

USA Ultimate

Conflict of Interest Policy

USA Ultimate, as a nonprofit, tax-exempt organization, depends on charitable contributions from the public. Maintenance of its tax-exempt status is important both for its continued financial stability and for the receipt of contributions and public support. Therefore, the IRS, as well as state corporate and tax officials, view the operations of USA Ultimate as a public trust that is subject to scrutiny by and accountability to such governmental authorities as well as to members of the public.

Consequently, there exists between USA Ultimate and its directors, officers, and management employees a fiduciary duty that carries with it a broad and unbending duty of loyalty and fidelity. The directors, officers, and management employees have the responsibility of administering the affairs of USA Ultimate honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of USA Ultimate. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with USA Ultimate or knowledge gained therefrom for their personal benefit. The interests of the organization must have the first priority in all decisions and actions.

A) PERSONS CONCERNED: This statement is directed not only to directors and officers, but to all employees who can influence the actions of USA Ultimate. For example, this would include all who make purchasing decisions, all other persons who might be described as "management personnel," and all who have proprietary information concerning USA Ultimate.

B) AREAS IN WHICH CONFLICTS MAY ARISE: Conflicts of interest may arise in the relations of directors, a party related to a director (which is defined to include a spouse, a descendant, an ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the director or a party related to a director has a beneficial interest, or an entity in which a party related to a director is a director, officer, or has a financial interest), officers, and management employees with any of the following third parties:

1. Persons and firms supplying goods and services to USA Ultimate;
2. Persons and firms from whom USA Ultimate leases property and equipment;
3. Persons and firms with whom USA Ultimate is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property;
4. Competing or affinity organizations;
5. Donors and others supporting USA Ultimate;
6. Agencies, organizations, and associations that affect the operations of USA Ultimate; and
7. Family members, friends, and other employees.

C) NATURE OF CONFLICTING INTEREST: A material conflicting interest may be defined as an interest, direct or indirect, with any persons and firms mentioned in Section B. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with USA Ultimate.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) in any third party dealing with USA Ultimate.
3. Receiving remuneration for services with respect to individual transactions involving USA Ultimate.
4. Using USA Ultimate's time, personnel, equipment, supplies, or good will for other than Ultimate Players Association approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing with USA Ultimate. Receipt of any gift is disapproved except gifts of nominal value that could not be refused without discourtesy. No personal gift of money should ever be accepted.
6. A contract, transaction, or other financial relationship between USA Ultimate and a director or a party related to a director (as defined in Section B above), or between USA Ultimate and an entity in which a director is a director or officer or has a financial interest.

D) INTERPRETATION OF THIS STATEMENT OF POLICY: The areas of conflicting interest listed in Section B, and the relations in those areas that may give rise to conflict, as listed in Section C, are not exhaustive. Conceivably, conflicts might arise in other areas or through other relations. It is assumed that the directors, officers, and management employees will recognize such areas and relation by analogy.

The fact that one of the interests described in Section C exists does not mean necessarily that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material that upon full disclosure of all relevant facts and circumstances that it is necessarily adverse to the interests of USA Ultimate.

However, it is the policy of the board that the existence of any of the interests described in Section C shall be disclosed and all procedures of the policy followed before any transaction is consummated. It shall be the continuing responsibility of the directors, officers, and management employees to scrutinize their transactions, the transactions of a party related to a director and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

E) DISCLOSURE POLICY AND PROCEDURE: Disclosure should be made according to the standards set forth by USA Ultimate.

Transactions in which a conflict of interest may arise may be undertaken only if all of the following are observed:

1. A material transaction is fully disclosed in the audited financial statements of the organization;
2. The related party is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists;
4. The organization's board has acted upon and demonstrated that the transaction is in the best interest of the organization; and
5. In the event the transaction involves a director, a party related to a director, or an entity in which a director is a director or officer or has a financial interest, then:
 - a. The material facts as to the director's relationship or interest and as to the conflicting interest transaction must be disclosed or must be known to the board of directors or the committee, and the board of directors or committee in good faith must authorize, approve, or ratify the conflicting interest transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors are less than a quorum; and
 - b. The transaction must be fair to USA Ultimate.

