

# Bylaws of Compass Arts Creativity Project, Inc.

A Nonprofit, Public Benefit New York Corporation

## I. Purpose

The organization is organized exclusively for charitable, religious, educational, and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding sections of any future federal tax code.

## II. Mission Statement

Compass Arts Creativity Project's mission is to create healthy, just, equitable, and resilient communities through arts based classes, performances, and events rooted in exploration, collaboration, creation, and play. We believe that communities are stronger when broadly applicable problem solving skills are encouraged at every age level and that the best way to build problem solving skills is through the development of, and experience of creativity.

## III. Our Values

### **A. Participatory Governance:**

People involved in and touched by our organization deserve to be a part of the decisions that impact them. Power and decision making structures that allow people with direct experience of issues are not only more supportive of personal sovereignty, but also more effective in achieving goals.

### **B. Power With, Not Power Over:**

We are creating a space where all people can step fully into their power. We support each other to exercise our power in ways that support the power, visions, and development of one another.

We interrogate and transform relationships where one person's empowerment relies on the disempowerment, control, or coercion of another.

### **C. Radical Inclusivity:**

We are creating a space where all people can belong, regardless of nationality, religion, race, class,

financial standing, gender, sexual orientation, ability, or any other dimension of their experience. We acknowledge that we live within and have been conditioned by a system that centers some dimensions of humanity at the expense of others. In order to create a radically inclusive space we must take proactive steps to elevate the people, identities, cultures, energies, and characteristics that our dominant system marginalizes.

#### **D. Accountable Solidarity:**

Our work and our liberation is deeply bound together with many communities. We foster relationships and understandings that will allow us to do our work in a way that uplifts all people. We recognize that this requires taking proactive steps to ensure our activities do not unintentionally reproduce the oppression of the dominant system by excluding the needs of women, LGBTQIA+ people, people of color, indigenous people, disabled people, or any other group that is often denied voice in the decisions that impact them. We engage in the ongoing practice of solidarity, and remain open to feedback from all communities we touch. We recognize that such growth will require ongoing education.

## **IV. Management Principles**

The organization is managed through participatory processes designed and stewarded by the Staff. These processes include input from external stakeholders when appropriate. The processes are expected to emerge over time in response to the activities of the organization. The Staff develops the practices they are using to coordinate their activities while the Board monitors and supports Staff self-direction.

The following four rules are general guidelines to inform the creation of participatory management structures.

1. People with the most direct experience of issues have the most insight into what action is best.
2. People who are affected by decisions should have the power to influence those decisions.
3. Professional and technical expertise should be leveraged to support, not overpower, the voice and needs of those directly connected to the issue.
4. People and teams that are not directly connected to impacted communities can be useful to help coordinate collective action, support logistics, and hold long term concerns (like financial planning), but can also run the risk of mistakenly consolidating power and breaching principles one through three.

## **V. Power-Holding Groups**

**A. General Circle:**

The General Circle is comprised of all Staff members. This body sets policies for the organization, makes high-level decisions about strategy implementations, delegates decisions and activities to appropriate program circles, and approves creation of program circles.

**B. Program and Admin Circles:**

Program circles are comprised of Staff and, when appropriate, external partners. These circles are responsible for fulfilling the purposes that have been defined for them by the General Circle. The exact number, configuration, and membership of these circles will change over time. Members of these circles have the power to make decisions and execute their purpose in accordance with their best judgment. If their activities will impact another circle or the organization as a whole, they must seek advice/input from other affected people.

**C. Board of Directors:**

The Board does not direct the on-the-ground work of the organization. Rather, the Board primarily directs the processes of governance that enable Staff to accomplish the on-the-ground work. For more information on the role of the Board, see the “Board Role,” “Board Approval,” and “Board Member Roles” sections below.

**D. Financial Management Team:**

The financial management team is comprised of one or more Staff members and one Board representative (the Treasurer, more info below). This team is responsible for ensuring responsible banking, accounting practices, and financial transaction practices. They are also responsible for stewarding a participatory budgeting process, and ensuring the final product of that process is financially feasible.

