



BOARD OF TRUSTEES

ROLES, RESPONSIBILITIES & MORE

JUNE 14, 2017

BOARD OF TRUSTEES

We appreciate your willingness to serve the Minnesota Dental Association. Our association fills an important role in supporting the profession and in supporting overall oral health. We believe that you will find serving on the Board a rich and rewarding experience.

As a member of the Board of Trustees, you and your fellow board members are responsible for overseeing the association's operations, while maintaining our commitment to its mission. This involves establishing our strategic direction, ensuring our compliance with all applicable legal requirements, and keeping our association financially healthy. This document will help you understand your rights and responsibilities as a trustee so that you can effectively carry out these duties. We encourage you to refer to it whenever you have questions about your board service.

Over the past several years, many groups and associations have placed a great emphasis on nonprofit governance. We strive to maintain a board that promotes a culture that meets the new generation of nonprofit standards; a board that focuses on governing rather than managing. We see meeting these new standards as the best way to practice our mission and keep our association healthy.

Before you begin reviewing the items in this document, you should remember that you are not alone. When exercising your responsibilities, you may draw from the expertise of your fellow trustees and management. You may rely on the expertise of individuals retained by our association to assist the association. These individuals include our legal counsel, independent auditors and contract lobbyists among others.

In addition, you are encouraged to visit the MDA website: www.mndental.org which provides a wealth of information regarding association structure, activities, programs, member benefits and services, along with a list of current board members, staff and district leaders.

We sincerely appreciate your interest in serving the members of the Minnesota Dental Association.

Yours Truly,

The members of the Board of Trustees

Tips for being a great board member

- Learn about the association – its mission, strategic plan, programs, policies, operations, finances, challenges and opportunities. Read the articles of incorporation and bylaws.
- Participate in the board member orientation program. Ask questions. Continue to stay informed during your service on the board. Learn something new about the association each month.
- Attend all board and assigned committee meetings and participate actively. Be attentive during meetings – save the newspaper and your cell phone for the breaks. Come prepared to participate in discussions and make decisions. Review the agenda and any supporting materials prior to the start of the meeting and make notes.
- Participate responsibly in board and committee meetings. Know the basic operation of the parliamentary authority used by the MDA. Respect your fellow board members and their time. Keep to the agenda and avoid digressions that do not move the association forward.
- Support the decisions of the board. Once a decision has been made, it is the decision of the board. Question it in private with the board if you must but support the decision that is made before the staff, the volunteers and the public.
- Use any special skills or training you may have to further the work of the board and the association. Treat association staff or paid consultants with respect. Express professional disagreement in a way that moves the discussion forward. Your fellow board members may rely on your expertise so be careful in the opinions that you give. You may not consider yourself to be an expert but your fellow board members may. Distinguish your personal opinions from your professional ones when sharing them with the board.
- Accept committee assignments and make the most of your committee service. Recognize that not everyone can be on the “fun” committees. The association is served by the work of all of its committees.
- Accept the non-governance responsibilities that come with service on the board – attend social and other functions sponsored by the association when your schedule allows, communicate with others about the work of the association, and show your support for the association when talking with others.
- Follow all conflict of interest and confidentiality policies of the association. Err on the side of reporting even potential conflicts. Do not ask for favors or special treatment.
- Do not take on more responsibility than you can reasonably handle given your employment, family and other social and volunteer commitments. You will be a more effective volunteer if you do one or two assignments well and do not spread yourself too thin.

- Follow board policies and hold other board members to them too.
- Be financially literate. Be able to read and understand the financial reports. Review the 990 filed by the association each year.
- Understand the budget in terms of the dollars but also how the funds are being allocated.
- Hire outside auditors. Meet with them as a board without any staff present.
- Read the management letter from the auditors and discuss any items identified as potential problems by the auditors.
- Understand your role as a trustee and the roles of staff and other volunteers in the governance and operation of the association.
- Respect the senior staff member's position and responsibility to manage the staff. Do not ask the staff to support your pet projects. Do not say negative things about staff or other board members to the staff.
- Participate in the active recruitment, selection and orientation of new board members.
- Serve as a mentor for a new board member when you are ready.
- Help to identify and cultivate new leaders on the board.

BOARD OF TRUSTEES

Serving on the Board is a rewarding and important responsibility. This guide informs volunteer leaders of the unique aspects associated with governing a not-for-profit organization.

"The board governs... ...the staff manages."

Leadership: Volunteer leaders are responsible for the direction of the organization. The board governs, develops policy and sets a course for the future. The Board maintains focus on the mission and strategic goals and should avoid micromanaging the organization and staff. Function(s):

- Governance
- Policy & Position Development
- Visionary-Future Focus
- Fiduciary

Management: Paid staff and contractors are responsible for the administration of the organization. Staff act as partners to the board, advancing the goals and strategies, while taking care of the daily administrative needs unique to nonprofit organizations.

Unique Terminology

Not-for-Profit refers to the legal corporate status of the organization. (It does not imply an exemption from paying or collecting state sales tax.) Nonprofit is the casual reference to Not-for-Profit

Exempt Organization is a reference to the IRS designation exempting the organization from paying most federal income tax (with exception of UBIT- Unrelated Business Income Tax.)

IRS 501 (c)(3) designation most often refers to organizations with a religious, charitable, scientific or educational purpose.

IRS 501 (c)(6) designation refers to trade associations, business leagues and professional societies.

Board Responsibilities

- Define the mission, vision, and goals of the organization.
- Hire, fire, and determine compensation and performance targets for the Executive Director.
- Oversee the performance of the organization's programs and services.
- Secure funding toward the accomplishment of organizational objectives.
- Serve as a lead ambassador of the organization to the community.

Insurance and Volunteer Immunity

State and federal governments afford certain protection to volunteer leaders. While the volunteer may have some protection, the organization is still open for legal suits. Insurance coverage adds further protection for volunteers and organization.

Directors and Officers (D&O) Liability may cover legal defense for employment, copyright, and antitrust claims, for instance.

General Liability insurance covers property damage and injuries relating to the organization.

Fidelity Bond covers losses resulting from fraudulent or dishonest acts committed by an employee.

Legal Principles

Duty of Care requires leaders to use reasonable care and good judgment in making their decisions on behalf of the interest of the organization.

Duty of Loyalty requires leaders to be faithful to the organization, avoiding conflicts of interest.

Duty of Obedience requires leaders to comply with governing documents (i.e. bylaws, articles of incorporation, policies, etc.)

Governance Tool Kit

Documents leaders need to be familiar with:

- Statement of Purpose (Mission)
- Articles of Incorporation
- Bylaws
- Budget
- Policy Manual Strategic Plan
- Financial Statements
- Meeting Minutes
- Organizational Charts
- IRS Forms

Treat all governing documents with **confidentiality**.

*The Board of Trustees and Executive Director/Staff are a **team** working to achieve the organization's mission and goals. **Together** their actions add value to and protect the organization.*

The Role of Committees

"Committees recommend + board approves + staff and volunteers implement."

Standing - appointed annually, ongoing committee work.

Ad Hoc - formed for specific or immediate needs and disbanded upon completion of work (a.k.a. Task Force).

Rules of Order Essentials

Agenda ensures that important business is covered and discussions are on topic.

Motions are proposals for action, beginning with, "I move we...."

A **Second** is required for the motion to be discussed.

Discussion comes after a motion is introduced and seconded.

Amendments may be made to most motions if they improve the intent or clarify the original motion.

Tabling lays the motion aside until a specified later time.

Calling the Question ends discussion and demands a vote on the motion.

Voting is the official action after discussion to adopt, amend, kill or table the motion.

