

# **NATIONAL SCHOLASTIC PRESS ASSOCIATION PRINCIPLES OF CORPORATE GOVERNANCE**

## **1. Purpose.**

The purpose of this document is to provide a commonly understood set of governance principles and guidelines for the stakeholders of National Scholastic Press Association (“NSPA”). These stakeholders include NSPA’s directors, members, beneficiaries, partner agencies, employees, and the communities in which NSPA operates. This is a dynamic document, so the Board will review and modify it as needed to reflect Board policies.

## **2. Code of Conduct/Whistleblower Policies.**

NSPA abides by ethical standards that promote the public good. The Board of Directors has ultimate responsibility for setting such standards and ensuring that the standards permeate NSPA and guide its practices. To that end, the Board of Directors will adopt and regularly evaluate a Code of Conduct that describes not only behavior the Board wants to encourage, but also behavior the Board wants to discourage. The Code of Conduct will be a principal means of communicating to all personnel a strong culture of legal compliance and ethical integrity.

The Board of Directors will adopt an effective policy for addressing employee complaints and establish procedures for employees and directors to report in confidence suspected financial impropriety or misuse of NSPA’s resources.

## **3. Due Diligence.**

Directors and Committee members of NSPA will exercise due diligence consistent with a Duty of Care that requires each director to act:

- In good faith;
- With the care an ordinarily prudent person in a like position would exercise under similar circumstances;
- In a manner the director reasonably believes to be in NSPA’s best interests.

## **4. Duty of Loyalty.**

Directors and Committee members owe NSPA a Duty of Loyalty, which requires a director or committee member to act solely in the best interests of NSPA, rather than in the personal interests of the director or committee member or some other person or

organization. In particular, the Duty of Loyalty requires a director or committee member to avoid conflicts of interest that are detrimental to NSPA. To that end, the Board of Directors will adopt and regularly evaluate an effective conflict of interest policy.

**5. Transparency.**

By making full and accurate information about its mission, activities and finances publicly available, NSPA demonstrates transparency. The Board of Directors will adopt and monitor procedures to ensure that NSPA's Form 990, and its annual reports are complete and accurate, are posted on NSPA's website, and are made available to the public upon request.

**6. Financial Audits.**

Directors, officers, employees and volunteers must be good stewards of NSPA's resources. NSPA will operate in conformity with an annual budget approved by the Board of Directors. Directors will ensure that the financial resources of NSPA are used to further NSPA's tax-exempt purposes, and will regularly receive and evaluate up-to-date financial statements for NSPA, including Form 990, auditor's letters, and finance and audit committee reports.

The Board of Directors will ensure that an independent auditor conduct an annual audit. The Board may establish an independent audit committee to select and oversee the independent auditor.

**7. Compensation Practices.**

NSPA will pay no more than reasonable compensation for services rendered by employees and outside vendors (including independent contractors). In determining reasonable compensation, and in engaging in all other transactions with disqualified persons, NSPA will rely on the rebuttable presumption test of section 4958 of the Internal Revenue Code and Treasury Regulation section of 53.4958-6. Directors will not be paid for their service as directors. To maintain clear lines of reporting and independence between directors and staff, directors will not be entitled to receive any compensation or stipend for any services provided to NSPA or in connection with an NSPA affiliated event. NSPA reimburses direct expenses incurred by a director in furtherance of his or her duties in accordance with NSPA's Travel and Other Expense Reimbursement Policy.

**8. Document Retention Policy.**

NSPA will adopt a written policy establishing standards for document integrity, retention, and destruction. The document retention policy will include guidelines for handling electronic files.

## **NATIONAL SCHOLASTIC PRESS ASSOCIATION CODE OF CONDUCT**

### **1. Purpose.**

It is expected that National Scholastic Press Association (“NSPA”) will operate in the best interests of the public and in furtherance of the charitable purposes for which it was formed. In an effort to maintain the highest standards of conduct and ethical behavior practiced by and expected of NSPA and with respect to management of its own affairs, NSPA adopts the following Code of Conduct for all directors, committee members, volunteers and employees of NSPA.

