



STANDARDS OF BUSINESS CONDUCT

I. GENERAL POLICY

It is the intent of the Minnesota School Nutrition Association (MSNA) to carry out its mission and activities in accordance with the highest ethical standards. This requires compliance with MSNA Standards of Business Conduct by all members in national leadership positions, in all actions and transactions.

As referred to in this Policy, members of the leadership, or “Member Leaders”, shall include: Officers, members of the Board of Directors, chairs and members of committees and the Industry Advisory Board and the State Agency Council chairs and members.

Other Board policies and Association governing documents also affect Member Leaders’ conduct. The Association’s success depends upon maintaining a strong ethical and positive public reputation. Therefore, in many instances these Standards of Business Conduct go beyond the requirements of law or of those other documents. Together with other applicable policies and guidelines of the Association, compliance with these Standards of Conduct will help protect the Association’s reputation for honesty and integrity.

The Standards cannot address every applicable law, regulation or policy and provide answers to all questions that might arise. Member Leaders must ultimately rely on their good judgment in determining what is the right course of action and when it is appropriate to seek guidance from association leadership.

II. SPECIFIC POLICIES

In order to achieve the highest standards of conduct for MSNA activities, the following Specific Policies are adopted to supplement and clarify the General Policy. Specific Policies may apply to certain leadership positions, but not to others, as specifically noted.

A. Compliance with Federal, State and Local Laws and Regulations

Obeying the law, both in letter and in spirit, is one of the foundations on which the Association’s Standards of Business Conduct have been developed. All Member Leaders must respect and obey the laws of the jurisdictions in which the Association operates. Although not all Member Leaders are expected to know the details of these laws and regulations, it is important to use good judgment and seek advice and counsel from others when there are questions or a need for clarification of the Policy.

B. Conflict of Interest

All Officers, Directors, and other members holding leadership positions within the Association, as defined above, shall scrupulously avoid any conflict between their respective individual interests and activities and the interests of MSNA. It is intended that members holding national elected or appointed leadership positions shall give their undivided loyalty to MSNA, its mission and its goals, and their fiduciary obligations of loyalty, care and obedience, in any and all actions taken by them on behalf of MSNA in their leadership capacities.

- Product endorsements shall not be made by Member Leaders nor shall they appear in any advertisements, industry articles or industry-contributed articles featuring endorsement of any product, company, service or industry during their term of office. Member Leaders may not work in an exhibitor booth during any MSNA meeting.

Exception: Member Leader industry members are exempt from this provision.

- Member Leaders may not serve on advisory boards or boards of directors in other non-profit or for profit organizations that do not consistently share MSNA's policy views, in order to avoid a possible conflict of interest and the possible perception that MSNA endorses that organization's policies and activities.

This specific policy applies to all Member Leaders.

- Member Leaders may not serve on advisory boards or boards of directors of organizations that have publications, trade shows or other events that compete with MSNA for advertisers, exhibitors or sponsors.

Exception: Member Leader industry members are exempt from this provision.

- Member Leaders may be offered gifts, hospitality or entertainment from persons or entities with which the Association has relationships, such as vendors, sponsors, advertisers, exhibitors, joint ventures, hospitality or transportation industry sales representatives or others.
 - Gifts or entertainment from persons or organizations with which the Association has relationships must support the legitimate interests of the Association.
 - Member Leaders should avoid accepting gifts of more than a nominal value of \$100. Exceptions to this policy must be approved by the Board of Directors through the process outlined in Section F, Administration of the Policy.

This specific policy applies to all Member Leaders.

- Compensation is not permitted if such compensation may directly or indirectly affect the Member Leader's work with the association.

This Specific Policy applies to all Member Leaders.

- Member Leaders shall not solicit or accept any form of compensation from MSNA for services provided by them during their term.

This Specific Policy applies to all Member Leaders.