## VI. Accountability

There are three levels of accountability in the organization: Interpersonal, Intra-organizational, and Community.

**A. Interpersonal:**

We foster a culture of direct and compassionate communication, personal growth, and acceptance. We encourage and welcome loving feedback about the impacts of our behavior on the work and our community.

**B. Intra-Organizational:**

Decision-making bodies within the organization are accountable to one another. If a program circle makes a decision that might impact another program circle, they are required to get that other circle's consent. If a program circle makes a decision that impacts the organization as a whole, they are

required to get the consent of the General Circle.

### **C. Community:**

Every member of our organization is encouraged to actively build relationships with people outside our organization that are impacted by our work. Our strategy is developed by the General Circle with the expressed intention to include any available input from built relationships, including representatives from partner organizations and representatives from the communities we serve.

## **VII. Strategy Process**

Strategy emerges from a worker-directed process that incorporates the input of community partners, impacted communities, and the Board of directors. The Board of directors helps the Staff reflect on the efficacy of the process.

## **VIII. Role of the Board**

The Board does not direct the on-the-ground work of the organization. Rather, the Board primarily directs the processes of governance that enable Staff to accomplish the on-the-ground work.

The role of the Board shall always be to fulfill its duty of care by:

- Monitoring the activities of the Organization,
- Regularly reviewing financials and budgets,
- Ensuring compliance with the law,
- Reviewing internal policies adopted by Staff and ensuring that the Staff is engaging in a participatory governance process that meets the standards described in these Bylaws,
- Intervening to change or make a decision when the Board reasonably believes that Staff have made a decision, are contemplating an action, or have taken an action that is overly risky, illegal, threatening to the Organization's tax exempt status, or contrary to the mission of the Organization; any such intervention shall be temporary in nature until the Board is satisfied that the system of Staff Trustee governance can carry on, uninterrupted, to carefully govern and advance the mission of the Organization.

## **IX. Board Meetings and Notice**

The Board will meet at least twice per year, with at least 15 days notice. Any 2 Directors may call additional Board meetings with at least 2 days notice, and meetings may be virtual. Organization may provide notice by mail, text message, email, or an electronic platform accessible to Directors.

## X. Board Decision Making Norms

Quorum is considered two-thirds of voting Board members. Once a quorum is met, a majority vote of those in attendance shall be sufficient for board action.

All decisions are made through a consent-based process (proposal moves forward if no objections), or alternatively a democratic process (majority rules). When deciding, all Board members can ask clarifying questions and voice reactions to the proposal. After questions are answered and reactions are either responded to or incorporated as changes to the proposal, the meeting facilitator will ask if there are objections.

Any Board member can object to a decision on the grounds it violates a fiduciary duty, does irreparable harm to the organization, or sets the organization backward in its mission. A decision is adopted if there are no objections. In some instances the Board may determine a democratic process is required for the sake of efficiency, in which case the Board may vote with the majority determining the outcome. Determination regarding the utilization of a democratic process is automatic if all agree, or by two-thirds vote.

The Board may make decisions outside of a meeting if all directors unanimously consent to the decision in writing. For the purposes of this Section only, "all directors" shall not include any "interested director" as defined in the Conflict of Interest Policy of these bylaws.

## XI. Board Roles

The Organization shall have between 3 and 12 directors and collectively they shall be known as the Board of Directors. The number of directors at any given time shall be determined by the Board. The minimum and maximum number may be changed by amendment of this bylaw. Board members shall serve 3 year terms with option to renew once.

Directors may remove a director for any reason with approval of 2/3 of directors and appoint someone to replace them.

Board Chair	The Board Chair coordinates Board logistics, facilitates Board meetings, and sets Board meeting agendas.
Treasurer	The Treasurer ensures the organization is using responsible financial management and accounting practices.