Minutes protect the organization by recording the time and location of the meeting, participants, and the outcome of the motions. They are not a place to record conversations, assignments, reports, etc. (Including reports and discussions can incriminate.)

Quorum is number of participants required to conduct business.

#1 lie—"You won't have to do anything when you get on the board!"

High Performing Boards

"Mission Driven - Member Focused"

- **Accountable** and follow through with your commitments.
- **Uphold** governing documents and expectation.
- Determine to be successful - **ENVISION** success.
- **Work as a team** - no individual has an agenda more important than the whole.
- **Value and build relationships** and respect diversity.
- **Focus on outcomes** and the impact the organization can have.

Common Sense

- **Prepare** for meetings; read, read, read!
- **Respect** the chairperson, agenda and rules of order.
- Bring a calendar.
- Start and end **on time**.
- Know the **mission** and goals.
- **Listen** more than you speak.
- Check personal and political agendas at the door.
- **Respect** confidentiality.
- You don't speak for the organization **without authority**.
- **Support the board**; don't bad-mouth any action or person. (Dissenting votes may be noted in the minutes- not outside the meeting.)

Strategic Planning

A strategic plan focuses the board on mission goals for 3 to 5 years. It serves as a road map. **Great board members can think beyond their term of office and outside their area of expertise.**

Data Gathering - survey members, review industry and organizational trends, assess financial performance of ongoing initiatives.

Environmental Scan - review of external and internal influences on the organization, as well as strengths, weaknesses, opportunities and threats (SWOT).

Mission - statement about what the organization is, who it serves, and the services it provides; short, with PR value.

Vision - inspiring, long-term desired outcome; image of success.

Values - guiding principles for board and staff.

Goals - broad targets to advance the mission.

Objectives - S.M.A.R.T. Usually just 3 to 7 to remain focused.

(S) Specific
(M) Measurable
(A) Attainable
(R) Realistic
(T) Time-bound

Strategies - advance the objectives and goals; creative efforts to achieve the mission and serve stakeholders/members.

Action Steps - fit within the strategies (the actions, assignments, deadlines, etc.) a.k.a. annual "operating plan" or "business plan."

Plan Champion - the person (staff and/or volunteer) who keeps focus on the plan.

Risk Management

Protect the organization. Be aware of fiduciary responsibility, contracts, audit results, insurance, IRS requirements, values and ethics, apparent authority, antitrust, etc.

Public Records requests for the organization's annual federal tax return (Form 990, 990-EZ) must be made available for the last 3 years. Significant fines occur for noncompliance.

Antitrust Violations occur when two or more persons from the same industry or profession discuss suppliers, processes, prices or operations. Remove yourself from any conversation that would change how business is conducted because of an agreement among competitors.

Apparent Authority arises when someone, though not granted actual authority, maintains an appearance of and or behaves as if s/he had authority. Authority rests with the Board and may not be assumed by others.

Financial Audits annually to protect board and staff; relying on an audit committee to select, oversee and report on the process.

Conflicts of Interest disclosed at the start of the term and throughout the year.

2015-2018 Strategic Plan

Ensuring MDA Thrives as a 21st Century Organization

Vision Statement

The Minnesota Dental Association is the authoritative resource for oral health and is committed to serving the profession and the public.

Mission Statement

The Minnesota Dental Association is the professional association of dentists committed to serving as a trusted, credible resource to the public and supporting the profession through innovation, advocacy and education.

Goal: To be a convener, collaborator and leader for both the profession and the public's oral health. (Advocacy Goal)

- Preserve the dentist as the leader of an oral health care team.
- Position the MDA as a leader in public health and access to care.
- Advance and advocate for the ethical practice of dentistry.
- Increase member involvement in advocacy through grassroots activities.
- Strengthen and foster relationships with oral health stakeholders.
- Foster relationship between private practice dentists and safety net dentists.
- Minimize impact of state government regulations and facilitate dental office compliance with existing regulations.

Goal: To be effective communicators in a factual and timely manner and responsive listeners to the needs of our members. (Communication Goal)

- Evaluate and implement communication tools to ensure members receive factual and timely information.
- Create structure that fosters the MDA's ability to be active listeners and be responsive to member needs.
- Communicate to members the value of the highest of ethical standards within the dental profession.
- Build mechanisms to ensure active two-way communication within the tripartite structure of organized dentistry.

Goal: To provide a broad range of quality services that are valued by and beneficial to members and which are also effectively communicated to members. (Member Services Goal)

- Assess current member services, determine what the membership values, and provide those services.
- Provide information and support to dental practices regarding dental marketplace issues.
- Increase member awareness of services available and promote benefits of member services.
- Provide targeted member services by demographics.
- Achieve a measurable increase in member participation in MDA endorsed products.
- Provide (via the Star of the North Meeting) access to quality continuing education programs and a tradeshow.

Goal: To be a trusted and credible resource of oral health information, particularly the links between oral and systemic health, and to facilitate solutions and strategies that improve the public's oral health. (Public Health Goal)

- Position the MDA as a leader in oral health promotions, oral health literacy, and access to care for all Minnesotans.
- Increase visibility among non-members regarding the MDA's role in activities that promote the public's health.
- Seek innovative programs/strategies to ensure access to care for all Minnesotans.
- Collaborate with other organizations to improve the health of Minnesotans.

Goal: To achieve excellence in the organizational structure, management, staff, and operational procedures of the MDA. (Organizational Goal)

- Ensure that Board of Trustees and committee initiatives support strategic plan goals and objectives.
- Demonstrate transparency within the MDA among the Board of Trustees, staff, committees, and the membership.
- Research and implement structures/methods to improve organizational effectiveness and operational efficiency.
- Ensure cross-training for key functions within the organization.
- Investigate and implement feedback mechanisms to encourage more statewide member participation.
- Enhance MDA leadership recruitment and development.
- Implement targeted member recruitment strategies to maximize membership market share and dues revenues.
- Explore innovative partnerships to obtain non-dues revenue.
- Adhere to strategic plan goals in making budget decisions.

President

Description:

Elected by the House of Delegates to serve as an officer; chair of board of trustees and executive committee. Serves as Chief Governance Officer and guides the organization and acts as an official representative.

Term: 1 year

Responsibilities:

- Presides at all meetings of this Association and the Board of Trustees, except the House of Delegates, and to perform all the duties required of a presiding officer.
- Serves as a member of the Board of Trustees, the Executive Committee, and the House of Delegates.
- Serves as a member of all committees, ex officio, unless otherwise provided.
- Appoints members to all committees and the chair of each that is maintained by the Board of Trustees.
- Appoints the members of all committees of the House of Delegates unless otherwise provided for.
- Appoints the members and the chairs of any special committees except as otherwise provided. To create any special committee except as otherwise provided.
- Calls meetings as necessary of special or standing committees in addition to such committee meetings as may be called by the chair of such committees.
- Fills any vacancies in the office of Trustee, as provided in the MDA Bylaws.
- Fills any vacancies that may occur except as otherwise provided in the Bylaws.
- Submits a written report of the activities of the office to the House of Delegates.

- Represents the MDA at meetings of component societies or designates an alternative.
- Writes “President’s” column for Northwest Dentistry as per copy deadline established by editor.
- Attends meetings and events as delineated in the “Board Commitments” document appended herein.
- Performs such other duties as may be necessary to carry out the duties of the President.

The President may utilize the counsel and advice of a parliamentarian when a question of order arises. The decision of the President shall be final unless an appeal from such decision is made by a member of the Board, in which case final decision shall be by a majority vote of the trustees present and voting.

A stipend of \$4,000 is available for the president’s term. Certain meetings are eligible for an additional nominal stipend. The stipends may be used in any way the president sees necessary. In addition, the Association shall pay or reimburse the president for all reasonable and necessary business expenses incurred in the performance of his/her duties and in accordance with the policies of, and budget approved by, the Board of Trustees.

