



CODE OF ETHICS & CONFLICT OF INTEREST STANDARDS & PROCEDURES

MISSION: To promote the advancement of Classical Dressage through educational opportunities and programs and the rigorous evaluations received at USEF/USDF recognized and schooling dressage shows.

CODE OF ETHICS: Given its mission, the Arizona Dressage Association (ADA and/or the Organization) has adopted a Code of Ethics to guide its Board members, Committee members and Show Staff in their conduct when acting on behalf of the ADA. The Code contains broad principles reflecting the types of behavior the ADA expects toward members, sponsors, Show Staff, peers and the public. This policy is not intended as a stand-alone policy. It does not embody the totality of ADA ethical standards, nor does it answer every ethical question or issue that might arise. Rather, it is one element of a broader effort to create and maintain a quality organization that gives ethical conduct the highest priority and is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations. Furthermore, because the appearance of impropriety can be just as damaging as actual impropriety, conduct which appears to be improper is also unacceptable.

Each Board member, Committee member and Show Staff member should:

- a. Listen to ADA members and make all reasonable efforts to satisfy their needs and concerns within the scope of our mission, and to strive for excellence and innovation and demonstrate professional respect and responsiveness to members, sponsors and others.
- b. Respect the rights of all members, competitors and Show Staff to fair treatment and equal opportunity, free from discrimination or harassment of any type including but not limited to verbal, physical and sexual harassment.
- c. Respect the confidentiality of personal and/or sensitive information about the ADA, its members, sponsors, Board and Show Staff.
- d. Comply with applicable federal, state and local laws, regulations and fiduciary responsibilities in an effort to create transparency in all of our operations.
- e. For the Board of Directors, provide credible and effective oversight to the organization's work without personal bias.
- f. Not accept commissions, gifts, payments, loans, promises of future benefits or other items of value from anyone who has or may seek some benefit from the ADA in return.
- g. Know, understand and comply with the laws, regulations, and codes of conduct governing the conduct of ADA competitions and business.
- h. Ensure that all transactions are handled honestly and recorded accurately.
- i. Avoid conflicts of interest, both real and perceived.

- j. Never use ADA assets, your position within the ADA organization or sensitive ADA information for personal gain.
- k. Recognize that even the appearance of misconduct or impropriety can be very damaging to the reputation of the Organization and act accordingly.
- l. Be accountable for implementing and following these Code of Ethics and Conflict of Interest Standards.

DUTY OF LOYALTY: Among the fiduciary obligations of an officer, director or Committee member of a non-profit corporation is a duty of loyalty to the non-profit organization. This includes supporting, and not opposing directly or indirectly or taking any other stance against, the policies and positions duly adopted by ADA's Board of Directors. As representatives of the ADA, officers, directors, and Committee members are obligated to maintain this duty of loyalty in all manner of activities. This duty of loyalty is not intended to, nor should it discourage debate within Board or Committee meetings. Such debate is encouraged and is part of the individual's responsibility in the deliberation process.

CONFIDENTIALITY: In order to encourage and foster open and candid discussion at any Code of Ethics or Conflict of Interest deliberations, the Board of Directors of the ADA believes confidentiality must be maintained. Therefore, it is the policy of the Board of Directors that each director and/or Committee member shall keep confidential any and all information or discussion relating to alleged ethics or conflict of interest violations at its meetings unless compelled by legal process to disclose such information, or as otherwise agreed by the Board and/or Committee.

ARTICLE I DEFINITIONS

1. INTERESTED PERSON

Any voting Director, Alternate Director, Committee member, or Show Staff member who has a direct or indirect financial, material or personal interest, as defined below, is an interested person.

2. FAMILY

ADA defines "family" for these purposes as follows: spouse, parent, child or spouse of a child, brother, sister, spouse of a brother or sister, a cohabiting companion, or any other individual with a significant familial or familial-like relationship.

3. CONFLICT OF INTEREST

ADA defines a conflict of interest as any personal or financial (both direct and indirect) relationship including relationships of family members (see definition above) that could influence or be perceived to influence an interested person's objectivity when representing or conducting business for, or on behalf of, ADA. ADA defines a substantial appearance of a conflict of interest as whenever others may reasonably infer from the circumstances that a conflict exists.

4. 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 ADA has a transaction or arrangement, or
- b. For staff: a compensation arrangement with any entity or individual with which the ADA has a transaction or arrangement, or

- c. For volunteers: a compensation arrangement with the ADA or with any entity or individual with which the ADA has a transaction or arrangement, or
- d. 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.
- e. Compensation includes direct and indirect remuneration, as well as, gifts or favors that are substantial in nature.

5. INAPPROPRIATE HOSPITALITY OR GIFT GIVING

ADA defines inappropriate hospitality as the offering or receiving of accommodations, event tickets, entertainment, meals or other similar personal benefits except as specifically provided for by applicable policies. Inappropriate hospitality or gift giving between individuals can also create a conflict of interest. Similarly, ADA prohibits the receipt or giving of personal gifts valued over ten dollars (\$10.00) unless specifically provided for by applicable policies.

