

UMRBA Operating Policies

State Travel Reimbursement	1
Water Quality Travel Reimbursement	2
Code of Ethics	3
Conflict of Interest	4
Whistleblower Protection	7
Investments	9
Fundraising	10
Gift Acceptance	11
Document Retention and Destruction	12
Drug-Free Workplace	15

UMRBA Policy
Regarding
State Travel Reimbursement

(Approved May 19, 2004)

(Revised May 19, 2009)

Purpose: To facilitate member states' participation in UMRBA meetings.

Per-State Cap: At its February Annual meeting each year, the UMRBA shall identify the maximum allowable annual travel reimbursement cost per state. UMRBA staff will use this cap as the basis for development of the budget for the fiscal year beginning on July 1 of that year.

State Allocations: The maximum amount that a member state may actually receive for travel reimbursement in any given fiscal year shall be in the same proportion to the per-state cap as that state's payment of UMRBA dues was to the full dues assessment in the previous year. (Example: If a state paid $\frac{1}{2}$ of its dues in fiscal year X, it will be eligible for $\frac{1}{2}$ of the per state cap in fiscal year X+1.)

Eligible Expenses: Funds may be used to reimburse travel costs incurred by state agency staff for attendance at UMRBA meetings and meetings of Committees and Task Forces created by UMRBA.* In addition, state agency staff attending UMRBA quarterly meetings may also be reimbursed for the additional incremental cost of attending related meetings held in conjunction with UMRBA quarterly meetings. Each state's Governor-appointed UMRBA representative shall identify, in writing, in advance, the individuals eligible to claim travel reimbursement expenses from UMRBA under this policy.

Reimbursement: The UMRBA Executive Director is authorized to make payment to state representatives or their employer agency in accordance with the above provisions. Reimbursement requests submitted to UMRBA shall be in accordance with the expense allowances and guidelines governing travel by employees of the state agency for which the individual seeking reimbursement works.

Meeting Planning: To minimize travel costs associated with UMRBA meetings, efforts will be made to:

- select meeting locations that are easily accessible
- rotate meeting locations in order to minimize the inconvenience and cost for any one state
- select the least expensive hotel with appropriate meeting accommodations

Financial Reporting: UMRBA staff shall notify all Governor-appointed UMRBA representatives of the balances in their state's travel reimbursement account as part of the Executive Director's quarterly report. Upon request, UMRBA staff will provide more frequent financial reports, including accounting of all reimbursement payments.

* Reimbursement for state participation in meetings of the UMRBA Water Quality Executive Committee and Water Quality Task Force is covered under a separate written policy. Therefore, the only UMRBA committee currently covered under this policy is the UMRBA Hazardous Spills Coordination Group .

**Upper Mississippi River Basin Association
Water Quality Executive Committee and Task Force**

**Policy Regarding
Travel Reimbursement**

(Approved by UMRBA Board on 2-20-07)

Purpose: To facilitate the participation of state members of the UMRBA Water Quality Task Force (WQTF) and Water Quality Executive Committee (WQEC) in meetings of those committees.

General Policy: State members of the WQTF and WQEC may be reimbursed by UMRBA for travel expenses associated with attendance at WQTF and WQEC meetings, if their agency paid the full “water quality assessment” to UMRBA in the current or preceding fiscal year.

Eligible Members and Expenses:

- Only those members appointed to the WQTF and WQEC in accordance with the provisions of the WQEC Charter are eligible for travel reimbursement. In the event a member is unable to attend a meeting, the representative attending in their stead is eligible for travel reimbursement.
- The WQEC Chair may be reimbursed for travel costs associated with attendance at quarterly meetings of the UMRBA Board.
- Eligible expenses include lodging and travel between the meeting location and the committee member’s home residence or office. Reimbursement shall be in accordance with the expense allowances and guidelines governing travel by employees of the state agency for which the individual seeking reimbursement works.

Budgeting: The estimated costs to UMRBA of travel reimbursements under this policy shall be reflected in UMRBA’s annual budget.

Meeting Planning: To minimize travel costs associated with WQEC and WQTF meetings, efforts shall be made to:

- select meeting locations that are easily accessible,
- rotate meeting locations to minimize the inconvenience and cost for any one state, and
- select the least expensive hotel with appropriate meeting accommodations.

Upper Mississippi River Basin Association Code of Ethics

Adopted May 19, 2009

The Upper Mississippi River Basin Association (UMRBA) believes strongly that its Board members and employees must uphold the highest standards of ethical, professional behavior in carrying out UMRBA's mission. All Board members and employees are expected to:

1. Recognize that the chief function of UMRBA at all times is to serve the best interests of its member states.
2. Accept as a personal duty the responsibility to conduct themselves with professional competence, fairness, impartiality, efficiency, and effectiveness.
3. Respect UMRBA's governance structure and principles, as articulated in its Articles of Association, By-Laws, Personnel Manual, and other written policies.
4. Conduct UMRBA's organizational and operational duties with positive leadership exemplified by open communication, accountability, transparency, dedication, and vision.
5. Demonstrate the highest standards of personal integrity, truthfulness, and honesty in all activities in order to inspire confidence and trust in UMRBA's activities.
6. Refrain from engaging in any activity that undermines the credibility, effectiveness, or integrity of UMRBA or its member states.
7. Adhere to UMRBA's Conflict of Interest Policy, avoiding any interest or activity that is in conflict with the conduct of their official duties.
8. Not use the resources or standing of UMRBA for personal or professional gain in any manner that is counter to UMRBA's interests.
9. Comply with all applicable laws and regulations.

