

U.S. NAVAL ACADEMY ALUMNI ASSOCIATION

BOARD OF TRUSTEES STANDARDS OF CONDUCT



SECOND EDITION
Effective 30 April 2024

U.S. NAVAL ACADEMY ALUMNI ASSOCIATION BOARD OF TRUSTEES TRUSTEE RESPONSIBILITIES AND STANDARDS OF CONDUCT

This document sets forth the STANDARDS, PRINCIPLES and EXPECTATIONS for our trustees, non-trustee committee members, and officers of the Association in undertaking their duties and responsibilities in governance of the U.S. Naval Academy Alumni Association.

The Alumni Association Board of Trustees Standards of Conduct apply to those who are serving on the Board and its committees, including non-trustee committee members, and who serve as officers of the Association, as defined in USNAAA Bylaws Article VII, section 7.1.

OVERVIEW

The Mission of the USNA Alumni Association is to strengthen our members bonds to the Academy and to each other, to help members thrive as leaders in and out of uniform, and reach their full potential. Trustees have a duty to the organization to adhere to the highest standards and act with integrity, accountability, and humility.

This Standards of Conduct document outlines the principles for trustees to execute their governance responsibility to the Alumni Association. It is vital that trustees, non-trustee committee members, and officers of the Association understand, commit, and operate according to these principles.

This document contains three parts:

1. Principles of Trusteeship: Provides principles to guide trustees in their role serving the Alumni Association.
2. Principles of Professionalism: Outlines the high principles of personal and professional behavior desired of trustees, non-trustee committee members, and officers of the Association.
3. Conflict of Interest Policy: Sets forth ethical standards and guidance to ensure independence, while retaining the trust and confidence of members in governance of the Alumni Association.

Thank you for your commitment to these principles and to the success of the Alumni Association.

PART 1: PRINCIPLES OF TRUSTEESHIP:

This Standards of Conduct document is intended to ensure that the Board can support the mission of the Alumni Association.

We strengthen our MEMBERS' BONDS to the Academy and to each other, to help them THRIVE AS LEADERS in and out of uniform, and reach their FULL POTENTIAL.

Trustees must work in support of this mission, according to the following principles.

ACCOUNTABILITY: The Board is accountable for everything that happens or fails to happen within the Alumni Association. In support of that responsibility, trustees must be focused on oversight of the organization, allowing the staff to operate—yet never lose sight of the Board's accountability for Alumni Association operations.

ENGAGEMENT: Just showing up is not enough. We must be knowledgeable and prepared. Trustees operate best when we are engaged as a group. This requires familiarity with governing documents, active pursuit of knowledge of board issues, reading all background material presented, and being prepared to discuss these topics at meetings. For example, a commitment to attend all Board events helps ensure a fully engaged Board. And finally, trustees have a responsibility to participate actively, bringing their own perspectives to further thoughtful discussion.

FIDUCIARY DUTIES: As fiduciaries of the Alumni Association, trustees have the duties of care, loyalty, and obedience.

- **Duty of Care:** Trustees must exercise reasonable care when making decisions as the steward of the organization. Reasonable care requires preparation for, and attending, meetings.
- **Duty of Loyalty:** Trustees must be faithful to the organization, giving undivided allegiance when making decisions. We recognize that even if

an action is technically allowed, it must still be the right thing to do. The Conflict of Interest policy outlined in Part 3 further addresses the duty of loyalty.

- **Duty of Obedience:** Trustees must be faithful to the organization’s mission, and not act in any way that is inconsistent with the central goals of the organization. Our actions must be consistent with our governing documents and policies, and with the law.

STRATEGIC OVERSIGHT: The Board will be instrumental in developing the strategy of the Alumni Association, and support management in executing the plan. Trustees must lean in to help and guide management without doing the job of the staff.

HUMBLE INQUIRY: We will challenge ideas, not individuals. We will cooperate with, and respect the opinions of, fellow Board members while leaving personal prejudices out of all Board discussions.

CONFIDENTIALITY: Information that is confidential to the Board may not be shared with non-Board members. Doing so would erode trust within the Board and violate the fiduciary duties of loyalty and obedience.

