# New Mexico Swimming

# Conflict of Interest Policy

## Procedures

### Duty to Disclose

In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of a Financial Interest and be given the opportunity to disclose all material facts to the directors or members of committees with whom it is considering the proposed transaction or arrangement. Determination if Conflict of Interest Exists A. A member of the Board or a committee may declare the existence of a conflict of interest and recluse him/herself from discussion of the proposed transaction or arrangement and any and all votes, or

After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, he/she shall leave the meeting while a determination of a Conflict of Interest is discussed and voted upon by the remaining board or committee members deciding if a conflict exists.

### POLICY & PROCEDURE

An Interested Person may make a presentation at the board or committee meeting, but, unless requested to stay by a majority of the members, 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.

The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement for which there is a conflict of interest.

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

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in 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.

## Annual Statements

Each director, principal officer and member of a committee shall annually sign a statement which affirms such person:

1. Has received a copy of the conflicts of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy, and
4. Understands that NMSI 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.

## Periodic Reviews

To ensure NMSI operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews of its compliance with this policy shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits for NMSI employees and independent contractors are reasonable, based on survey information, and the result ofarm’s length bargaining.
2. Whether partnerships, joint ventures, and arrangements with management organizations conform to NMSI’s written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurnment, impermissible private benefit or in an excess benefit transaction.
3. Prior to each meeting the Chair of such meeting shall inquire of all Interested Persons if there are other items of conflict that should be disclosed prior to discussion and voting of item on the current agenda. Secretary for the committee meeting shall make a record of any additional such Financial Interest disclosures.

# New Mexico Swimming

# Annual Statement Regarding Conflict of Interest

At this time, I am a member of the New Mexico Swimming Board of Directors, a committee chair or committee member, and an owner / employee of the following organizations giving rise to a direct or indirect Financial Interest in the following: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Now this is to certify that I am an Interested Person and, except as described below, and not now nor at any time during the past year have been:

1. A participant, directly or indirectly, in any financial arrangement, agreement investment or other activity with any vendor, supplier, or other party doing business with the NMSI which has resulted or could result in personal benefit to me.
2. A recipient, directly or indirectly, of any salary payments or loans or gifts of any kind or any free service or discounts or other fees from or on behalf of any person or organization engaged in any transaction with NMSI.
3. I acknowledge that as a Interested Person I have:
   1. received the NMSI Conflict of Interest policy, and
   2. read and understand the policy and,
   3. agree to comply with the policy, and
   4. understands the NMSI 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.

Any exceptions to 1 or 2 above are stated below with a full description of the transactions and of the interest, whether direct or indirect, which I have (or have had during the past year) in the persons or organizations having transactions with NMSI. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed and dated this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_.

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Printed name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_