- If any Member Leader derives or appears to derive a personal gain or benefit from a transaction with MSNA, or shall have any direct or indirect interest in, or relationship with, any individual or organization:
 - which proposes to enter into any business transaction with MSNA; or
 - which proposes to render or employ services, personal or otherwise, to MSNA; or
 - which may be seen as competing or conflicting with the interests or concerns of MSNA,

the Member Leader shall promptly provide notice of such interest or relationship to the President. The President will notify the full Board of Directors.

The Board of Directors may decide on the appropriate action. Regardless of the Board of Directors' decision whether to proceed with the transaction or not, if the Member Leader is a member of the Board of Directors, they shall refrain from voting or otherwise attempting to affect any decision for MSNA to participate or not to participate in such a transaction, and the manner and terms of such participation.

Minutes of applicable meetings should reflect that such disclosure was made and that such Member Leader was excused from the discussion and abstained from voting on the matter.

Examples that are a Conflict of Interest

In order to clarify the policy, and to address interpretation questions that have been raised from time to time, the following are examples of conflicts of interest:

- a) Having a direct financial or close personal interest in a company or product which could be affected by a decision of the Board of Directors, a committee or a council, on which the Member Leader serves.

Exception: Member Leader industry members are exempt from this provision.

- b) Appearing on vendor web sites, advertisements or other opportunities endorsing or implying endorsement of a product or service.

Exception: Member Leader industry members are exempt from this provision.

- c) Serving simultaneously on the SNA board of directors, whether as a voting or non-voting member, while serving as an Officer or Director on the MSNA Board of Directors.

Exception: State Agency members who sit on state affiliate boards are exempt from this provision.

- d) Serving as a spokesperson or in a leadership role in another organization with which MSNA does not share consistent policy views.
- e) Accepting a fee to speak or provide training at a state affiliate meeting or conference or speaking at state conferences representing the Board of Directors and then speaking at a break out session for a fee, representing one's own consulting business.
- f) Accepting a MSNA sponsored scholarship.
- g) Consulting work of any kind that may impact the impartiality and objectiveness of decisions or issues that come before the Board of Directors, committees or councils.
- h) Accepting gift cards or contest prizes from industry members, exhibitors or other organizations with a value >insert value here<.
- i) Maintaining paid or unpaid advisory relationships with an industry company.

Exceptions: Member Leader industry consultants are not subject to restrictions on speaking fees or advisory board or other board relationships with an industry company.

The above list of conflicts of interest is provided for information only and is not exhaustive.

Examples that are not a conflict of interest

For additional clarification, the following are examples of activities that normally are not considered conflicts of interest:

- a) Consulting work that does not impact the ability to be impartial or objective on decisions or issues that come before the Board of Directors, a committee or a council, such as providing meal planning expertise to another school district, managing a purchasing cooperative, consulting with another organization that does not have certain school nutrition program expertise available to it, etc. for compensation.
- b) Training for the Institute of Child Nutrition (ICN) for compensation.

- c) Training on school nutrition programs, management and administration topics in school districts for compensation.
- d) Teaching school nutrition content at a community college or in other academic settings or institutions for compensation.
- e) Writing and publishing books on school nutrition content, including royalty income, if the book is consistent with MSNA policies.

The above list of examples that are not conflicts of interest is provided for information only and is not exhaustive.

C. Financial Fiduciary Responsibilities

- Member Leaders should deal fairly and in good faith with all persons with whom the Association has financial transactions and business relationships. No Member Leader should take unfair advantage of anyone through misrepresentation or any unfair business practice.
- Member Leaders should avoid all personal financial transactions with persons or entities that may influence their ability to perform their fiduciary duties to MSNA fairly and objectively.
- Financial records and reports should be accurate, timely and in accordance with any applicable Federal or state laws or accounting rules or principles. All reports made to government authorities must be complete, accurate and timely.
- Association documents should never be falsified or distort the true nature of any transaction.
- All transactions must be supported by accurate documentation.
- Member Leaders must cooperate with audits of financial records, as requested.
- Member Leaders must observe all of MSNA's financial recordkeeping, reporting and expense reimbursement policies.

