



MEMORANDUM

Date: February 10, 2025
To: Executive Board Directors
From: Office of Treasurer/CFO
Re: Conflict of Interest Form

“Policy 315” in our policy manual (attached) requires officers and directors to fill out a Conflict of Interest Form. It is important that we update our records annually for this policy. Enclosed is the three page form for you to review, fill out and sign.

- On page one please print your name where indicated and list “**Director**” on the Position/Title line.
- Read and answer the four questions on pages one and two.
- Finally; read, date and sign the Certification on page two.
- Return the entire form to Ward Hayes, Recording Secretary.

To return the form you may do one of the following:

- Fax to: 214.292-9365
- Email to: Anna Rosales
- Mail to: Anna Rosales
7557 Rambler Road, Suite 1200
Dallas, TX 75231-2388

If you have any questions about the form, please call Ward Hayes at 214.828.5310 or 1.888.244.9400.

Enc.



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CONFLICTS OF INTEREST POLICY

I. Purpose

The purpose of the conflicts of interest policy is to protect the Convention's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Executive Board director of the Convention. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

II. Definitions

A. Interested Person

Any director, principal officer, or member of a committee with board-delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.

B. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or immediate family--

- i. an ownership or investment interest in any entity with which the Convention has a transaction or arrangement, or
- ii. a compensation arrangement with the Convention or with any entity or individual with which the Convention has a transaction or arrangement, or
- iii. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Convention is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

The Executive Board or a committee, after receiving full disclosure of the conflict, may decide to proceed with the proposed transaction; a vote of the majority of the members who have no conflict is required.

III. Duty to Disclose

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and must be given the opportunity to disclose all material facts to the Executive Board directors and members of committees with board-delegated powers considering the proposed transaction or arrangement.

IV. Violations of the Conflicts of Interest Policy



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A. If the Executive Board or appropriate committee has reasonable cause to believe that 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 response of the member and making such further investigation as may be warranted in the circumstances, the Executive Board or appropriate committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

V. **Records of Proceedings**

The minutes of the Executive Board and all committees with board-delegated powers shall contain 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 board's or committee's decision as to whether a conflict of interest in fact existed.

VI. **Compensation**

A. A voting member of the Executive Board who receives compensation, directly or indirectly, from the Convention for services is precluded from voting on matters pertaining to that member's compensation.

B.A voting member of any Executive Board committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Convention for services is precluded from voting on matters pertaining to that member's compensation.

VII. **Statements**

Each Executive Board director, principal officer, and member of a committee with board-delegated powers shall sign a statement which affirms that 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 that the Convention is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

VIII. **Periodic Reviews**

To ensure that the Convention operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an



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organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- A. Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining.
- B. Whether partnership and joint venture arrangements and arrangements with management service organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Convention's charitable purposes and do not result in inurement or impermissible private benefit.

IX. **Use of Outside Experts**

In conducting the periodic reviews, the Convention may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring that periodic reviews are conducted

5/23/06