



Attachments to the Bylaws of the Hawai'i State Council of the Emergency Nurses Association

In order to comply with various requirements of state and federal agencies, as well as the national parent organization, the following documents are included as Attachment A of the Bylaws governing the Hawai'i State Council of The Emergency Nurses Association (also known as HSC-ENA).

ANTITRUST POLICY

Purpose

To ensure monitoring of organization activities in order to prevent violations of the antitrust laws. Antitrust Laws are also referred to as "competition laws" and are statutes developed by the government to protect consumers from predatory business practices by ensuring that fair competition exists in an open market economy and seeks to make businesses compete fairly.

Policy

Hawai'i State Council of the Emergency Nurses Association (HSC-ENA) will adhere to federal and state antitrust laws and regulations applicable to 501(c)(3) organizations.

Standards/Criteria

- Under federal and state antitrust laws, an association may be held liable for action that constitutes a restraint of trade.
- Thus, HSC-ENA must exercise extreme caution regarding its business decisions and will not engage in any activity that may result in an unreasonable restraint of trade.
- HSC-ENA will base business decisions on stated, reasonable criteria that are applied objectively, consider all potential vendors and document the basis for decisions.

Operational Procedure

- HSC-ENA Board of Directors will understand the importance of compliance with antitrust laws and regulations and identify potential antitrust issues.
- HSC-ENA will consult appropriate legal counsel for approval in advance of all new programs or changes in existing programs that have potential antitrust implications.
- HSC-ENA Board of Directors may choose to consult and invite appropriate legal counsel to any meeting at which sensitive, legal or corporate issues will be discussed.
- Minutes of all HSC-ENA meetings should accurately reflect the business conducted and reflect ENA's policy of complying with the antitrust laws.

Approved

CONFLICT OF INTEREST POLICY

Purpose

- To exercise reasonable care in oversight of the affairs of the Hawai'i State Council of the Emergency Nurses Association (HSC-ENA).
- To ensure the prudent management of HSC-ENA's resources.
- To protect the interests of HSC-ENA when contemplating entering into a transaction or arrangement that may benefit the private interest of a member of HSC-ENA.
- To provide for the disclosure and appropriate handling of actual, potential, or apparent conflicts of interest.
- To minimize ethical dilemmas.

This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Definitions Interested Person

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

Financial Interest

- A person having a financial interest has, directly or indirectly, through business, investment, or family:
 - An ownership or investment interest in any entity with which HSC-ENA has a transaction or arrangement, or
 - A compensation arrangement with any entity or individual with which HSC-ENA has a transaction or arrangement, or
 - A proposal ownership or investment interest in, or compensation arrangement with, any entity or individual with which HSC-ENA is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
 - A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.
- Any interested person must disclose the existence of any financial interest, which may have actual or potential conflict of interest, and be given the opportunity to disclose all material facts to the HSC-ENA State Council.
- Disclosure will be made either verbally or in writing. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of conflict of interest is determined.
- The remaining Board or Committee members shall determine whether a conflict of interest exists.

Approved

FEDERAL TAX ID NUMBER USE POLICY

Purpose

- To provide guidelines for Council use of Hawai'i State Council of the ENA Federal Tax ID Number use.
- Note that there is great liability on the state's part in giving out this information, thus proper policy must be in place to govern its use.
- HSC-ENA is incorporated as a not-for-profit organization. Sound business practice must be followed to protect that status.
- Having a corporate shell is what protects the state leaders from personal liability should a claim be filed against them.

Procedure/Process

- All bank accounts must remain at the bank specified by the state council. Special permission may be granted by the board on a case-by-case basis, when the preferred bank is not easily accessible.
- All bank accounts must be opened using the HSC-ENA Federal Tax ID number.
- All accounts must have online access and provide access for the state treasurer.
- All accounts must have at least 3 co-signers on them. One signature must be the current state council treasurer.
- Any activity that may jeopardize HSC-ENA's nonprofit standing with the IRS will be brought to the HSC-ENA executive board for review and recommendation for full board action.

Approved

INVESTMENT POLICY

Purpose

- To establish the investment goals, objectives, and policy guidelines for managing the short and long term investment funds of the Hawai'i State Council.
- To provide the flexibility to respond to given changing economic, business and investment conditions.

Investment Goals

- The state Council's funds should be invested in such a manner as to maximize total returns consistent with (a) acceptable levels of risk and (b) the liquidity needs of the Council; and adhere to applicable statutes and policies related to fiduciary responsibility.

Short-term Funds and Long-term funds

1. Short-term Funds: The goals of investing short-term funds shall be preservation of principal. This should take into account liquidity, spending needs, reasonable current income, and any grant restrictions.