PART 2: PRINCIPLES OF PROFESSIONALISM

As trustees, we must commit to the highest levels of professionalism in our actions, knowing that they will reflect on both the Alumni Association and the Naval Academy. The following “Principles of Professionalism” outline guidance for all Alumni Association trustees, non-trustee committee members, and officers of the Association, who must acknowledge and commit to these principles.

The United States Naval Academy Alumni Association (USNA^{AA}) is committed to being a welcoming, safe, supportive, and empowering organization that embraces its mission, reflects its values, and fosters a cohesive community among its members.

Richly rooted in the Naval Services' core values of *Honor, Courage, and Commitment*, the Alumni Association recognizes and fully embraces the notion that high principles of personal and professional behavior—imbued with the traits of good character, honesty, integrity, mutual respect, service, teamwork, excellence, and professional courtesy—promote a healthy spirit of community conducive to shared trust, mutual appreciation, and the collective well-being of its members and the organization.

It is further understood and valued that, within and throughout the Alumni Association, each person is to be respected regardless of any personal trait or belief.

In adopting these Principles of Professionalism, the Alumni Association also acknowledges that behavior by trustees, non-trustee committee members, and officers of the Association contravening these Principles may serve to undermine and bring unwarranted discredit to the organization and its members and should therefore not be tolerated.

EXPECTATIONS

USNAAA expects each of its trustees, non-trustee committee members, and officers of the Association to adhere to the following guiding principles:

- Always act in a professional, respectful, and civil manner, considerate of others
- Proactively ensure a welcoming, inclusive, supportive, and empowering organization
- Hold oneself and other trustees, non-trustee committee members, and officers of the Association accountable to these principles

USNAAA is committed to fostering a robust alumni community premised on these principles of self-respect, shared regard, and genuine appreciation for fellow members. Therefore, USNAAA **prohibits**:

- Illegal, unethical, or dishonorable behavior in all USNAAA matters
- Harassment, discrimination, ridicule, or intimidation in any form at any time against any members
- Any activity or conduct that may jeopardize, undermine, or compromise the safety, health, or well-being of others, or the good standing or reputation of the Alumni Association

- Retaliation against anyone who seeks advice from, raises a concern with, or makes a good-faith complaint of any nature against USNAAA or any individual associated with USNAAA

USNAAA expects its trustees, non-trustee committee members, and officers of the Association to abide by the letter and spirit of these principles and all relevant USNAAA governing documents and policies, as well as comply with all applicable federal, state, and local laws, and regulations. Anyone who witnesses or comes into credible knowledge that another trustee, non-trustee committee member, or officer of the Association has violated these principles should notify at least one member of USNAAA's Board of Trustees, who shall promptly report the matter to the Executive Committee of the Board. Reporting a violation of the principles may be done anonymously.

DIGITAL COMMUNICATIONS

Digital communications—specifically social media and electronic communications—has changed the way we communicate both at work and in our personal lives. USNAAA has established the following guidelines for appropriate use of all forms of digital communications including, but not limited to:

- Social networking sites (e.g., Facebook, LinkedIn, Twitter, Instagram, TikTok, Nextdoor)
- Video and photo sharing sites (e.g., Flickr, YouTube)
- Messaging platforms (e.g., Messenger, WhatsApp)
- Blogs, wikis, online forums and message boards (e.g., Quora)
- Internal messaging systems (e.g., Microsoft Teams, mobile text messages)

The following guidelines apply to anyone representing USNAAA in any digital communication.

- **Use Good Judgment.** What is shared online is permanent, even when deleted. Stay aware of what you say and do online. You are responsible for what you share, which reflects on you personally and on the USNAAA brand. If you have any doubts about your digital communication, please contact the USNAAA social media team at digitalcomms@usna.com.

- **Uphold Our Values & Policies.** Be sure your online behavior reflects our values and policies as stipulated in this document.
- **Protect Confidential Information.** Never share confidential or proprietary information about USNAAA. Avoid sharing personal, identifying, or private information as defined by state and federal laws. Examples include but are not limited to financial information; information on employees, customers, partners, or suppliers; and business deals.
- **Proceed with Caution.** You may encounter negative posts about the USNAAA. Our organization has a team which monitors social media. That team is trained to respond appropriately to these types of situations. Let this team respond or, if you believe they are unaware of the situation, alert them at digitalcomms@usna.com.
- **Be Factual.** Only share accurate information. Remove misleading or false content as quickly as possible.
- **Respect Our Brand.** Employees are not allowed to create or manage branded social media accounts without permission.
- **Stay Legal.** Respect copyright and fair use laws. Appropriately cite others' work. Content should not be shared containing, constituting, or linking to the following:
 - o Malicious or harmful software.
 - o Advertisements, promotions, or solicitations of a commercial product or service.
 - o Profanity, nudity, indecency, obscenity, defamatory, offensive, derogatory, or libel.
 - o Threats of violence or to public safety.