Disclosure in the organization should be made to the chief executive (or if the chief executive is the one with the conflict, then to the board chair), who shall determine whether a conflict exists and is material, and if the matters are material, bring them to the attention of the board chair (or to the entire board if the matter is brought initially to the board chair).

Disclosure involving directors or a party related to a director should be made to the board chair, who shall bring these matters, if material, to the board.

The board shall determine whether a conflict exists and is material, and in the presence of an existing material conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to USA Ultimate. The decision of the board on these matters will rest in their sole discretion, and their concern must be the welfare of USA Ultimate and the advancement of its purpose.

USA Ultimate
Conflict-of-Interest Disclosure Statement

Throughout this Disclosure Statement, the term “related party” is defined to include your spouse, your descendent, your ancestor, your sibling, the spouse or descendent of your sibling, an estate or trust in which you or a related party has a beneficial interest, or an entity in which a related party is a director, officer, or has a financial interest.

Please initial in the space at the end of Item A or complete Item B, whichever is appropriate, complete Item C, and sign and date the statement and return it to the board chair.

A. I am not aware of any relationship or interest or situation involving a related party or myself that might result in, or give the appearance of being, a conflict of interest between such related parties or me on one hand and USA Ultimate on the other. _____

Initials

B. The following are relationships, interests, or situations involving me or a related party that I consider might result in or appear to be an actual, apparent or potential conflict of interest between such related parties or myself on one hand and USA Ultimate on the other; _____

Initials

For-profit corporate directorships, positions, and employment:

Nonprofit trusteeships of positions:

Memberships in the following organizations:

Contracts, business activities, and investments with or in the following organizations:

Other relationships and activities:

My primary business or occupation at this time:

I have read and understand USA Ultimate’s conflict-of-interest policy and agree to be bound by it. I will promptly inform the board chair of USA Ultimate of any material change that develops in the information contained in the foregoing statement.

Type/print name

Signature

Date

USA Ultimate

Conflict-of-Interest Disclosure Statement – Related Parties

Preliminary note: In order to be more comprehensive this statement of disclosure/questionnaire also requires you to provide information with respect to related parties. For purposes herein, these “related parties” and include the following:

- a. your spouse, your descendent, your ancestor, your sibling, the spouse or descendent of your sibling, an estate or trust in which you or a related party has a beneficial interest, or an entity in which a related party is a director, officer, or has a financial interest,
- b. any corporation or organization of which you are an officer or a partner or are, directly or indirectly, the beneficial owner of 10 percent of more of any class or equity securities, or
- c. any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar capacity.

1. NAME (please print) _____

2. CAPACITY: _____ national board
 _____ executive committee
 _____ officer
 _____ committee member
 _____ national staff
 _____ other, specify: _____

3. Have you or a related party provided services or property to USA Ultimate in the past year?

_____ YES _____ NO

If yes, please describe the nature of the services or property:

4. Have you or a related party purchased services or property from USA Ultimate in the past year?

_____ YES _____ NO

If yes, please describe the purchased services or property:

5. Please indicate whether you or a related party had, have, or will have any direct or indirect interest in any business transaction(s) in the past year to which USA Ultimate was or is a party?

_____ YES _____ NO

If yes, describe the transaction(s):

6. Were you or a related party indebted to pay money to USA Ultimate at any time in the past year (other than travel advances or the like)?

____ YES ____ NO

If yes, please describe the indebtedness:

7. In the past year, did you or a related party receive, or are entitled to receive, directly or indirectly, any personal benefits from, or as a result of your relationship with USA Ultimate that in the aggregate could be valued in excess of \$1,000 that were not or will not be compensation directly related to your duties to USA Ultimate?

____ YES ____ NO

If yes, please describe the benefit:

8. Are you or a related party a party to or have an interest in any pending legal proceedings involving USA Ultimate?

____ YES ____ NO

If yes, please describe the proceeding(s):

9. Are you aware of any other events, transactions, arrangements, or other situations that you believe should be examined by USA Ultimate's board or the executive committee in accordance with the terms and intent of USA Ultimate's conflict of interest policy?

____ YES ____ NO

If yes, please describe the situation(s):

I HEREBY CONFIRM that I have read and understand USA Ultimate's conflict-of-interest policy and that my responses to the above questions are complete and correct.

Signature

Date