

## USHJA POLICY STATEMENT

**Subject: Compensated Services**

**Policy Number: GA108**

**Date of Board Adoption: March 12, 2012**

**Board Approved Effective Date: March 12, 2012**

### **Background**

From time to time, Board members, officers, committee members and/or staff of the United States Hunter Jumper Association, Inc. (“USHJA”) may be in a position to provide certain services (the "Services") to or for the benefit of USHJA. The provision of the Services to or for the benefit of USHJA may create a conflict of interest or a perception of a conflict of interest, particularly if the individual involved is to be compensated or remunerated in return for the Services.

At the same time, the existence of a conflict of interest, or a potential conflict of interest, does not necessarily disqualify the individual from performing the Services. In fact, the performance of the Services could prove to be of great benefit to USHJA, as long as the individual and USHJA properly handle the potential conflict of interest.

Therefore, USHJA has developed this policy to address the steps that must be followed in the event a Board member, officer, committee member and/or staff member desires to provide Services to or on behalf of USHJA.

### **Policy**

If a director, officer, committee member or staff member (an “Individual”) desires to provide one or more Services to or on behalf of USHJA, that Individual and USHJA shall follow the following guidelines:

- 1) The Individual shall disclose all relevant details about the Services to be provided, including without limitation the nature of the Services, and the amount of compensation or remuneration proposed to be paid to the Individual.
- 2) The relevant Board or committee of USHJA shall conduct its due diligence into the Services to be provided and the Individual's proposal. This due diligence shall include, but shall not be limited to, the specific qualities of the Individual and whether he/she brings any unique attributes to the performance of the Services, what other providers may be available in the marketplace to provide the Services, and whether the Individual's proposal is fair and reasonable, or even beneficial when compared to other proposals, to USHJA. The relevant Board or committee shall also seek out competing proposals for the Services wherever possible.
- 3) While this process is pending, the Individual must not use his or her position to influence in any way USHJA’s decision on whether or not to hire the Individual to perform the Services. Specifically, in case of any board, committee, officers or staff meeting at which the issue is discussed, the Individual must:

- a) immediately disclose the actual or potential duality of interest/conflict of interest;
  - b) provide the body with relevant information that may be helpful in the deliberations on the Services to be provided and the Individual's proposal;
  - c) answer any questions posed by members of the body;
  - d) once all questions have been answered, immediately leave the meeting while the issue is being discussed; and
  - e) not participate in any way, or try to influence in any way the outcome of, the vote on the matter.
- 4) If USHJA does choose to hire the Individual to perform the Services, the Individual shall diligently comply with any and all terms and conditions on such hiring as may be imposed by USHJA. At a minimum, the Individual shall provide to USHJA regular reports on the progress of the Services provided, and shall work with USHJA to ensure that the compensation or remuneration provided to the Individual does not create a private benefit or private inurement, as defined by the Internal Revenue Service.
- 5) Any disputes arising under or in connection with this policy shall be decided by a majority vote of the Board of Directors, whose decision shall be final, binding and non-appealable to any other court, arbitration panel or governing body.

If you have any questions regarding this policy, please contact the Executive Director of USHJA, at (859) 225-6701.