President-Elect

Description:

Elected by the House of Delegates to serve as an officer and member of the Executive Committee. Transitions to position of president. Assists the president by overseeing special projects. In the event of disability of the president or other emergency, the president-elect serves in the role of president.

Term: 1 year immediately prior to the term as president.

Responsibilities:

- Presides at meetings of this Association and the Board of Trustees in the absence of the president.
- Serves as a member of the Board of Trustees, the Executive Committee, and the House of Delegates.
- Serves as a member of all committees, ex officio, unless otherwise provided.
- Participate as a Board liaison to one or more MDA committees.
- Serves as chair of the Executive Director Personnel Review Committee.
 - Is responsible for coordinating a timely performance evaluation pursuant to Board policy.
- Submits a written report of the activities of the office to the House of Delegates.
- Represents the MDA at meetings of component societies as necessary.
- Attends meetings and events as delineated in the “Board Commitments” document appended herein.
- Performs such other duties as may be necessary to carry out the duties of the President-Elect.

A stipend of \$3,000 is available for the president-elect's term. Certain meetings are eligible for an additional nominal stipend. The stipends may be used in any way the president sees necessary. In addition, the Association shall pay or reimburse the president for all reasonable and necessary business expenses incurred in the performance of his/her duties and in accordance with the policies of, and budget approved by, the Board of Trustees.

Speaker of the House of Delegates

Description

Presides over all House of Delegates meetings and instructs delegates about parliamentary procedures. Reviews governance documents annually and serves as a resource for parliamentary procedures. Serves as a voting member of the board of trustees. Responsible for acting on all resolutions adopted by the House of Delegates.

Term 3 years

Responsibilities

- Presides over all House of Delegates meetings.
- Instructs delegates about the rules and procedures of the House of Delegates.
- Instructs district leaders about the House of Delegates and the process by which resolutions are submitted.
- Informs delegates and members of the association about the actions taken in fulfillment of the directives of the resolutions adopted by the House of Delegates.
- Serves as a resource on parliamentary procedure at Board of Trustees meetings.
- Serves as a member of the Board of Trustees, the Executive Committee, and the House of Delegates.
- Determines the order of business for each House of Delegates meeting.
- Appoints and coordinates reference committees and delegate reviewers at the House of Delegates.
- Serves as chair of the Nominating Committee/Task Force as may be requested by the President.

- Participates on the Resolution Review Committee
- Serves on the governance work group of the board of trustees.
- Studies and becomes familiar with the American Institute of Parliamentarians (AIP) rules of order.
- Attends meetings and events as delineated in the “Board Commitments” document appended herein.

The Speaker may utilize the counsel and advice of a parliamentarian when a question of order arises. The decision of the Speaker shall be final unless an appeal from such decision is made by a member of the House, in which case final decision shall be by a majority vote of the delegates present and voting.

A stipend of \$1,000 is available for the Speaker’s term. Certain meetings are eligible for an additional nominal stipend. The stipends may be used in any way the Speaker sees necessary. In addition, the Association shall pay or reimburse the speaker for all reasonable and necessary business expenses incurred in the performance of his/her duties and in accordance with the policies of, and budget approved by, the Board of Trustees.

Treasurer

Description:

The Treasurer shall keep and maintain, or cause to be kept and maintained, full and accurate books and records of accounts of this association's properties and transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and other matters customarily including in financial statements.

The Treasurer shall send, or cause to be sent, to the Trustees of this association such financial statements and reports as deemed appropriate and necessary. Treasurer shall answer all queries of the Board of Trustees regarding the financial status of the Association.

The treasurer of the MDA has total and unrestricted access to financial, investment, and audit information of the Association.

Term: 3 Years

Responsibilities:

- Maintain knowledge of the organization and personal commitment to its goals and objectives.
- Understand financial accounting for nonprofit organizations.
- Serve as the chair of the Budget committee.
- Serves as a member of the Board of Trustees, the Executive Committee, and the House of Delegates.
- Serves as a member of all committees, ex officio, unless otherwise provided.
- Manage the board's review of and action related to the board's financial responsibilities.
- Work with the Executive Director and the accounting team to ensure that appropriate financial reports are made available to the board on a timely basis.
- Participate in the development of the annual budget and in the monitoring of actual financial performance in relation to the budget.

- Present the annual budget to the board for approval and for subsequent approval to the House of Delegates
- Review the annual audit and answer board members' questions about the audit
- Attends meetings and events as delineated in the “Board Commitments” document appended herein.
- Performs such other duties as may be necessary to carry out the duties of the Treasurer.

A stipend of \$1,000 is available for the Treasurer per year. Certain meetings are eligible for an additional nominal stipend. The stipends may be used in any way the Treasurer sees necessary. In addition, the Association shall pay or reimburse the treasurer for all reasonable and necessary business expenses incurred in the performance of his/her duties and in accordance with the policies of, and budget approved by, the Board of Trustees.

First and Second VP

Description:

Serves as an officer and member of the Board of Trustees, which oversees the development and implementation of the association strategic plan and approves the annual budget.

Term: 1 Year

Responsibilities:

- Assist the President, President-elect, and First/Second Vice President as requested.
- To familiarize himself or herself with the organizational structure and activities of the Association by serving as a member of all committees, ex officio, unless otherwise provided.
- To submit a written report of the activities of the office to the House of Delegates.
- Participate as a Board liaison to one or more MDA committees.
- Serve as a member of the Board of Trustees, the Executive Committee, and the House of Delegates.
- Attend meetings and events as delineated in the “Board Commitments” document appended herein.
- Perform such other duties as may be necessary to carry out the duties of the 1st and 2nd Vice President.

A stipend of \$2,000 is available for the First VP term and a stipend of \$1,000 for the Second VP term. Certain meetings are eligible for an additional nominal stipend. The stipends may be used in any way the officer sees necessary. In addition, the Association shall pay or reimburse the officer for all reasonable and necessary business expenses incurred in the performance of his/her duties and in accordance with the policies of, and budget approved by, the Board of Trustees.

Trustee

Description:

Serves as a member of the Board of Trustees, which oversees the development and implementation of the association strategic plan and approves the annual budget. Represents the constituents of his/her district but acts in the best interest of the association as a whole.

The Trustee shall be an ex-officio member of the House of Delegates without the power to vote unless duly selected as a delegate of their respective component district society.

Term: 3 Years

Responsibilities:

- Maintain knowledge of the organization and personal commitment to its goals and objectives.
- Maintain regular contact with district leaders in an effort to:
 - monitor membership recruitment and retention activities.
 - attend district meetings and events as appropriate.
 - communicate important MDA news through review of the Board Action Items.
 - offer assistance in organizational affairs as needed.
 - promote MDA activities and initiatives within the district.
 - identify candidates for MDA leadership positions.
 - learn about district issues or concerns that should be brought to the attention of the MDA Board or staff.
- Participate as a Board liaison to one or more MDA committees.
- Attends meetings and events as delineated in the “Board Commitments” document appended herein.
- Performs such other duties as may be necessary to carry out the duties of the Trustee.

Certain meetings are eligible for a nominal stipend and the Association may pay or reimburse the trustee for all reasonable and necessary business expenses incurred in the performance of his/her duties and in accordance with the policies of, and budget approved by, the Board of Trustees.

Board Commitments & Expectations

Board members are reimbursed for all travel expenses. Certain meetings are eligible for a nominal stipend. Time commitments listed may not include travel to and from the event.

MDA Officers are Ex-Officio members of all MDA committees. As such, Officers may attend committee meetings not specifically listed below. As Officers “climb the ladder” it is advisable to attend as many committee meetings as feasible.