In general, the use of good judgment based on high ethical principles will guide Board members and employees with respect to acceptable conduct. However, questions concerning the application and interpretation of this Code of Ethics may be directed at any time to UMRBA's Executive Director or Board Chair. If the actions of these two individuals are in question relative to this policy, the Vice Chair or another uninvolved Board member should be consulted.

Upper Mississippi River Basin Association Conflict of Interest Policy

Purpose: The purpose of this policy is to protect the interests of the Upper Mississippi River Basin Association (UMRBA), a nonprofit tax-exempt organization, when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or employee of the organization. This policy is intended to supplement, but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit organizations.

Statement of Policy: The UMRBA Board and employees have the responsibility to administer the affairs of UMRBA honestly and prudently, and to exercise their best care, skill, and judgment for the sole benefit of UMRBA. Those persons shall exercise the utmost good faith in all transactions involved in their duties and they shall not use their positions with UMRBA or knowledge gained there from for their personal benefit.

Conflict of Interest: Conflict of interest may arise when UMRBA Board members or employees, either directly or indirectly, through business, investment, or family, have:

- a) an ownership or investment interest in an entity with which UMRBA has a transaction or arrangement,
- b) a compensation arrangement with UMRBA or with any entity or individual with which UMRBA has a transaction or arrangement, or
- c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which UMRBA is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration, as well as gifts or favors that are not insubstantial.

There is not deemed to be a conflict of interest in the relationship between UMRBA and its member States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin. This includes the inherent interests that Board members have as representatives of the Governors of the member States and employees of the member States' agencies.

Disclosure and Procedures: Transactions with parties with whom a conflict of interest exists may be undertaken only if all of the following are observed:

- a) The conflict of interest is fully disclosed;
- b) The person with the conflict of interest is excluded from the discussion and approval of such transactions;
- c) A competitive bid or comparable valuation exists; and
- d) The Board has determined that the transaction is in the best interest of UMRBA.

Disclosure involving employees should be made to the Executive Director (or if the Executive Director is the one with the conflict, then to the UMRBA Chair), who shall bring the matter to the attention of the Board. Disclosure involving Board members should be made to the full Board.

The UMRBA Board shall determine whether a conflict exists and, in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to UMRBA. The decision of the Board on these matters will rest in their sole discretion, and their concern must be the welfare of UMRBA and the advancement of its purpose.

Annual Statements and Records of Proceedings:

Each member of the Board, including all state representatives and alternates appointed in accordance with the UMRBA Articles of Association, and each UMRBA employee shall annually sign a statement that:

- a) affirms that they have received, read, and agreed to comply with UMRBA's conflict of interest policy and
- b) reports conflicts of interest.

Discussions and decisions involving conflict of interest transactions shall be recorded in the minutes of the UMRBA Board meetings.

[Approved at February 20, 2007 Quarterly Meeting]

**Upper Mississippi River Basin Association
Conflict of Interest Disclosure Statement
for
Board Members and Employees**

I hereby confirm that I have read and understand UMRBA’s conflict of interest policy. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will immediately notify the Executive Director or UMRBA Chair, in accordance with the provisions of the policy.

_____ I have no conflict of interest to report

_____ I have the following conflict of interest to report (please specify):

Signature of Board Member or Employee

Printed Name

Date

Upper Mississippi River Basin Association Whistleblower Protection Policy

Adopted May 19, 2009

Introduction

The Code of Ethics adopted by the Upper Mississippi River Basin Association (UMRBA) requires all Board members and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities and to comply with all applicable laws and regulations. Set forth below is UMRBA's policy with respect to reporting good-faith concerns about the legality or propriety of the actions or plans of UMRBA Board members and employees.

Reporting of Concerns or Complaints

It is the responsibility of all Board members and employees to comply with UMRBA's Code of Ethics and applicable laws and regulations, and to report violations or suspected violations in accordance with this Whistleblower Policy.

Confidentiality

UMRBA will treat all communications under this policy in a confidential manner, except to the extent necessary 1) to conduct a complete and fair investigation or 2) for review of UMRBA operations by UMRBA's Board, independent public accountants, and/or legal counsel.

Retaliation

UMRBA will not permit any negative or adverse actions to be taken i) against any employee or individual for making a good-faith report of a possible violation of its Code of Ethics or applicable law or regulation, even if the report is mistaken, or ii) against any employee or individual who assists in the investigation of a reported violation.

Retaliation in any form will not be tolerated. Any act of alleged retaliation should be reported immediately and will be promptly investigated. 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 employees, Board members, and others to raise serious concerns within UMRBA prior to seeking resolution outside the organization.