ARTICLE II CONFLICT OF INTEREST PROCEDURES

1. DUTY TO DISCLOSE

In connection with any actual or possible conflict of interest, an interested person has an affirmative obligation to disclose the existence and nature of his or her financial or other interest to the appropriate ADA entity considering the proposed transaction or arrangement. Because the appearance of impropriety can be just as damaging as actual impropriety, conduct that appears to be improper must be disclosed so that the appropriate ADA entity may determine whether such substantial appearance of a conflict is deemed to be a prohibited conflict of interest.

2. DETERMINING WHETHER A CONFLICT OF INTEREST EXISTS

After disclosure of a financial or material interest, the interested person shall recuse themselves from any Board or Committee meeting while the financial or material interest is discussed and voted upon. An interested party also must abstain from voting and from seeking to influence the vote on any matter related to the person or concern. An individual must excuse himself/herself from participating in any ADA activity giving rise to a substantial appearance of a conflict of interest unless and until it is deemed by the appropriate ADA entity that no conflict exists. However, the interested person may follow all application procedures concurrent with the general membership requirements (i.e., participation of a Board member in ADA sponsored clinics and events) while a determination regarding a potential conflict is made and a reasonable effort will be made to make a final determination before the commencement of any ADA activity in question. The remaining Board members and/or an Ad Hoc Conflict of Interest Committee shall decide if a conflict of interest exists.

3. PROCEDURES FOR ADDRESSING A FINANCIAL CONFLICT OF INTEREST

- a. After exercising due diligence, the Board or Committee shall determine whether the Organization can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- b. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the 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 and for its own benefit and whether the transaction is fair and reasonable to the Organization and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

- c. In the event the Committee determines that there is an *egregious* financial conflict of interest (a member seeking financial or material gain with conspicuous intent), it may take, but is not limited to taking, any of the following actions:
 1. A warning from the Board, which could be a written statement to be included in the minutes of the successive Board meeting and may be included in the published minutes for the general membership.
 2. A 6-month suspension from the Board.
 3. Immediate and permanent dismissal from the Board.

ARTICLE III CODE OF ETHICS PROCEDURES

1. REPORTING AN ETHICS VIOLATION

The reporting party must submit a written complaint to any member of the Board with any/all evidentiary support at which time disinterested Board members will meet in executive session to either make a determination on the validity of the alleged violation and/or form an Ad Hoc Code of Ethics Committee for the purpose of addressing the alleged violation. Any Board member who becomes aware of a potential ethics violation has an affirmative obligation to report an alleged violation to an appropriate disinterested Board member and/or Code of Ethics Committee member. The reporting party will remain anonymous to all parties with the exception of the Committee and/or Board members deliberating on the alleged violation.

2. DETERMINING WHETHER AN ETHICS VIOLATION EXISTS

- a. After reporting of a potential ethics violation, the complaint will be presented to the person named in the complaint. This person will have 10 days to respond to the Board or the Committee in writing regarding the complaint. The Board will meet in executive session or the Ad Hoc Committee will meet to discuss and review the complaint and determine if the complaint is valid. No minutes will be taken during these sessions, and strict confidentiality to be kept.
- b. If the Committee determines that the complaint is valid, appropriate disciplinary and corrective action will be taken as defined below.

3. PROCEDURE FOR ADDRESSING VIOLATIONS OF THE CODE OF ETHICS

- a. Any person who violates or condones the violation of the Code of Ethics is subject to disciplinary measures, which may include termination of membership and/or expulsion from the Board or Committee.
- b. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board or Committee determines that the member has, in fact, engaged and/or failed to disclose an actual or possible code of ethics violation, the appropriate entity may take, but is not limited to taking, any of the following actions:
 1. A warning from the Board, which could be a written statement to be included in the minutes of the successive Board meeting and may be included in the published minutes for the general membership.
 2. A 6-month suspension from the Board.
 3. Immediate and permanent dismissal from the Board.

**Code of Ethics & Conflict of Interest
Standards & Procedures
Receipt and Acknowledgement**

ACKNOWLEDGEMENT:

I hereby acknowledge that I have received a copy of the ADA's Code of Ethics & Conflict of Interest Standards & Procedures (Code).

I further acknowledge that I have read and understand all of my obligations, duties, and responsibilities under each provision of the ADA's current Code of Ethics & Conflict of Interest Standards & Procedures and will read and understand all of my obligations, duties and responsibilities under all future amendments and modifications to the Code.

Signature: _____
Printed Name: _____
Date: _____

Arizona Dressage Association

Conflict of Interest Disclosure Form

ADA requires that interested persons (voting Director, Alternate Director, Committee member, or Show Staff member) annually file a conflict of interest disclosure form. Potential conflicts of interest will be evaluated by appropriate Board or Committee members for a final determination.

Conflicts of interest include but are not limited to:

- Board member or an immediate family member is employed by or has engaged in business dealings with the ADA or organizations that do business with or have received donations/awards or gifts from ADA;
- Board member serves on the board or committee of an organization that does business with or has received donations/awards or gifts from ADA;
- Immediate family member of a board member serves as a board member or committee member of an organization that does business with or has received donations/awards or gifts from ADA;
- Board member has a financial interest, either direct or indirect, in matters pertaining to ADA that may impair his or her independence of judgment and ability to place the interests of ADA foremost in making Board decisions.

Acknowledgement

I have read and understand the Conflict of Interest Standards and Procedures regarding possible conflicts of interest and I agree to its terms.

I wish to report any potential conflicts by identifying relevant connections below.

Name of organization

Nature of Relationship

Signature: _____

Date: _____