All times and meetings/events are subject to change.

Board of Trustees meetings

Approximately 6 in person meetings held primarily at the MDA office.

Expected participants—All members of the Board of Trustees

Executive Committee Meetings

Approximately 11 evening meetings—EC meetings may be conducted as a teleconference or in person depending on the circumstances.

Expected participants—All members of the Executive Committee

Board of Trustees Summer meeting (Retreat)

Meeting held in July or August in the President’s district. Expect a 3 day commitment beginning on Thursday evening and concluding on Saturday evening.

Expected participants—All members of the Board of Trustees

Board of Trustees Orientation

Meeting held in October in the Twin Cities. Expect a 3 day commitment beginning on Friday evening and concluding on Sunday midday.

Expected participants—All members of the Board of Trustees

Significant District Meetings

Approximately six to ten meetings held in a District’s region.

Expected participants—President. It is advisable that the President-Elect, 1st VP, and the 2nd VP attend major District meetings as well.

MDA House of Delegates

One meeting held mid to late September. Expect a 3 day commitment beginning Thursday through Saturday. The meeting location alternates between the Twin Cities and greater Minnesota.

Expected participants—All members of the Board of Trustees and MDA Committee Chairs

ADA House of Delegates

One meeting held mid to late October. Location varies throughout the country.

Expected participants—Although not an obligation, officers should anticipate serving as a delegate to the ADA. This is a 5-6 day commitment.

State Dental Associations' Annual Meetings

Serving as ambassadors at other state dental associations, the officers listed below can expect a 2- 3 day commitment.

Expected participants

- 2nd VP attends North Dakota Annual Meeting—usually mid September
- 2nd VP attends South Dakota Annual Meeting—usually mid May
- 1st VP Attends Nebraska Annual Meeting—usually late March
- President-Elect attends Iowa Annual Meeting—usually early May

Mid-States meeting

Meeting held in summer usually August. Location rotates around 13 participating states. Expect a 3 day commitment beginning on Thursday evening and concluding on Saturday midday.

Expected participants—President-Elect, 1st VP, 2nd VP

Star of the North

Meeting held in mid to late April in St. Paul. Expect a 4 day commitment beginning on Thursday evening and concluding on Sunday midday.

Expected participants—All members of the Board of Trustees

Leadership Conference

One meeting held in March (There may be an additional meeting in November). Usually on a Friday. Meeting held in the Twin Cities. Expect a 1 day commitment.

Expected participants—All members of the Board of Trustees

Dental Day at the Capitol

Meeting normally held in February on a Wednesday or Thursday. However, the meeting may be held in January or March depending on the legislative schedule. Expect a 1 day commitment.

Expected participants—All members of the Board of Trustees

Washington DC Leadership Conference-ADA's Day on the Hill

Meeting normally held in the spring. Expect a 3 day commitment beginning on Monday morning and concluding on Wednesday morning.

Expected participants—President, President-Elect. Other Officers & Trustees may be invited to attend as needed.

President-Elect Conference

Meeting held in July at the ADA headquarters in Chicago. Expect a 2 day commitment. Note that this meeting has been held in January in years past.

Expected participants—President-Elect

School of Dentistry Leadership Dinner

2 meetings held in the Twin Cities. Time of year varies according to schedules

Expected participants—All members of the Executive Committee

School of Dentistry Award Banquet and Commencement

Event held mid May. Award banquet is usually a Thursday evening event. Commencement occurs on Friday morning.

Expected participants—President



MINNESOTA DENTAL ASSOCIATION

POLICIES OF THE BOARD OF TRUSTEES

- P001 Consultant
- P002 Investment
- P003 Conflict of Interest
- P004 Compensation
- P005 Document Destruction
- P006 Whistleblower
- P007 Antitrust Statement
- P008 Financial Conditions and Activities
- P009 Asset Protection
- P010 Financial Planning and Budgeting
- P011 Committee on Nominations
- P012 Reimbursement

ENGAGEMENT AND APPROVAL OF CONSULTANTS

FINANCIAL ADMINISTRATION
Policy Number: P001
Date Approved: 9-20-2012

On occasions there is the need to seek assistance and advice from external parties such as consultants.

The engagement of consultants is appropriate when specific skills, knowledge or expertise required to carry out certain functions are not available from within the organization and that funding is available within the budget to cover the cost of the negotiated fee.

Board members and/or MDA Staff have an obligation to ensure that value for money is achieved and that all transactions are transparent. Due to the complexity, special requirements and the very nature of a consultancy, the establishment of a contract is essential, irrespective of the value.

No work is to be requested of and/or performed by a consultant until a consultant agreement has been approved by the Board of Trustees (or the Executive Director as directed by the Board of Trustees) and duly executed by all parties. Expenses arising from work performed by consultants without the appropriate approval are subject to review by the Board of Trustees and may or may not be paid. If an individual engages the services of a consultant without Board of Trustee approval, that individual may be held responsible for fees due.

When engaging consultants, Board members and or MDA staff must be particularly diligent in addressing the issue of conflicts of interest. A conflict of interest arises where:

1. a consultant has (or appears to have) obligations or interests that may conflict with the consultant's contractual duties to the Board of Trustees and/or the MDA. Potential consultants are required to declare that they are not aware of any reason why their proposed involvement would create a conflict of interest or otherwise lead to a perception of a conflict of interest.
2. a Board member and/or MDA staff member has (or appears to have) personal and/or business obligations or interests in the selection and engagement of a particular consultant. Board members and/or MDA staff are required to declare that they are not aware of any reason why a consultant's involvement would create a conflict of interest or otherwise lead to a perception of a conflict of interest.

The Executive Director is accountable for effectively using resources (including consultancy services) to achieve MDA objectives. Consultancy assignments should be managed and monitored to ensure satisfactory completion, on schedule and within budget, and that contract objectives are met. Consultants shall directly provide the MDA Board of Trustees a written and/or oral report on the contracted project(s).

Contract management involves actively managing the relationship over the term of the contract and may include a properly monitored contract management plan with periodic reporting requirements, clearly defined milestones and deliverables, and a mechanism to accommodate change where necessary. It may be appropriate to establish key performance indicators, which can be used to measure performance when compared to the contract specification and to ensure that value for money is being achieved from the consultancy.

INVESTMENT POLICY

FINANCIAL ADMINISTRATION
Policy Number: P002
Date Approved: 9-20-2012

Purpose

The purpose of the following investment guidelines, which were adopted by the Minnesota Dental Association Executive Committee and the Board of Trustees are to:

Establish the investment objectives, policies, guidelines and eligible securities relating to investments under the control of the Minnesota Dental Association.

1. Communicating the objectives to the Board, staff, investment dealers and brokers.
2. Serving as a review document to guide the ongoing oversight and management of the Association's investments.

Accounts

The Minnesota Dental Association will maintain the following investment accounts:

1. MDA Short Term Reserve Account
 - a. Purpose: An account to hold assets that will likely require utilization within a 3 to 12 month period. These assets will typically be invested in products that preserve asset value and provide instant or near term liquidity. Examples may include: high yield savings accounts, money market accounts, short term certificates of deposits, short term United States Treasury bonds and short term corporate bonds with a minimum "A" grading by two or more rating agencies.
2. MDA Long Term Reserve Account
 - a. Purpose: An account to hold assets that will likely not be utilized within a 12 month or longer time frame. These assets will be used to help offset inflationary risk over the long term and to maximize the growth and earning potential of these assets. Assets will be sub-divided into intermediate term and long term allocations to be defined below. The reserve target of this account is 50% of the current year's budget expenditures.
3. Dedicated Capital Account
 - a. Purpose: An account where assets are earmarked or designated at the discretion of the Board of Trustees/Executive Committee for a specific project or capital outlay use. Typical earmarks would include a major overhaul of technological equipment or other planned major purchases.
4. Emergency Reserves Account
 - a. Purpose: An account where assets or lines of credit are set aside at the discretion of the Board of Trustees/Executive Committee for potential emergencies and/or unanticipated cash outflows. Emergency reserves or lines of credit may be used for disaster recovery, unforeseen legal settlement obligations, fire and any other expenses as deemed necessary by the Board of Trustees/Executive Committee.