Secretary	The Secretary keeps Board notes and ensures the organization has systems to remain compliant with relevant laws.
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## XII. Selecting the Board

Board candidates can be nominated by members of the Staff or the Board. Candidates are nominated either to be a general director or for one of the roles defined above.

Any member of Staff or Board can object to a nominee on the grounds that they would (1) interfere with their ability to do their job in a way they cannot accept, (2) contradicts the values of the organization, (3) sets the organization back in its mission, (4) makes it so they can no longer participate in the group with integrity.

After any objections to nominees have been processed, Board members are chosen using a majority vote of existing Board members and Staff.

If there are more than one nominee for a position, the vote is between the multiple nominees.

If there is only one nominee for the position, the vote is between that nominee and continuing the search process to find a better fit.

## XIII. Removal from the Board

Any Director may be removed for cause by a majority vote of the Board provided there is a quorum of not less than a majority of the Board present at the meeting of the Board at which such action is taken. Examples of cause include, but are not limited to, failing to attend a majority of Board meetings and breaching one's duties of care, loyalty and obedience to the Organization.

## XIV. Board Qualifications

The following are characteristics all Board members should have:

- Compassionate communication
- Support of Staff-directed participatory governance
- Familiarity with the issues the organization seeks to affect
- Demonstrated commitment to solidarity
- Awareness and ownership of their social identities

- We particularly value identities that are commonly marginalized

Additionally, Board members must have the skills necessary to fulfill their roles, as detailed in Appendix 1.

## XV. Directors and Officers Insurance

Organization shall maintain an ongoing Directors and Officers Liability Insurance Policy in accordance with the needs and interests of the Board of Directors and Organization's Officers such that it provides coverage adequate to meet the needs of all concerned parties while its cost does not cause irreparable harm to the Organization.

## XVI. Employee Compensation

Employees shall be fairly compensated. Either of the following two methods of determining compensation shall be presumed to be fair, though other methods of determining fairness may be applied:

1. The financial management team develops pay rate proposals with input from employees, and the Executive Director and/or Board approves them; and/or
2. Employees receive, at a minimum, the amount considered by the MIT Living Wage Index to be a living wage in the County they reside in.

In the case where a pay rate proposal includes alterations to the pay for the Executive Director or any immediate family members of the Executive Director Board approval is required.

Employees shall be equitably compensated. Either of the following methods of pay calculation shall be presumed to be equitable, though other methods of determining equity may be applied:

1. Various forms of guidance regarding equitable pay determination (leaning towards that provided by the Sustainable Economies Law Center) are utilized in determining pay rates, and/or
2. The ratio of highest to lowest paid employee (excluding paid interns) shall not exceed 3:1 and the exact rate of pay for employees is determined with input from employees.

In the interest of transparency the Organization shall make current compensation rates per each individual employee freely available to all employees.

## XVII. Binding the Organization

Any Officer may sign a document or make a binding commitment on behalf of Organization, and the Board may designate other people, such as certain Directors or Staff, to do the same.

## XVIII. Amending these Bylaws

All changes to the bylaws must be approved by a two thirds vote of Board members, and must receive consent from the Staff via the collective decision making process defined herein at the time of the bylaw change.


## XIX. Dissolution

Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code.

## XX. Certificate

I, Gina Samardge, certify that I am the current elected and acting Secretary of the Organization, and the above bylaws are the bylaws of this Organization as adopted by the Board of Directors on November 14, 2023, and that they have not been amended or modified since the above.

EXECUTED on this day of November 14, 2023, in the County of Dutchess in the State of New York.

  
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(Signature of Secretary)

## Appendix 1: Definitions

**“Board”** - AKA “Board of Directors”, the body that governs the organization as per the laws of New York State.

**“Director”** - a member of the Board of Directors.

**“Officer”** - a member of the Board with an assigned title and related duties (for instance, “Chair”, “Treasurer”, “Secretary”).

