Addendum B - US-Based Nonprofit Organization Policies Required by US Tax Law

[adopted July 2009]

The Internal Revenue Service (IRS) of the US has issued a new Form 990 annual tax return/report that must be submitted by most federal income tax exempt organizations including trade associations and professional societies. The new form is a result of key committees in the US Congress expressing the need for greater disclosure and improved governance in non-profit tax-exempt organizations. In order for the GSF to comply with these recent requirements, the policies listed below are officially adopted by the Board of Directors as part of our governance.

Not all of the verbiage in these policies currently applies to the GSF but may in the future. For that reason, those sections that are not currently applicable have been left in the document and do not require that we create new processes until there is applicability.

Whistleblower Policy

This Whistleblower Policy of the GSF:

1. encourages staff 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 inquiries 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.
    2. Protection from Retaliation. The Organization prohibits retaliation by or on behalf of the Organization against staff 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. They should describe in detail the specific facts demonstrating the basis of the complaints, reports or inquiries. They should be directed to the Organization’s chief employed Executive or Chairman of the Board of Directors; if both of those persons are implicated in the complaint, report or inquiry, it should be directed to the Vice President of the Board of Directors. The Organization will conduct a prompt, discreet, and objective review or investigation. Staff or volunteers must recognize that the Organization may be unable to fully evaluate a vague or general complaint,

report, or inquiry that is made anonymously.

Joint Venture Policy

This Joint Venture Policy of the GSF requires that the Organization evaluate its participation in joint venture arrangements under US federal tax law and take steps to safeguard the Organization's exempt status with respect to such arrangements. It applies to any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity as further defined in this policy.

1. Joint ventures or similar arrangements with taxable entities. For purposes of this policy, a joint venture or similar arrangement (or a "venture or arrangement") means any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity without regard to:
    1. whether the Organization controls the venture or arrangement;
    2. the legal structure of the venture or arrangement; or
    3. whether the venture or arrangement is taxed as a partnership or as an association or corporation for federal income tax purposes. A venture or arrangement is disregarded if it meets both of the following conditions:
        1. 95% or more of the venture's or arrangement's income for its tax year ending within the Organization's tax year is excluded from unrelated business income taxation [including but not limited to:
            1. dividends, interest, and annuities;
            2. royalties;
            3. rent from real property and incidental related personal property except to the extent of debt-financing; and
            4. gains or losses from the sale of property]; and
        2. The primary purpose of the Organization's contribution to, or investment or participation in, the venture or arrangement is the production of income or appreciation of property.
2. Safeguards to ensure exempt status protection. The Organization will:
    1. negotiate in its transactions and arrangements with other members of the venture or arrangement such terms and safeguards adequate to ensure that the Organization's exempt status is protected; and
    2. take steps to safeguard the Organization's exempt status with respect to the venture or arrangement. Some examples of safeguards include:
        1. Control over the venture or arrangement sufficient to ensure that it furthers the exempt purpose of the organization;
        2. Requirements that the venture or arrangement gives priority to exempt purposes over maximizing profits fo the other participants;
        3. That the venture or arrangement not engage in activities that would jeopardize the Organization's exemption; and
        4. That all contracts entered into with the organization be on terms that are arm's length or more favorable to the Organization.

Policy on the Process for Determining Compensation

This Policy on the Process of Determining Compensation of the International Federation for

Professional Speakers applies to the compensation of the following persons when employed by the Organization: The Organization's chief employed executive.

The process includes all of these elements:

1. review and approval by the compensation committee of the Organization;
2. use of data as to comparable compensation; and
3. contemporaneous documentation and recordkeeping.

1. Review and approval. The compensation of the person is reviewed and approved by the compensation 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.

1. Contemporaneous documentation and recordkeeping. There is contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement.

Document Retention and Destruction Policy

This Document Retention and Destruction Policy of the GSF identifies the record retention responsibilities of staff, volunteers, members of the Board of Directors, and outsiders for maintaining and documenting the storage and destruction of the Organization's documents and records.

1. Rules. The Organization' staff, volunteers, members of the Board of Directors and outsiders (i.e., independent contractors via agreements with the Organization) are required to honor these rules:
    1. paper or electronic documents indicated under the terms for retention below will be transferred and maintained by the administrative staff;
    2. all other paper documents will be destroyed after three years;
    3. all other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year; and
    4. no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.
2. Terms for retention.

a Retain permanently: ● Governance records — Charter and amendments, Bylaws, other organizational documents, governing board and board committee minutes. ● Tax Records — Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits. ● Intellectual property records — Copyright and trademark registrations and samples of protected works. ● Financial records — Audited financial statements, attorney contingent liability letters.

b. Retain for ten years: ● Pension and benefit records — Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government agencies and supporting records ● Government relations records — State and federal lobbying and political contribution reports and supporting records.

c. Retain for three years: ● Employee/employment records — Employee names, addresses, social security numbers, dates of birth, INS Form I-9, resume/application materials, job descriptions, dates of hire and termination/separation, evaluations, compensation information, promotions, transfers, disciplinary matters, time/payroll records, leave/comp time/FMLA, engagement and discharge correspondence, documentation of basis for independent contractor status (retain for all current employees and independent contractors and for three years after departure of each individual). ● Lease, insurance, and contract/license records – Software license agreements, vendor, hotel and service agreements, independent contractor agreements, employment agreements, consultant agreements, and all other agreements (retain during term of the agreement and for three years after the termination, expiration, and non-renewal of each agreement).

d. Retain for one year: ● All other electronic records, documents and files – Correspondence files, past budgets, bank statements, publications, employee manuals/policies, procedures, survey information.

3) Exceptions. Exceptions to these rules and terms for retention may be granted only by the Organization's chief staff executive or Chairman of the Board of Directors.

Conflict of Interest This Conflict of Interest Policy of the GSF: (1) defines conflicts of interest; (2) identifies classes of individuals within the organization covered by this policy; (3) facilitates disclosure of information that may help identify conflicts of interest; and (4) specifies procedures to be followed in managing conflicts of interest.

1 Definition of conflicts of interest. A conflict of interest arises when a person in a position of authority over the organization may benefit financially from a decision he or she could make in that capacity, including indirect benefit financially from a decision he or she could make in that capacity, including indirect benefits such as to family members or businesses with which the person in closely associated. This policy is focused upon material financial interest of, or benefit to, such persons.

2 Individuals covered. Persons covered by this policy are the organization's officers, directors, chief employed executive and chief employed finance executive.

3 Facilitation of disclosure. Persons covered by this policy will annually disclose or update to the Chairman of the Board of Directors on a form provided by the organization their interests that could give rise to conflicts of interest, such as a list of family members, substantial business of investment holdings, and other transactions or affiliates with business and other organizations or those family members.

4 Procedures to manage conflicts. For each interest disclosed to the chairman of the Board of Directors, the Chairman will determine whether to: (a) take no action; (b) assure full disclosure to the Board and other individuals covered by this policy; © ask the person to recues from participation in related discussions of decisions within the organization; or (d) ask the person to resign from his or her position in the organization or, if the person refuses to resign, become subject to possible removal. The organization's chief employed executive or chief employed finance executive will monitor proposed or ongoing transactions for conflicts of interest and disclose them to the Chairman of the Board of Directors in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

Conflict of Interest Forms will be distributed at the beginning of every budget year in January to be completed, signed and returned to the Organization's office.

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