Procedures

The following procedures will be followed to ensure that the Investment Policy is consistent with the current mission of the Minnesota Dental Association, and will address the current financial condition of the Association, the current economic environment and any anticipated needs of the Association.

1. The Minnesota Dental Association Investment Policy shall be reviewed annually by the Budget Committee for any necessary revisions. The Budget Committee will comprise of the MDA Treasurer, the Executive Director, the Director of Administration, the MDA President and the MDA President-Elect.
2. Any recommendations, revisions or modifications shall be referred to the MDA Board of Trustees or Executive Committee for approval
3. The MDA Treasurer and the MDA Executive Director will work collaboratively to implement the MDA Investment Policy.

MDA Short Term Reserve Account

The investment objectives of this account are:

1. Provide adequate liquidity
2. Preservation of capital
3. Achieve the highest return possible

Allowable investments:

1. High Yield Saving Accounts
2. Money Market Accounts
3. Short Term Certificates of Deposit
4. Short Term United States Treasury Bonds
5. Short Term Corporate Bonds

General considerations for allowable investments:

1. Short Term Corporate Bonds need to be of sufficient quality to preserve capital. These securities should have a rating of "A" or higher.
2. Certificates of Deposits should not exceed current FDIC limits.
3. All Bonds and Certificates of Deposit should be "laddered" with varying maturities.
4. Historically, the MDA has utilized the assets in the MDA Short Term Reserve Account for daily operation in the months of May, June, July and August. The MDA Short Term Investment Account should be mindful of liquidity in relation to these cash flow needs.

MDA LONG TERM RESERVE ACCOUNT

The investment objectives of this account are:

1. Long term capital appreciation
2. Reduce inflationary risk
3. Minimize volatility
4. Diversification

Allowable investments:

1. High Yield Savings Accounts
2. Money Market Accounts
3. Certificates of Deposit
4. United States Treasury Bonds
5. Corporate Bonds
6. Stocks
7. Broad Based Index Mutual Funds

General considerations for allowable investments:

1. This Account shall be subdivided into Intermediate Term Investments and Long Term Investments splitting the account assets evenly between the two sub accounts.
2. Investments shall not include thinly traded or illiquid securities, penny stocks, private equity funds, hedge funds, derivatives, Limited Partnerships or bonds with call provisions at less than par value.
3. Investment horizons for Long Term Investments shall be five years or longer. Intermediate Term Investments shall be of shorter maturity and lower volatility to be available for possible liquidation if necessary.
4. Investments shall be properly diversified according to investment objectives, investment horizon, risk tolerance and capital needs of the MDA. No more than 20% of these funds should be placed in a security of any one issuer with the exception of U.S. government securities, broad index based funds and FDIC certificates of deposit. No more than 5% may be placed in any single equity position, such as common stock or preferred stock of any one company, or single specialized mutual fund such as a sector specific fund.
5. Investment and trading costs are expected to be kept to a minimum. Investments in a high front end load mutual fund and other high cost investment products are only acceptable with projections of superior returns with no greater downside risk compared to other available options.
6. Corporate Bonds need to be of sufficient quality to preserve capital. These securities should have a rating of "A" or higher.
7. Certificates of Deposits should not exceed current FDIC limits.
8. All Bonds and Certificates of Deposit should be "laddered" with varying maturities.

Dedicated Capital Account

The investment objectives of this account are:

1. Provide for Intermediate to long term capital projects and budgetary requirements.
2. Maximize the rate of return while minimizing principal risk
3. Preservation of capital
4. Diversification

Investment guidelines for the Dedicated Capital Account are:

Investment selection for this account shall be shorter in duration and lower in volatility than the MDA Long Term Reserve Account. These funds should be invested to seek out the highest rate of return without undue principal risk that could cause the MDA to not meet its goals for the earmarked assets. Generally, these investments will be limited to high rated commercial paper, investment grade short term bonds, stable preferred stocks, and any other securities deemed to meet the investment horizon and project funding schedule.

Emergency Reserves Account

The purpose of this account is to set aside assets that may be needed for an emergency or unanticipated use. Generally, the most desirable and advantageous mechanism to handle these unexpected situations is with a Line of Credit. By keeping a Line of Credit open and available, the MDA fulfills its need to have readily available funds for handling these unforeseen situations. This Line of Credit allows the MDA to eliminate the unnecessary reduction of earning potential of its investable assets. In the event the MDA sees the need to set aside additional assets for emergency purposes, the following investment guidelines should be considered:

1. Investments should provide quick liquidity to handle needs.
2. Preserve capital
3. Seek highest available return for demand deposits

CONFLICT OF INTEREST

GENERAL ADMINISTRATION
Policy Number: P003
Date Approved: 7-24-2004

Individuals serving as officers, trustees, committee chairs, consultants, staff members or any other elected or appointed position of the Minnesota Dental Association (the "MDA") or its subsidiaries and affiliates shall at all times act in a manner consistent with their legal and ethical responsibilities to the MDA, and shall exercise particular care that no detriment to the MDA results from conflicts between their interests and those of the MDA. A conflict of interest exists when an individual has a direct or indirect interest or relationship, financial or otherwise, that may conflict or be inconsistent with the individual's duties or exercise of independent judgment with respect to the MDA. If any such individual believes that he or she may have a conflict of interest, the individual shall promptly and fully disclose the possible conflict and shall refrain from participating in any way in any matter in which the possible conflict relates until and unless any such possible conflict has been properly disclosed. In addition, when nominating, electing or appointing any officer or member of a committee, delegate, or alternate delegate, careful consideration should be given to any possible conflict of interest which may be created.

In consideration of this policy, all officers, trustees, committee chairs, consultants, staff members, or any other elected or appointed position will sign the following statement at the time of appointment or employment and update it annually or when and if a change in status occurs.

The intent and purpose of this Conflict of Interest policy is to avoid total disqualification and to give more guidance to individuals who complete the Questionnaire. Answering "yes" to many or even most of the questions will not lead to disqualification of the individual. Indeed, in many instances it is important to have individuals who have a certain level of expertise which can only be attained by affiliations with other organizations or companies.

The examples of Conflict of Interest (at the end of the Questionnaire) teach the following:

1. Affiliations with companies or organizations which have fundamental differences with reference to MDA policy should be avoided. See Example 1.
2. Affiliations with other organizations or companies may be permitted although the officer, trustee, committee chair, consultant or staff member may not participate in the subject where there is a conflict with MDA positions or policy. However, this does not mean that this would require any resignation on the part of the MDA volunteers or employees. See Examples 2 and 3.

Please complete each question to the best of your knowledge. You may list your answers directly on this form or you may provide your answers on a separate sheet of paper.

The following terms used in this statement have the following meanings:

"MDA" means the Minnesota Dental Association and its subsidiaries and affiliates.

"Material financial interest" means:

- a financial ownership interest of 5% or more, or
- a financial ownership interest which contributes materially to your income, or
- a position as proprietor, director, managing partner or key employee.

1. Do you or any members of your immediate family hold or plan to hold a material financial interest in any business which furnishes goods or services, or is seeking to furnish goods or services, to the MDA?