**“Independent Director”** - a member of the Board who is NOT an employee of the organization.

**“Executive Director”** - the primary staff member who runs the organizations day-to-day activities.

**“Staff”** - paid employees of the organization.

## Appendix 2: Board Role Detail

### **Chair**

The duties of the Chair shall be:

- The Board Chair coordinates Board logistics, facilitates Board meetings, and oversees Board meeting agendas.

### **Treasurer**

The duties of the Treasurer shall be:

- Serving as the corporation's Treasurer as required by the State of New York,
- Communicating with Staff Trustees in charge of managing Organization's finances to learn about current expenditures, projected revenue, and any changes to the budget.
- Reviewing internal procedures for managing and reviewing finances, either using the Treasurer's own expertise or that of a paid accountant who is not a Staff Trustee.
- Ensuring that Staff are keeping adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses either using the Treasurer's own expertise or that of a paid accountant who is not a Staff trustee.
- Asking Staff about any confusing or concerning budget items, expenditures, or transactions, and bringing any unresolved concerns to the Board.
- Ensuring that the full Board receives reports about the financial status of Organization
- Ensuring that Organization makes its financial information available to the public, in accordance with any policies regarding transparency.

The Treasurer is not expected to take part in financial decision-making or regular bookkeeping by Staff Trustees, but may intervene when there is concern about misfeasance, expenditures which do not advance Organization's mission, or financial instability of Organization.

### **Secretary**

The Duties of the Secretary shall be:

- Annually reviewing legal compliance requirements and ensuring that Organization is staying up-to-date with all filings and is operating in compliance with the law.
- Ensuring that Organization is keeping proper meeting records and following procedures under the Corporations Code.
- Ensuring that Staff provide the public with all reports and information required by Organization policies on Transparency and Recordkeeping.
- Fielding and responding to complaints and grievances by Staff in accordance with any Whistleblower or Grievance Policies adopted by Organization
- Keeping an online folder shared with all Directors containing minutes of all meetings of the directors, and, if applicable, meetings of committees of directors, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or

represented at the meeting, and the proceedings thereof. See that all notices are duly given in accordance with the provisions of these bylaws or as required by law.

- Reporting to the rest of the Board about legal compliance status and the status of any complaints
- Maintaining familiarity with the limits and possibilities of 501c3 law and ensuring that Organization stays focused on its tax exempt purposes

### **All Board Members**

All Board Members have the following responsibilities:

- Attend all Board meetings
- Be fiduciaries to the organization
- Ensure proper financial governance

All Board Members are encouraged to:

- Keep up to date on the activities of the Organization through the Organization's newsletters, website, and social media platforms.
- Assist the Organization with fundraising and personally donate when possible.
- Perform outreach into the community through their own spheres of influence.
- Communicate the community's needs and values to the organization, speaking out for their interests, and on their behalf, holding the organization accountable.
- Assist with strategic planning that contributes to the direction, core values and goals of the Organization.
- Participate in trainings and workshops.

## Appendix 3: Conflict of Interest Policy

### Article I Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or 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.

### Article II Definitions

1. Interested Person: Any director, principal officer, or member of a committee with governing Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family: a. An ownership or investment interest in any entity with which 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. d. Compensation includes direct and indirect remuneration as well as gifts or favors that aren't insubstantial. A financial interest isn't necessarily a conflict of interest.

Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing Board or committee decides that a conflict of interest exists.

### Article III Procedures

1. Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement.
2. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.
3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing Board or committee shall determine whether the Organization can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement isn't 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.

#### 4. Violations of the Conflict of Interest Policy

- a. If the governing Board or committee has reasonable cause to believe a member (a director or officer) has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

#### Article IV Records of Proceedings

The minutes of the governing Board and all committees with Board delegated powers shall contain:

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

## Article V Compensation

1. A voting member of the governing Board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that 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 governing Board 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.

## Article VI Annual Statements

Each director, principal officer, and member of a committee with governing Board delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflict of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy, and
4. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

## Article VII Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes, and doesn't 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:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. 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 don't result in inurement, impermissible private benefit, or in an excess benefit transaction.