D. Use of Association Physical Assets

Association physical assets are to be used only for Association purposes, not personal use. Physical assets include the Association's equipment, computers and software, technology and data base information. The occasional minor personal use of some Association physical assets is not an issue.

- Member Leaders may not take away from the Association any opportunity for financial gain that arises or is discovered because of their use of Association property or information.
- Deliberate misuse of Association physical assets is a violation of the Policy, may be considered theft and may result in disciplinary action or criminal prosecution.
- Association computer systems and equipment are meant for Association business use only. For example, they should never be used for outside businesses, illegal activities, gambling or pornography.

E. Confidential and Proprietary Information

It is the obligation of Member Leaders to safeguard the Association's confidential and proprietary information. Information that is identified as confidential or proprietary information is not to be shared with anyone outside the Association unless authorized for disclosure by the President.

Confidential and proprietary information is any information that has not been disclosed or made available to the membership and the general public. It includes items such as financial data, plans for acquisitions or divestitures, evaluations of joint ventures or other endeavors, association policy positions, personal information about Member Leaders, members or employees, material contracts, financial arrangements, real estate transactions, major management changes and other Association developments.

Members of the Board of Directors sign a confidentiality agreement at the beginning of each year at the first board meeting held after taking office. The members of the Board sign additional confidentiality agreements as needed for specific topics. A statement about the confidentiality of the proceedings is read at the beginning of each Board meeting.

F. Administration of the Policy

Distribution of the Policy During the Nominations Process for Elected Positions:

- Potential candidates for elected positions on the MSNA Board of Directors and the Leadership Development Committee shall be provided a copy of the Standards of Business Conduct Policy. Each candidate will be asked to acknowledge in writing that they have read and understood the Policy and intend to comply with it, from the date of their election through their term of office.

Distribution of the Policy Upon Installation of Elected Members of the Board of Directors:

- Each member of the Board of Directors will sign a Standards of Business Conduct Policy at first official board meeting and orientation.

Process for Reporting and Resolving Compliance Issues

Member Leaders should take all responsible steps to prevent violations of this Policy. As issues and questions arise on compliance with the Policy, they shall be resolved as follows:

- Members or Member Leaders should contact the Executive Director when they have an issue or concern about compliance with this Policy. The Executive Director will consult with the President and legal counsel in interpreting the policy, as necessary, and then will follow up with the affected member or Member Leader.
- If the member or Member Leader is not satisfied with the interpretation provided by the Executive Director and the President, has a different interpretation of this Policy or if there are extenuating circumstances, the matter will be referred to the ad hoc Ethics Committee by the President. If necessary, legal council may be involved in the first two steps.
Ad hoc committee shall be composed of the three most recent past presidents and two past members of the MSNA board selected by the three recent past presidents.
- Members or Member Leaders who makes a report anonymously must recognize that the Association will then be unable to follow up for further information or to inform them of the disposition of the report.
- The Ethics Committee shall review the issue, and if necessary and appropriate, shall conduct a prompt investigation, including requesting relevant documents and interviewing witnesses. The Ethics Committee shall make a recommendation to the Board of Directors based on their investigation and interpretation of this Policy.
- The Board of Directors shall either ratify the Ethics Committee's recommendation, or return the issue to the Ethics Committee for further investigation or vote to dismiss the issue.
- The Board of Directors may take corrective and or disciplinary actions which may include, alone or in combination with, a letter of warning, a letter of reprimand,

revocation of a Member Leader's position or other appropriate action, as deemed appropriate by the Board of Directors.

- Anyone who retaliates against another member for reporting known or suspected violations of this Policy will be in violation of the Policy. Retaliation may also be a violation of law; as such, it could subject both the individual offender and the Association to legal liability.
- The President will communicate the Board of Directors' decision in writing to the member and/or Member Leader who raised the issue.
- Copies of decisions by the Board of Directors will be maintained by the Association and made available to auditors or investigators, as required.

This Policy shall be reviewed annually for the information and guidance of all members who serve the Association in a leadership capacity.

Approved: October 23, 2019
Executive Board of Directors
MINNESOTA SCHOOL NUTRITION ASSOCIATION