No:_____

Yes:_____

If yes, please list the name of each business and the type of goods or services involved.

2. Do you hold or plan to hold a material financial interest in any health care business or health care facility, excluding a private dental practice?

No:_____

Yes:_____

If yes, please list the name of each business or facility and provide a brief description of the type of business or facility.

3. Are you, or do you anticipate becoming within the next 12 months, a consultant, employee, or agent of a manufacturer or seller of dental or dentally related products or services?

No:_____

Yes:_____

If yes, please list the name of each corporation, position held, and term of position, including the same information for any anticipated position. If the manufacturer or distributor is not a nationally known company, please provide a brief description of the company.

4. Are you, or do you anticipate becoming within the next 12 months, a trustee, director, officer, council, committee member, employee or consultant of any health care organization or health-related professional society?

No:_____

Yes:_____

If yes, please list the name of each organization, position held, and term of position, including the same information for any anticipated position. If the organization is not a nationally known organization, please provide a brief description of the organization.

5. Do you hold, or do you anticipate holding within the next 12 months, any faculty appointments?

No:_____

Yes:_____

If yes, please list the name of each institution, position held, and term of appointment.

6. Are you involved in, or do you anticipate becoming involved in, public representation and advocacy, or being a spokesperson for any product or company, including lobbying on behalf of any organization?

No: _____

Yes: _____

If yes, please list the name of each organization and describe the nature of the activities you are or will be involved in.

7. Are you involved in any other personal relationship, activity or interest which may raise a conflict of interest or impair your objectivity on MDA policies or issues?

No: _____

Yes: _____

If yes, please describe each relationship, activity or interest.

I understand that I am expected to comply with the Conflict of Interest policy of the Minnesota Dental Association.

In addition, I understand that in order for this Conflict of Interest policy to be effective I have a continuing responsibility to comply with the Conflict of Interest policy and I will promptly disclose any new affiliations required to be disclosed under the policy.

I understand and agree that as a condition for serving, I will exercise particular care that no detriment to the Minnesota Dental Association will result from conflicts, if any, between my interests and those of the Association.

Having read and understood the Association's policy and having completed this statement to the best of my knowledge and belief, I agree to be bound by the terms hereof.

Print Name

Signature

Date

EXAMPLES OF CONFLICT OF INTEREST

Organizational Goals that are in Conflict: It is axiomatic that a trustee, officer, committee chair, consultant or staff member would be unable to act in the best interest of the MDA and another organization if the fundamental goals of the two organizations were in conflict. In these situations the trustee, officer, committee chair, consultant or staff member could not fulfill his or her duty of loyalty to the MDA.

EXAMPLE: A trustee, officer, committee chair, consultant or staff member of the MDA is elected to the Board of Directors of an anti-amalgam organization.

RECOMMENDATION: In order to further the goals of the anti-amalgam organization the MDA official or employee would breach his or her duty of loyalty to the MDA because fundamental goals of the MDA on public health are in conflict with the anti-amalgam organization. The MDA official or employee should resign from one of the positions.

Goals on Major Policy Issues are in Conflict: A trustee, officer, committee chair, consultant or staff member may hold a position with an organization that generally strives to support the same dental public health goals of the MDA. Although the two organizations can be expected generally to support the same dental public health issues there may occasionally be differences in the policy goals.

EXAMPLE: A trustee, officer, committee chair, consultant or staff member is on the Board of Trustees of a Specialty Organization. The Specialty Organization takes the position that dental accreditation should be done by the Specialty Organization and not the MDA.

RECOMMENDATION: In this example there is a difference on a significant policy issue but not a difference on fundamental public health goals. Thus, the MDA trustee, officer, committee chair, consultant or staff member should not vote or be involved in the decision making at the MDA level with reference to accreditation. The trustee, officer, committee chair, consultant or staff member should advise the Board of his or her position in the Specialty Organization. Here recusal will be sufficient to protect his or her duty of loyalty to the MDA, and, therefore, resignation is not necessary.

Organizations with a Financial Interest in MDA Policy:

EXAMPLE: A trustee is a member of the Board of Directors of a dental manufacturer. The MDA Board of Trustees is considering a policy which would have an adverse effect on the manufacturer.

RECOMMENDATION: As a director of the dental manufacturer, the trustee is required to pursue the financial benefit of the dental manufacturer and thus on this issue his or her duty of loyalty to the MDA would be conflicted. The trustee should not participate in the vote on this issue.

Conflicts Involving Competing Business Activities:

EXAMPLE: A Board member of an MDA subsidiary is a member of the Board of Trustees of an organization that competes with one or more of MDA's business activities (dental publisher, affinity cards, etc.).

RECOMMENDATION: The Board member should not participate in the vote on any issue relating to the subsidiary's activities on matters that are in direct competition between the MDA and the competing corporation. The Board member may vote on other issues so long as the Board member makes full disclosure of his involvement in the competing business.

POLICY ON THE PROCESS FOR
DETERMINING EXECUTIVE COMPENSATION

FINANCIAL ADMINISTRATION
Policy Number: P004
Date Approved: 4-28-2013

This Policy on the Process for Determining Compensation of the Minnesota Dental Association ("Organization") applies to the compensation of the following persons employed by the Organization:

☒ **X** The Organization's **chief employed executive**¹ (CHECK IF APPLICABLE)

☐ Other **Officers**² or **Key Employees**³ of the Organization by title: _____

_____(CHECK IF APPLICABLE; SUPPLY TITLES).

The process includes all of these elements: (1) review and approval by the Board of and/or Personnel Committee of comparable compensation; and (3) contemporaneous documentation and recordkeeping.

1. **Review and approval.** The compensation of the person is reviewed and approved by the Board of Trustees and/or Personnel Committee of the Organization, provided that persons with conflicts of interest with respect to the compensation arrangement at issue are not involved in this review and approval.
2. **Use of data as to comparable compensation.** The compensation of the person is reviewed and approved using data as to comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations.
3. **Contemporaneous documentation and recordkeeping.** There is contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement.

¹ **Chief employed executive** – The CEO (i.e. Chief Executive Officer), executive director, or top management official (i.e., a person who has ultimate responsibility for implementing the decisions of the Organization's governing body or for supervising the management, administration, or operations of the Organization).

² **Officer** – A person elected or appointed to manage the Organization's daily operations, such as a president, vice-president, secretary or treasurer. The officers of the Organization are determined by reference to its organizing document, bylaws, or resolutions of its governing body, or as otherwise designated consistent with state law, but at a minimum include those officers required by applicable state law. Include as officers the Organization's top management official and top financial official (the person who has ultimate responsibility for managing the Organization's finances).

³ **Key Employee** – An employee of the Organization who meets all three of the following tests: (a) \$150,000 Test: receives reportable compensation from the Organization and all related organizations in excess of \$150,000 for the year; (b) Responsibility Test: the employee (i) has responsibility, powers, or influence over the Organization as a whole that is similar to those of officers, directors, or trustees, (ii) manages a discrete segment or activity of the Organization that represents 10% or more of the activities, assets, income, or expenses of the Organization, as compared to the Organization as a whole; or (iii) has or shares authority to control or determine 10% of more of the Organization's capital expenditures, operating budget, or compensation for employees; and (c) Top 20 Test: is one of the 20 employees (that satisfy the \$150,000 Test and Responsibility Test) with the highest reportable compensation from the Organization and related organizations for the year.

DOCUMENT DESTRUCTION AND
RETENTION

GENERAL ADMINISTRATION
Policy Number: P005
Date Approved: 4-28-2013

Purpose

In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention, and destruction of documents received or created by the Minnesota Dental Association ("MDA") in connection with the transaction of association business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept, and how records should be destroyed (unless under a legal hold). The policy is designated to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate MDA operations by promoting efficiency and freeing up valuable storage space.