POSSIBLE CONSEQUENCES FOR VIOLATING PRINCIPLES

Violation of these principles may result in removal as a trustee, non-trustee committee member, or officer of the Association in accordance with USNAAA's bylaws.

PART 3: CONFLICT OF INTEREST AND CONFIDENTIALITY

The policy set forth in this statement is applicable to members of the Board of Trustees, non-trustee committee members, and officers of the Association of the United States Naval Academy Alumni Association, Inc. (“Alumni Association”) collectively referred to as (“Covered Party” or “Covered Parties”).

I. PRINCIPLES

- The success of the Alumni Association is dependent upon the trust and confidence that we earn from the membership and the public at large.
- The Alumni Association gains credibility by being fair and impartial in the Association’s governance and by adhering to honest and transparent business practices.
- The Alumni Association will foster an environment in which Covered Parties are encouraged to seek guidance on ethical issues.
- The Alumni Association’s commitment to integrity begins with compliance with all local, state and federal laws and regulations, as well as this conflict of interest policy (“Policy”).

It is impossible to anticipate every question a Covered Party may have or every situation they may face. If a Covered Party has any questions about any situation, they should contact the Board secretary of the Alumni Association Board of Trustees for clarification.

II. CONFLICT OF INTEREST

A conflict of interest can arise whenever a Covered Party, or a member of his or her family: (1) has an existing or potential interest that impairs or might appear to impair his or her independent judgment in the discharge of responsibilities to the Alumni Association or (2) may receive a material benefit from knowledge of information that is confidential to the Alumni Association. The family of a Covered Party includes his or her spouse, parents, siblings, children and any others living in the same household.

Although not an exhaustive list, a conflict of interest may occur when a Covered Party is involved in a matter in which:

- (1) The Covered Party is personally or financially affected by a matter before the Board of Trustees, such that a reasonable person

with knowledge of the relevant facts would question the Covered Party's ability to properly perform his/her Alumni Association duties in an impartial manner;

- (2) The Covered Party is employed at a firm that does or is doing business with the Alumni Association.
- (3) The Covered Party is an owner, shareholder, officer, director, or trustee of a for-profit company that does business with the Alumni Association. Ownership interests derived from investments through mutual funds, pension plans, or other similarly diversified financial vehicles do not fall within the scope of this provision.
- (4) The Covered Party has an interest that could be substantially affected by the outcome of a matter before the Board;
- (5) The Covered Party has an official relationship with investment brokers with which the Alumni Association does business.
- (6) The Covered Party has an official relationship with suppliers of goods or services to the Alumni Association.
- (7) The Covered party has an official relationship with insurance agents or carriers doing business with the Alumni Association.
- (8) Family relationships with employees of the Alumni Association.

III. FIDUCIARY DUTY TO THE BOARD AND REMEDIES FOR CONFLICTS OF INTEREST

Covered Parties have a fiduciary obligation to the Alumni Association in connection with their service in such capacities. At all times they shall act in a manner consistent with this fiduciary obligation and shall exercise particular care that no detriment to the interest of the Alumni Association (or appearance of such detriment) may result from a conflict between those interest and any personal interest that the Covered Party may have.

When actual or potential conflicts of interest are identified by the Covered Party, the Board secretary will advise the Covered Party in writing on the best course of action, including what remedies exist for the conflict. Possible remedies include:

- (1) **Recusal:** The Covered Party agrees either to forego or cease participation or involvement in any official act or activity related to the conflict.

- (2) **Reassignment:** Reassignment is the result of a recusal and is the reassignment of the Covered Party to another Committee or position not dealing with the subject matter, that caused the conflict.
- (3) **Waiver:** Notwithstanding the foregoing, the Board secretary may authorize a Covered Party to participate in matters that may otherwise raise impartiality concerns where the conflict of interest is determined to be insubstantial such that it would not cause a reasonable person to question the Covered Party's ability to act impartially.
- (4) **Divestiture:** The Covered Party voluntarily sells or otherwise disposes of his or her interest in a financial asset causing the actual or perceived conflict.
- (5) **Resignation:** The Covered Party leaves his or her position in an outside organization that creates the conflict or leaves Board of Trustee or Alumni Association position.