## Article VIII Use of Outside Experts

When conducting the periodic reviews, as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing Board of its responsibility for ensuring compliance.

## Appendix 4: Document Retention and Destruction Policy

### Section 1. General Guidelines.

Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records. From time to time, the Organization may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

### Section 2. Exception for Litigation Relevant Documents.

The Organization expects all officers, directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or the Organization informs you, that Organization records are relevant to litigation, or potential litigation (i.e., a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

### Section 3. Minimum Retention Periods for Specific Categories.

#### (a) Organizational Documents.

Organizational records include the Organization's articles of incorporation, by-laws and IRS Form 1023, Application for Exemption. Organizational records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.

#### (b) Tax Records.

Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the Organization's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.

#### (c) Employment Records/Personnel Records.

State and federal statutes require the Organization to keep certain recruitment, employment and personnel information. The Organization should also keep personnel files that reflect performance reviews and any complaints brought against the Organization or individual employees under applicable state and federal statutes. The Organization should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven years.

(d) Board and Board Committee Materials.

Meeting minutes should be retained in perpetuity in the Organization's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three years by the Organization.

(e) Press Releases/Public Filings.

The Organization should retain permanent copies of all press releases and publicly filed documents under the theory that the Organization should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the Organization.

(f) Legal Files.

Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

(g) Marketing and Sales Documents.

The Organization should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.

(h) Development/Intellectual Property and Trade Secrets.

Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the Organization and are protected as a trade secret where the Organization: (i) derives independent economic value from the secrecy of the information; and (ii) has taken affirmative steps to keep the information confidential. The Organization should keep all documents designated as containing trade secret information for at least the life of the trade secret.

(i) Contracts.

Final, execution copies of all contracts entered into by the Organization should be retained. The Organization should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

(j) Correspondence.

Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for two years.

(k) Banking and Accounting.

Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for three years. Any inventories of products, materials, and supplies and any invoices should be kept for seven years.

(l) Insurance.

Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.

(m) Audit Records.

External audit reports should be kept permanently. Internal audit reports should be kept for three years.

Section 4. Electronic Mail.

E-mail that needs to be saved should be either: (i) printed in hard copy and kept in the appropriate file; or (ii) downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this document.

## Appendix 5: Whistleblower Policy

Organization encourages its employees to report improper activities in the workplace and will protect employees from retaliation for making any such report in good faith.

### 1. Employee Rights

Employees have the right to report, without suffering retaliation, any activity by Organization or any of our employees that the employee reasonably believes: 1) violates any state or federal law; 2) violates or amounts to noncompliance with a state or federal rule or regulation; or 3) violates fiduciary responsibilities by a nonprofit corporation.

In addition, employees can refuse to participate in an activity that would result in a violation of state or federal statutes, or a violation or noncompliance with a state or federal rule or regulation.

Employees are also protected from retaliation for having exercised any of these rights in any former employment.

The whistleblower protection laws do not entitle employees to violate a confidential privilege of Organization (such as the attorney-client privilege) or improperly disclose trade-secret information.

### 2. Where to Report

Employees have the duty to comply with all applicable laws and to assist Organization to ensure legal compliance. An employee who suspects a problem with legal compliance is required to report the situation(s) to the Executive Director or a member of the Board of Directors if the complaint involves the Executive Director.

Employees may also report information regarding possible unlawful activity to an appropriate government or law enforcement agency.

### 3. Protection from Retaliation

It is the intent of this policy to encourage employees to report fraudulent or illegal activities and there shall be no retaliation for any reports made pursuant to this policy. Any employee who believes they have been retaliated against for whistle blowing may file a complaint with either the Executive Director or the Chair of the Board of Directors. Any complaint of retaliation will be promptly investigated and remedial action taken when warranted. This protection from retaliation is not intended to prohibit managers or supervisors from taking action, including disciplinary action, in the ordinary course of business based on valid performance-related factors.