Document Retention

The MDA follows the document retention procedures outlines below. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time.

Corporate Records

Annual Reports to Secretary of State/Attorney General	Permanent
Articles of Incorporation	Permanent
Board Meeting and Board Committee Minutes	Permanent
Board Policies/Resolutions	Permanent
Bylaws	Permanent
Construction Documents	Permanent
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
States Sales Tax Exemption Letter	Permanent
Contracts (after expiration)	7 years
Correspondence (general)	3 years

Accounting and Corporate Tax Records

Annual Audits and Financial Statements	Permanent
Depreciation Schedules	Permanent
IRS Form 990 Tax Returns	Permanent
General Ledgers	7 years
Business Expense Records	7 years
IRS Form 1099	7 years
Journal Entries	7 years
Invoices	7 years
Sales Records (books)	5 years
Petty Cash Vouchers	3 years

Cash Receipts	3 years
Credit Card Receipts	3 years

Bank Records

Check Registers	7 years
Bank Deposit Slips	7 years
Bank Statement and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years

Payroll and Employment Tax Records

Payroll Registers	Permanent
State Unemployment Tax Records	Permanent
Earnings Records	7 years
Garnishment Records	7 years
Payroll Tax Returns	7 years
W-2 Statements	7 years

Employee Records

Employment and Termination Agreements	Permanent
Retirement and Pension Plan Documents	Permanent
Records Relating to Promotion, Demotion or Discharge	7 years after termination
Accident Reports and Worker's Compensation Records	5 years
Salary Schedules	5 years
Employment Applications	3 years
I-9 Forms	3 years after termination
Time Cards	2 years

Donor and Grant Records

Donor Records and Acknowledgment Letters	7 years
Grant Applications and Contracts	7 years after completion

Legal, Insurance, and Salary Records

Appraisals	Permanent
Copyright Registrations	Permanent
Environmental Studies	Permanent
Insurance Policies	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Trademark Registrations	Permanent
Leases	6 years after expiration
OSHA Documents	5 years
General Contracts	3 years after termination

Electronic Documents and Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the documents types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient

reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.

Emergency Planning

The MDA's records will be stored in a safe, secure, and accessible manner.

Document Destruction

The MDA's Executive Director is responsible for the ongoing process of identifying its records, which have met the required retention period, and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

Compliance

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against the MDA and its employees and possible disciplinary action against responsible individuals. The Executive Director will periodically review these procedures with legal counsel or the organization's certified public accountant to ensure that they are in compliance with new or revised regulations.

WHISTLEBLOWER

GENERAL ADMINISTRATION
Policy Number: P006
Date Approved: 4-28-2013

This Whistleblower Policy of the Minnesota Dental Association ("Organization"): (1) encourages staff, trustees, officers, committee members and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of the Organization, (2) specifies that the Organization will protect the person from retaliation; and (3) identifies where such information can be reported.

1. **Encouragement of reporting.** The Organization encourages complaints, reports or inquires about illegal practices or serious violations of the Organization's policies, including illegal or improper conduct by the Organization itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on which the Organization has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment via the Organization's human resources channels, unless those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.
2. **Protection from retaliation.** The Organization prohibits retaliation by or on behalf of the Organization against staff, trustees, officers, committee members or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. The Organization reserves the right to discipline persons who make bad faith, knowingly, false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.
3. **Where to report.** Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. Reports will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. They should describe in detail the specific facts demonstrating the bases for the complaints, reports or inquiries. They should be directed to the Organization's Executive Director or President of the Board of Trustees; if both of those persons are implicated in the complaint, report or inquiry, or if the complaint indicates suspected fraud, it should be directed to the organization's chief Legal Counsel. The Organization will conduct a prompt, discreet, and objective review or investigation. Staff, trustees, officers, committee members and volunteers must recognize that the Organization may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.

ANTITRUST STATMENT

GENERAL ADMINISTRATION
Policy Number: P007
Date Approved: 11-15-2013

It is the policy of this Association, and it is the responsibility of every Association member, to comply in all respects with federal and state antitrust laws. Certain topics are not proper subjects for discussion and consideration at any Association or District meeting of members, officers, trustees, or committees, whether formal or informal. While it is entirely appropriate to meet as an Association or District to discuss common problems and areas of interest, it must be kept in mind that the members may be competitors and any action taken to eliminate, restrict, or govern competition among members is a violation of the antitrust laws. If there is any discussion at Association or District meetings relating to significant factors of competition among the members, an inference may be raised that such a discussion among competitors is for the purpose of agreeing upon a common course of business conduct.

Among the subjects that should never be discussed at Association or District meetings are: fees, conditions, terms and prices of service, and refusing to deal or participate with insurers, suppliers or classes of suppliers. Agreements among competitors relating to any of these subjects are per se violations of the antitrust laws, and can lead to severe criminal and civil penalties.

It is essential, therefore, that all necessary steps be taken to prevent any Association or District meeting from becoming a forum for those types of discussions which might lead to an understanding or agreement, expressed or implied, with respect to any essential element of competition.

You are urged to be most diligent to make certain that your discussions do not stray from our prepared agendas. Any questions regarding the meaning or applicability of this policy, as well as any concerns regarding activities or discussions at Association or District meetings, should promptly be brought to the attention of the Association Executive Director or Association Legal Counsel.

I acknowledge that I have reviewed this Antitrust Statement.

Print Name

Signature

Date

FINANCIAL CONDITION & ACTIVITIES

FINANCIAL ADMINISTRATION
Policy Number: P008
Date Approved: 5-1-2016

With respect to financial condition and activities, the EXECUTIVE DIRECTOR will not cause or allow the development of fiscal jeopardy, or a material deviation of actual expenditures from the Board's priorities.

The EXECUTIVE DIRECTOR will not:

1. Expend more funds than have been received in the fiscal year to date, unless the liquidity and long-term reserve requirements below are met:
 - a. The EXECUTIVE DIRECTOR will not allow cash and cash equivalents to drop below that amount necessary to meet operating expenditures over a 75-day period.
 - b. The EXECUTIVE DIRECTOR will not borrow from reserves (defined as accumulated excess revenues) in an amount greater than can be replenished by certain and otherwise unencumbered revenues within 75 days.
 - c. The EXECUTIVE DIRECTOR will not borrow funds or incur debt (with exception of credit cards used for normal business purposes, and paid in full each month).
2. Use Board-designated long-term reserves.
3. Use restricted funds (e.g. District dues) for purposes other than those designated.
4. Operate without settling payroll obligations and payables in a timely manner.
5. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
6. Execute a check or purchase commitment of greater than \$10,000, unless such purchase was authorized in budget or previously disclosed to the Board. Splitting orders to avoid this limit is not acceptable.
7. Acquire, encumber, lease or dispose of real estate.
8. Accept revenues from sources not, in fact and appearance, consistent with the mission and values of the MDA.
9. Operate without pursuing material receivables after a reasonable grace period.
10. Operate without adequate internal controls over receipts and disbursements to avoid unauthorized payments or material dissipation of assets.

ASSET PROTECTION

FINANCIAL ADMINISTRATION
Policy Number: P009
Date Approved: 5-1-2016

The EXECUTIVE DIRECTOR will not cause or allow MDA assets to be unprotected, inadequately maintained or unnecessarily risked.