In some cases, a Covered Party's reported interests do not require a remedy but still suggest the need for heightened attention and possible follow-up on the part of the Board secretary. The Chairman of the Board of Trustees or President/CEO have the discretion to send the Covered Party an advisory letter in such cases, explaining the applicable rules and what steps the Covered Party must take to avoid a violation.

IV. CONFIDENTIALITY OF INFORMATION

Covered Parties shall not disclose any material nonpublic information with respect to the Alumni Association, its operations, finances, or internal matters. Additionally, Covered Parties shall not disclose any confidential information learned in the course of Alumni Association matters and activities. Do not disclose nonpublic information to anyone outside of the Alumni Association, including family and friends.

The Alumni Association has access to the personal information of alumni, including social security numbers, phone numbers, email addresses, and other personal information. It is crucial that such information be treated with the highest level of respect and privacy. The Alumni Association has been entrusted with this information with the implicit understanding that it remain strictly confidential. It is our duty to abide by that covenant. Covered Parties

who have access to the personal data of alumni must always act in accordance with applicable law, including all privacy laws, act in accordance with this Policy by limiting access to said information to those having a legitimate Alumni Association purpose for seeing that information and to prevent any unauthorized disclosure.

All information concerning actual or potential conflicts of interest on the part of Covered Parties of the Alumni Association shall be held in confidence unless the best interests of the Alumni Association dictate otherwise. Any disclosure beyond the members of the Board of Trustees and the President/CEO of the Alumni Association shall take place only upon majority vote of the Board of Trustees.

V. ACKNOWLEDGEMENT OF POLICY

Each Covered Party shall be required to sign this Policy acknowledging that he or she has read, understands, and will adhere to the Policy. Each Covered Party of the Alumni Association shall complete, sign, and submit the Annual Conflict of Interest Statement (“Statement”) to the secretary of the Board of Trustees setting forth any actual or potential conflicts of interest that may have occurred within the past twelve months or might be expected to occur within the following year. The Statement shall disclose as fully as possible the nature of the actual or potential conflicts and the nature of the Covered Party’s interest in the actual or potential conflicts, and all Statements that report actual or potential conflicts of interest shall be circulated to the Board secretary of the Board of Trustees for review. Each Covered Party shall agree to answer any questions about actual or potential conflicts that Board members may have.

Failure to read or sign this Policy or sign an acknowledgement form does not excuse a Covered Party from compliance with the Policy.

I, the undersigned, being a trustee, non-trustee committee member, or officer of the Association of the United States Naval Academy Alumni Association, Inc., hereby state that to the best of my knowledge except as noted below:

- I do not have an official relationship as defined in the Policy on Conflicts of Interest with any corporation, partnership, or association that transacts business with the Alumni Association;

- I, as an individual, do not transact any business, directly or indirectly, with the Alumni Association, other than normal Alumni Association services (travel program, merchandise, etc.);
- No member of my family, as defined on page one of the Policy on Conflicts of Interest is in the employ of the Alumni Association or would come within the meaning of bullets one and two above.

List below any potential or actual conflicts of interest that may exist at this time:

I agree that if any situations arise, of which I am aware, that in any way contradict the above statement, I will immediately notify the secretary of the Board of Trustees of any conflict, real or potential, and make full disclosure thereof. I have read the document entitled The United States Naval Academy Alumni Association, Inc. Policy on Conflicts of Interest for Trustees and Officers adopted by the Board of Trustees.

I agree to answer any questions the Board may have with respect to any actual or potential conflict of interest, and I understand that all such information will be held in confidence by the members of the Board, unless the best interests of the Alumni Association dictate otherwise and a majority of the members of the Board of Trustees votes in favor of further disclosure.

SIGNATURE OF ACKNOWLEDGEMENT

The signer of this document acknowledges and understands the Principles of Trusteeship, Principles of Professionalism, and the Conflict of Interest and confidentiality policies; and agrees to adhere to the guidance within these documents.

Signed _____

Date _____

Printed Name _____

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