain IRS Form W-9 prior to remitting a payment to any such individual or vendor.
4. State of Iowa Biennial Report for Nonprofit Corporations;
 - a. Web based report required by the Iowa Secretary of State.
5. State of Iowa Withhold Agent Verified Summary of Payments Report, if needed;
6. Conflict of Interest Annual Declaration (see Policy 200 - Conflicts of Interest);
7. Any other required State or Federal reporting requirement.

PROCEDURE

1. The Association Management, Ltd. (AML) Chief Financial Officer shall assure that all reporting requirements are fulfilled on a timely and accurate basis.

POLICY 360**WHISTLEBLOWER PROTECTION**

Approval Date: Approved March 2011

Revision Date(s):

POLICY

The National Rural Economic Developers Association is committed to comply with all applicable laws and regulations, accounting standards, accounting practices and audit practices. The purpose of these policies and procedures is to:

1. Ensure all members, staff, directors and officers are aware of their responsibilities with regard to reporting, receiving and responding to complaints regarding legal, regulatory, accounting, internal accounting control or auditing matters,
2. Ensure all members, staff, directors and officers are aware of their responsibilities with regard to fair treatment of those individuals who make a complaint or may be the subject of a complaint described in (a) above, and
3. Encourage all members, employees, directors and officers to be accountable for their actions.

Under this policy, an employee, officer or director is encouraged to make a complaint concerning alleged improper accounting, internal accounting controls, auditing matters or violations of other state or federal laws if such person reasonably believes such improper conduct has occurred.

The organization shall not discharge, demote, suspend, threaten, harass, or in any other manner discriminate against any individual in the terms and conditions of employment because the employee participated in lawful protected conduct that is designed to expose or assist with investigations of such complaints.

Specifically, employee conduct that is protected from retaliation includes:

1. Providing information to or otherwise assisting in an investigation by a federal or state regulatory or law enforcement agency, any member of Congress or committee of Congress, or any person with supervisory authority over the employees or who has the authority to investigate, discover, or terminate misconduct, where such information or investigation relates to any conduct of the employer that the employee reasonably believes constitutes a violation of specified federal fraud laws, any SEC rule or regulation, any other state or federal law relating to fraud or any other violation of state or federal law; and;
2. Filing, testifying, participating in, or otherwise assisting in a proceeding relating to alleged violations of any of the federal fraud or securities laws described in (1) above.

This policy applies to all members, employees, officers and directors of the National Rural Economic Developers Association. The organization shall mandate training sessions to educate all individuals as to what may constitute fraudulent activity and appropriate action to take if fraudulent activity is suspected.

PROCEDURE

1. The NREDA Past President shall administer the whistleblower policy of the organization. The AML Account Executive shall make the Board President aware of any whistleblower reports filed concerning the organization.
2. The AML Account Executive shall assure that the whistleblower policy and procedure is distributed to staff, volunteers, and clients. The whistleblower policy and procedure shall be included in new employee and board orientations and ongoing training programs for employees and volunteers.
3. Scope of Complaints. Any employee or non-employee of the organization who has a complaint regarding alleged improper legal, regulatory, disclosure, accounting, internal accounting controls or auditing matters may submit a *written complaint* pursuant to these procedures (hereinafter referred to as a “Complaint”).
4. Method of Submitting Complaints. A Complaint by an employee or member of the organization may be submitted in a confidential and anonymous manner without revealing the employee’s identity. A Complaint shall be directed to the organization’s Past President or any member of the Board of Directors at the following address:

National Rural Economic Developers Association (Attn: Trista Fugate) Past President – Board of Directors 1255 SW Prairie Trail Parkway Ankeny, IA 50023

5. Content of Complaints. Each Complaint must be in writing to be considered, and must contain enough information and specificity to allow the Past President to investigate the complaint. Complaints by non-employees must also provide a means (i.e. phone number, address, etc.) to permit the Past President to follow up with the complainant if the Past President or the Board of Directors considers it necessary. Complaints by employees made anonymously shall be treated confidentially to the extent possible, consistent with the need to conduct an adequate investigation.
6. Any complaint that is received by an employee, member, officer, or director of the organization other than the Past President, shall be immediately forward the complaint to the Past President.
7. Handling of Complaints/Investigation. The Past President is responsible for receiving and evaluating each Complaint. The Past President shall provide each member of the Executive Committee with copies of all complaints and accompanying documentation and shall keep the Executive Committee apprised of the status of the complaint and the investigation of same. Once the Past President received a complaint, the Past President shall initiate an investigation of such complaint after consultation with corporate Counsel and shall resolve all such complaints with the input of the corporate counsel. The Past President shall provide a summary of all complaints to the Board of Directors at each regularly scheduled meeting of the board.

8. **Assessment of Complaint.** The Past President, independent of organization management, shall assess the complaint in a reasonable timeframe to determine whether the complaint requires:
 - a. Referral to the appropriate legal enforcement authorities;
 - b. Further inquiries to be made; or
 - c. Final resolution.
9. **Confidentiality of a Complaint.** Complaints made in accordance with this policy shall be treated confidentially to the extent possible consistent with the need to conduct an adequate investigation. Only persons who need to know shall be informed of the complaint and its contents. Employees who make or receive a complaint or who otherwise have involvement in administration of the matter, must not disclose information pertaining to the complaint, other than for the proper administration of the matter.
10. **Records Management.** The Past President shall maintain all confidential files on complaints in a secure environment and shall maintain proper records of the complaints received and the action taken on them.
11. **Protection for employees who are the subject of a complaint.** Employees, members, officers, or directors who are the subject of an adverse allegation in a complaint may secure their own accounting and/or legal representation. If the employee, member, officer, or director believes the complaint is wholly without merit and submits a written request to the organization explaining the basis of that belief, the organization may, at its absolute discretion, reimburse the employee, officer, or director for the subsequent reasonable and necessary expense of such personal representation.
12. **Employees, members, officers, or directors shall always be given the opportunity to respond to an adverse allegation made about them in a complaint before any adverse finding is made.**
13. **Employees, members, officers, or directors shall be assumed to be innocent of any adverse allegation contained in a complaint until evidence is produced to the required standard of proof to show otherwise.**
14. **Responsibilities of all employees.** All employees, members, officers, and directors should be aware of their responsibility to act legally, professionally, and fairly at all times while performing activities for the organization.