University of Northern Iowa Alumni Association
Conflict of Interest and Excess Benefits Policy
Effective: December 2006

The UNI Alumni Association and the Association Board of Directors insist upon high standards, ethical behavior, personal integrity, and impartiality in its transactions. Association Directors and staff must not act in any way that might be construed as self-dealing or that might conflict with the goals and standards of the UNI Alumni Association or the University of Northern Iowa.

1) **Responsibility for disclosing potential conflicts of interest.** The University of Northern Iowa Alumni Association (UNIAA) requires interested insiders to disclose to the UNIAA President and Chair any potential conflicts of interest; including situations in which they are disqualified persons (see Excess Benefits, below).

A copy of this policy shall be furnished to each Director and staff member of the UNIAA. Each Director and management staff member shall complete an annual declaration disclosing any relationships or memberships which may present a potential conflict of interest, or an appearance of a conflict, and shall indicate that he/she has read, understands and agrees to adhere to the policy as stated. Directors and staff shall also be expected to disclose new potential conflicts as they arise.

2) **Responsibility for monitoring potential conflicts of interest.**
   a) The UNIAA will monitor the activities of its interested insiders to identify potential conflicts of interest. The UNIAA President will monitor staff and potential conflicts of interest. The UNIAA Executive Committee and Chair will be responsible for monitoring potential conflicts of interest involving the Association Board of Directors.

   b) Any Director, Officer or Board committee member may request that the UNIAA Executive Committee determine, by majority vote, whether a conflict of interest exists with regard to the participation of any Director, officer or staff member in a particular situation or transaction.

3) **Action to remedy conflicts of interest.**
   a) A Director or staff member is expected to recuse himself or herself from any UNIAA committee or process considering action in which he or she has a business or significant financial interest. (An example is serving in an executive position for any organization that does business with the UNIAA, UNI or the UNI Foundation.)

   b) The Chair and President will review potential conflicts of interest and recommend remedial action.

4) **Transactions with potential to provide excess benefits.** To assure the integrity of its business transactions, the University of Northern Iowa Alumni Association will not engage in any transactions that excessively benefit persons who exert influence over the UNIAA’s decisions (A disqualified person). It is noted that neither commonly accepted ethical practice nor Internal Revenue Service regulations prohibit transactions between the UNIAA and
disqualified persons. Transactions that provide excess benefits, or the appearance of excess benefits are, however, prohibited.

a) **Definitions** (taken from Internal Revenue Service Code section 4958)
   i) “Excess benefits transactions” are those in which a charity provides an economic benefit to a “disqualified person” beyond the value of the consideration provided in return to the charity.
   ii) A “disqualified person” is any person who was in a position to exercise substantial influence over the affairs of this organization at any time during the five-year period ending on the date of the transaction. This includes voting members of the UNIAA governing body, officers, the UNIAA President and persons with a material financial interest in the Association. Corporations, partnerships, trusts and estates, in which such persons are directors, trustees, partners, and five percent direct or indirect shareholders or officers are also considered disqualified. Persons who are family members of disqualified persons are also considered to be disqualified. Persons who are substantial contributors to the UNIAA are considered disqualified.

b) **Transaction standards:** The UNIAA’s transactions with disqualified persons must meet certain standards.
   i) Compensation must be reasonable, i.e. congruent with compensation ordinarily paid for like services by like enterprises under like circumstances.
   ii) Purchases of property must be made at fair market value.
   iii) Compensation for property or services must be made at fair market value.
   iv) Loans by the UNIAA to disqualified persons are prohibited.

c) **Monitoring:** To assure that these standards are observed, the UNIAA Board will conduct a thorough review of any proposed transaction with a disqualified person. All such transactions must be approved by the UNIAA Board. Board members may not vote on the transaction under consideration if they are a) themselves disqualified with regard to the transaction or b) receiving compensation or other consideration from the disqualified person involved in the potential transaction. They may, however, be counted in the quorum required for the meeting. The Board will document the decision(s).

December 9, 2006
CONFIDENTIAL

University of Northern Iowa Alumni Association
Potential Conflict of Interest Declaration

Name: _________________________________

Position: _______________________________
(Director, Committee Member, Employee)

1. Are you or any member of your immediate family employed by, associated or affiliated with any vendor, supplier or service provider to University of Northern Iowa Alumni Association? If so, please list the names of those businesses and describe the relationships.

2. Are you, any immediate member of your family, or any firm with which you are employed by or affiliated with, compensated for services provided to University of Northern Iowa Alumni Association? If so, please describe the services and the total amount of fees or compensation received during the past twelve months.

3. Are you familiar with the UNIAA Policy on Conflict of Interest, including your responsibility to abstain from any committee or board vote, attempt to influence such votes, or any other activities which would create a potential conflict of interest for you and University of Northern Iowa Alumni Association?

I have reviewed the Conflict of Interest Policy statement of University of Northern Iowa Alumni Association, and agree to abide by the terms of the policy.

____________________________________
(Signature)

____________________________________
(Print Name)

____________________________________
(Date)