The EXECUTIVE DIRECTOR will not:

1. Allow the organization to be uninsured:
 - a. Against theft and casualty losses to at least replacement value; and
 - b. Against liability losses to Board members, staff and the organization itself in an amount equal to or greater than the average for comparable organizations.
 - c. Against employee theft and dishonesty.
2. Subject facilities and equipment to improper wear and tear or insufficient maintenance.
3. Operate without employing risk management practices to minimize exposure of the organization, its Board or staff to claims of liability.
4. Allow any purchase wherein normally prudent protection has not been given against conflict of interest.
5. Allow intellectual property, information and files to be exposed to loss, improper access or significant damage, or operate without maintaining documents and records in accordance with a Records Retention Schedule approved by legal counsel.
6. Receive, process or disburse funds under controls insufficient to meet the Board-appointed auditor's standards.
7. Compromise the independence of the Board's auditor or other external monitors or advisors.
8. Invest or hold operating capital in insecure instruments or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.
9. Endanger the organization's public image, its credibility, or its ability to accomplish its goals.
10. Change the organization's name or substantially alter its identity.

FINANCIAL PLANNING & BUDGETING

FINANCIAL ADMINISTRATION
Policy Number: PO10
Date Approved: 5-1-2016

Financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's priorities, risk financial jeopardy, or fail to be derived from a multi-year plan.

Accordingly, the EXECUTIVE DIRECTOR will not allow budgeting that:

1. Risks incurring those situations or conditions described as unacceptable in the "Financial Conditions and Activities" Board policy.
2. Omits credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
 - a. Disclosures must include:
 - i. A summary P/L breakdown for each major program area.
 - ii. Planning assumptions for dues, assessments and other charges.
3. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received.

COMMITTEE ON NOMINATIONS

GENERAL ADMINISTRATION
Policy Number: PO11
Date Approved: 5-1-2016

Pursuant to Chapter V of the MDA Bylaws* the MDA Board of Trustees hereby establishes a Board of Trustees Nominating Committee.

The purpose shall be to prepare a slate of candidates for the Board of Trustees to consider and bring forth to the MDA House of Delegates for consideration.

The Slate may address as needed the following:

- Second VP of the MDA
- Treasurer
- Speaker of the House
- First VP
- President Elect
- ADA HOD delegates
- ADA HOD alternate delegates
- Trustees
- BOD candidates for the Governor to consider for appointment

A vetting process may be established in an effort to:

- Determine a candidate's willingness to accept the position if elected
- Ensure a candidate has had complete disclosure of responsibilities, time commitment and duties

A separate slate may address Award candidates:

- Guest of Honor
- Humanitarian
- Outstanding Service
- New Dentist

The committee is encouraged to resource with district leadership and others to try to canvas the entire state for qualified and interested candidates.

**CHAPTER V -- BOARD OF TRUSTEES*

Section 9. Duties: It shall be the duty of the Board of Trustees to:

A. Nominate qualified members of the Association to the elective offices.

(1) Not less than one hundred twenty (120) days before the annual session of the House of Delegates, nominate one (1) or more candidates for each of the elective offices (Officers, District Trustees, ADA Delegates and Alternates) to be filled.

(2) Nominate delegates and alternate delegates to the House of Delegates of the American Dental Association Annual Session and submit them to the House of Delegates for election. Delegates are to be nominated for a one (1) year term and alternate delegates for a one (1) year term.

Notification of such nominations shall be made to the active, life and retired members of the Association not less than thirty (30) days prior to the annual session of the House of Delegates.

REIMBURSEMENT POLICY

FINANCIAL ADMINISTRATION
Policy Number: PO12
Date Approved: 7-16-2016

MINNESOTA DENTAL ASSOCIATION REIMBURSEMENT POLICY

As trustees, officers, committee members, MDA delegates and ADA delegates, you may be eligible for reimbursement of expenses or payment for time spent (per diem) attending Board meetings and/or fulfilling the responsibilities of your office.

Travel expenses must be reasonable and adequately documented to satisfy the association's auditors and the Internal Revenue Service (IRS) regulations. The staff has the duty of questioning expenses that appear excessive or are unsubstantiated. Reimbursement requests that fall outside this policy statement shall be evaluated by the MDA Executive Director for final approval.

Each time you are paid a per diem for attending a meeting, this is considered income and is reported to the IRS by the MDA in the form of a 1099. Reimbursement for your actual expenses are not reported on the 1099.

TRUSTEE AND OFFICER REIMBURSEMENT FOR IN STATE MEETINGS

TRANSPORTATION: travel to meetings will be reimbursed as follows:

1. Necessary air travel should be at the lowest possible rate and in no case should exceed coach class.
2. Personal automobile travel will be reimbursed at the rate currently allowed by the IRS. If more than one person travels on business in the same vehicle, only one person may claim reimbursement for mileage. There may be occasion in which the least costly mode of travel is not prudent nor preferred. In each case the MDA Executive Director should be consulted.
3. For every hour, or portion thereof, over two hours spent traveling, Board members shall be reimbursed \$25 per hour. Total time traveling shall be calculated as total 'round trip' time.
4. Incidentals such as parking, taxi, gratuities and registration will be reimbursed at the actual expense, with receipts.

LODGING: Reimbursement for the actual cost of the standard hotel room, with the presentation of the receipt when an overnight stay is required for meeting attendance. Expenses for in-room movies or other entertainment are not reimbursable.

MEALS: All reasonable and necessary meals during travel will be reimbursed. At times, additional reimbursement may be required for meals pertaining to invitations extended to other persons (members and non-members) who are essential in conducting MDA business. The MDA Executive Director shall evaluate these expenses for final approval.

PER DIEM: A per diem of \$100 shall be paid for official Board meetings (participation via teleconference included) and the MDA House of Delegates meetings. No per diem will be granted for your attendance at committee meetings. In order to receive a per diem, board members must attend a minimum of 50% of the meeting.

When attending as a dignitary of the MDA, Officer travel to District meetings shall be reimbursable. Trustee attendance at District meetings is not eligible for reimbursement.

OFFICER REIMBURSEMENT FOR OUT OF STATE TRAVEL

Transportation, lodging, meals, and incidentals will be reimbursed as for in-state meetings. At times, additional reimbursement may be required for meals pertaining to invitations extended to other persons (members and non-members) who are essential in conducting MDA business. The MDA Executive Director shall evaluate these expenses for final approval.

SPOUSE TRAVEL

Spouses of the President and the President Elect are authorized to travel with reimbursement at the same rates, (not including per diem) for the following meetings: ADA annual meeting, MDA annual convention, MDA House of Delegates, and the ADA President-Elect conference.

COMMITTEE MEMBER AND CHAIRPERSON REIMBURSEMENT

Transportation will be reimbursed per the *In-State Trustee and Officer Reimbursement* policy. Lodging will be reimbursed when an overnight stay is required to attend the meeting.

Committee chairs attending the MDA House of Delegates will be reimbursed for transportation and the cost of a standard hotel room for one night.

REIMBURSEMENT FOR DELEGATES AND ALTERNATE DELEGATES TO THE ADA HOUSE OF DELEGATES

Delegates and alternate delegates will be reimbursed for their attendance to the official meetings for the annual session. They include: Two 10th district caucus meetings, and the four meetings of the ADA House of Delegates.

TRANSPORTATION: Transportation will be reimbursed per the In-State Trustee and Officer Reimbursement policy.

LODGING: Lodging at the ADA Headquarters hotel will be reimbursed per the In-State Trustee and Officer Reimbursement policy. "Headquarters" hotel with a receipt. The number of nights reimbursed will relate to the necessary meeting attendance.

MEALS: All reasonable and necessary meals during travel will be reimbursed.

PER DIEM: Per diem will be paid for time spent attending to ADA House of Delegates business. You will be paid \$100/day for attendance at ADA House related meetings. In order to receive a per diem, delegates must attend a minimum of 50% of the official meeting as enumerated above.