2. Long-term Funds: The goals of investing long-term funds shall be to generate a reasonable rate of return at a relatively low level of risk, prescribing.

Policy Review and Exceptions

- This policy may be amended and/or any exceptions to it may be authorized by resolution of the Executive Council at any time.

Approved

RECORDS RETENTION AND DESTRUCTION POLICY

Purpose

- To describe the procedure for archiving official and historical documents of the Hawai'i State Council of the Emergency Nurses Association (HSC-ENA).

Policy

To the best of its ability the HSC-ENA will maintain certain records permanently:

- Tax returns
- Annual Reports
- Bylaws
- Articles of Incorporation
- Meeting Minutes
- Property and equipment records
- Trademark registrations and copyrights
- All publications
- Legal documents
- Tax-exempt status filings and any other documents that pertain to the establishment and permanent operation of the Association

The Hawai'i State Council will retain certain accounting records for seven years in order to meet statutory, tax, grant and audit requirements:

- Primary accounting records such as bank statements, check registers, cancelled checks and supporting documentation
- Cash receipts records
- Brokerage and/or investment account statements
- Expired contracts
- Form 1099 records

Records that do not need to be retained include:

- Meeting agendas
- Announcement flyers of any type
- Rosters, databases or other documents containing confidential information

Records that are kept electronically will have a minimum of two back-up copies for each fiscal year:

- Current and one previous year records will be kept in a designated HSC-ENA account. The Secretary or designated person will transfer these records permanently to the HSC-ENA Website.

- One copy will be kept with the Treasurer and Secretary.

- One copy may be submitted to the current accounting firm for tax purposes, if such is utilized.

All board members/committee chairs are required to turn over all receipts, vouchers and proof of activity to the State Council Treasurer. Destruction of such receipts, vouchers or proof of activity will be the responsibility of the State Council Treasurer.

Destruction of Records:

- Past records of council activity may be destroyed once adequate electronic storage of the data is complete.

- Any records the board has determined to be destroyed shall be shredded or if electronically stored, they shall be erased.

- Scanned copies should be placed in a format that is readable to anyone. They should be placed in a secure PDF format.

- Records should never be destroyed if this organization has knowledge of a pending government investigation or litigation.

- The state council should maintain a Destroyed Records Log on which to record what data was destroyed, when, and by what method.

Approved

RESERVES POLICY

The creation and maintenance of adequate reserves is a fundamental tenet of sound financial management. The purpose of accumulating reserves of the Hawai'i Emergency Nurses Association (HSC-ENA) is to assure that HSC-ENA has the financial means to continue to provide essential services to its members and the general public in both the short and long term future.

The state treasurer will identify a goal for reserves annually. The identified goal amount will be presented with the annual budget proposal to the state council for approval.

The specific objectives of the HSC-ENA reserves are as follows:

- To sustain basic operations and core member services for a minimum of six months • To sustain essential member services during a transition to a long term economic downturn

- To cover unbudgeted and extraordinary expenditures brought about by unanticipated challenges or opportunities

- To have sufficient funds such that income from investment of these funds could be used to offer member benefits at lower costs than would otherwise be possible.

Approved

WHISTLEBLOWER PROTECTION POLICY

Purpose

- To protect any member of the Hawai'i Emergency Nurses Association (HSC-ENA) who reports an activity viewed as unlawful or unethical from retaliatory action.

- To ensure that the HSC-ENA is as compliant as possible to the Sarbanes-Oxley Act of 2002.

Policy

Standards/Criteria

- Criminal whistleblower provisions of Sarbanes-Oxley Act of 2002 apply to not- for-profits.
- It is possible that criminal action could be brought against HSC-ENA for any form of retaliation against a member because he or she reports a suspected violation of federal law.

Operational Procedure

- A member with knowledge or concern relative to suspected illegal, dishonest, fraudulent and/or unethical activity is to communicate these concerns by contacting any member of the HSC-ENA state board. If this is not an option, the member should contact the National Board Liaison assigned to the state.
- The board member is to bring any report of illegal and dishonest activity to the President of the board or National Board Liaison assigned to the state who in turn will work with the appropriate National ENA leadership or legal counsel. It will then be determined who is responsible for investigating and notifying any additional authorities.
- Protected disclosures may be submitted on a confidential basis. Reports of violations or suspected violation will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation and pursue necessary legal or disciplinary action.
- A member reporting suspected illegal or unethical activity is to exercise sound judgment to avoid baseless allegations.
- The whistleblower is protected from retaliation based on reporting activity in accordance with this policy and procedure.
- The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

Approved