### **2. Use of the Name, Emblem, Endorsement, Services, or Property of the Organization.**

The name, emblem, endorsement, services, or property of NSPA may only be used to advance the mission of NSPA and in conformance with NSPA policy. No director, committee member, volunteer or employee shall utilize any asset of NSPA, or any affiliation with NSPA, in connection with the promotion of any self interest, partisan politics or religious matters.

### **3. Acceptance of Financial Advantage or Gain.**

No director, committee member, volunteer or employee shall, in conjunction with his or her affiliation with NSPA, accept or seek (or knowingly take any action or make any statement with the intent that such action or statement will confer) any financial benefit, advantage or gain, on such person, or on any entity or organization in which the person has an interest or affiliation, other than items of nominal value, apart from benefits provided to a charitable organization in direct furtherance of NSPA’s charitable mission.

### **4. Disclosure of Conflicts of Interest.**

In the event a director, committee member, volunteer or employee knows or has reason to know that he or she (or a member of his or her immediate family) has an interest (financial or otherwise), which conflicts with an interest of NSPA, such person shall disclose such conflict pursuant to the NSPA Conflicts of Interest Policy.

### **5. Confidentiality.**

No director, committee member, volunteer or employee may disclose to any unauthorized person, or use to the disadvantage of NSPA or any of its members or beneficiaries, any confidential information concerning NSPA.

## **NATIONAL SCHOLASTIC PRESS ASSOCIATION WHISTLEBLOWER POLICY**

### **1. Purpose.**

The National Scholastic Press Association (“NSPA”) Principles of Corporate Governance (“Principles”) requires directors, committee members, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. All directors, committee members, volunteers, employees and representatives of NSPA must comply with all applicable laws and regulations, and practice honesty and integrity in fulfilling their responsibilities.

### **2. Reporting Responsibility.**

The Principles and the Code of Conduct (the “Code”) adopted in furtherance of the Principles embody an “Open Door Policy” and encourage directors, committee members, officers, volunteers and employees to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, the Chair of the Board is the proper person for a director, committee member or officer to present his or her concerns. The Executive Director is generally in the best position to address an employee’s area of concern. However, if an employee is not comfortable speaking with the Executive Director, or if the employee is not satisfied with the Executive Director’s response, the employee is encouraged to speak with anyone on the Board whom the employee is comfortable in approaching.

### **3. No Retaliation.**

No director, committee member, officer, volunteer or employee who in good faith reports a violation of the Principles or the Code shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable persons to raise serious concerns within NSPA prior to seeking resolution outside NSPA.

### **4. Compliance Officer.**

NSPA’s Executive Director, working with the Chair of the Board, will act as NSPA’s Compliance Officer. The Compliance Officer is responsible for investigating and resolving all employee complaints and allegations concerning violations of the Principles and/or Code.

**5. Accounting and Auditing Matters.**

The audit committee of the Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the audit committee of any such complaint and work with the committee until the matter is resolved.

**6. Requirement of Good Faith.**

Anyone filing a complaint concerning a violation or suspected violation of the Principles or the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Principles or the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

**7. Confidentiality.**

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

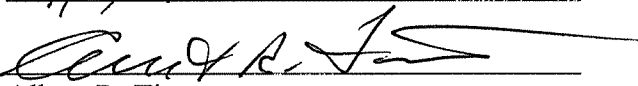
**8. Handling of Reported Violations.**

The Executive Director will acknowledge receipt of the reported violation or suspected violation by writing a letter (or email at the Executive Director's discretion) to the complainant within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

I hereby certify that this Principles of Corporate Governance, Code of Conduct, and Whistleblower Policy of National Scholastic Press Association (five pages) was duly adopted by the National Scholastic Press Association Board of Directors.

**Effective:** November 3, 2007

**Dated:** 11/3/07

**Signed:**   
Albert R. Tims  
President of the Board of Directors  
National Scholastic Press Association