Acting in Good Faith

This Whistleblower Policy calls upon anyone filing a complaint concerning a violation or suspected violation of the Code of Ethics or applicable law or regulation to act in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any employee allegations that prove not to be substantiated, and that prove to have been made maliciously or with knowledge that they were false, will be viewed as a serious disciplinary offense.

How To Report Concerns or Complaints

Individuals may report suspected violations of UMRBA's Code of Ethics, applicable law or regulation, or other wrongdoing or alleged retaliation by contacting UMRBA's Executive Director. In the event the individual is not comfortable contacting the Executive Director, s/he may contact the UMRBA Chair. If the actions of these two individuals are at issue, the report should be made to the Vice Chair or another uninvolved Board member. Suspected violations may be reported anonymously.

For a proper investigation to be conducted, it is important for the reporting individual to provide UMRBA with as much information as possible, including where and when the incident occurred, names and titles of the individuals involved, the nature of the incident, and related details.

Upper Mississippi River Basin Association Investment Policy

A. Purpose

To establish guidelines for the investment of funds of the Upper Mississippi River Basin Association (UMRBA), in order to manage investment risk while providing adequate return on those funds and sufficient liquidity.

B. Investment Objectives

Investments will be selected and managed to achieve the following objectives, in priority order:

- Preservation and safety of principal
- Liquidity appropriate to satisfy cash flow requirements
- Maximization of investment yield

C. Guidelines and Limitations:

1. Investments shall be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.
2. Funds will only be invested in the following investment securities, with the stated limitations:
 - a. U.S. Treasury bills, notes, or bonds backed by the full faith and credit of the United States government. No limitation on portfolio allocation.
 - b. U.S. government agency discount notes backed by the full faith and credit of a federal government agency. No limitation on portfolio allocation.
 - c. Savings Accounts and Certificates of Deposit issued by national or state banks — Banks must be FDIC insured. Investment instruments are not to exceed the FDIC limit per depositor at each insured institution.
 - d. Money Market Funds — These instruments shall be used primarily to meet liquidity objectives. Investments are limited to \$500,000 in any one fund.
3. Maximum maturity of any individual issue is not to exceed 24 months.

D. Responsibilities

It is the responsibility of the UMRBA Board to approve the Investment Policy. It is the responsibility of the Executive Director to implement the Investment Policy, to review the policy from time to time, and propose modifications to the Board, as necessary.

The Executive Director will have the discretion of choosing investment instruments and maturity length within the guidelines set forth in this policy. Deviations from the policy must be approved by the UMRBA Board.

[Approved at November 17, 2009 Quarterly Meeting]

Upper Mississippi River Basin Association Fundraising Policy

Adopted May 19, 2009

As an organization formed by, and accountable to, the Governors of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, the Upper Mississippi River Basin Association (UMRBA) funds its operations primarily through dues from its member states and various project- or service-specific funding agreements with federal agencies, supplemented to a minor degree by investment income and occasional project- or service-specific support from other funders (e.g., foundations). Charitable fundraising¹ would be inconsistent with UMRBA's mission and function. Thus, as a matter of policy, UMRBA does not engage in charitable fundraising. This policy extends to the UMRBA Board and employees, and also precludes the use of outside fundraisers.

In consultation with the UMRBA Board, the Executive Director is authorized to pursue and enter into funding agreements with federal agencies and other entities to support the execution of specific projects and performance of specific services. Such projects and services must be consistent with UMRBA's mission and function as a state-formed organization and must serve the states' collective priorities for UMRBA. These agreements may take the form of contracts, cooperative agreements, grants, or other vehicles deemed appropriate and consistent with UMRBA's status as a 501(c)(3) organization of the states. All applicable statutory and regulatory requirements, including those pertaining to record keeping, audit standards, and allowable use of funds, will be observed. In addition, all such agreements must be consistent with all other applicable UMRBA policies (e.g. Conflict of Interest and Code of Ethics).

¹ For the purpose of this policy, charitable fundraising is understood to mean the solicitation of donations, monetary or otherwise, from individuals or organizations to support UMRBA's operations. Funding from UMRBA's member states and funding from federal agencies or others via contracts, cooperative agreements, grants, or other vehicles to support execution of a specific project or performance of a requested service do not fall within this definition.

Upper Mississippi River Basin Association Gift Acceptance Policy

Adopted May 19, 2009

The Upper Mississippi River Basin Association (UMRBA) does not solicit gifts, and historically has not been the recipient of gifts to any material extent. Adoption of this Gift Acceptance Policy does not reflect any intent to seek gifts in the future. Rather, in the interest of good governance, it is designed to establish general guidelines should an unsolicited gift be offered to UMRBA.

1. UMRBA Board members and employees are not authorized to solicit gifts on behalf of UMRBA.
2. Should a gift, either cash or non-cash, be offered, the UMRBA Executive Director is authorized to act on gifts valued at or below \$1,000. Only the UMRBA Board is authorized to act on behalf of UMRBA in determining whether to accept gifts valued above \$1,000.
3. In determining whether to accept an unsolicited gift, UMRBA's Executive Director or Board will consider the following:
 - a. Is the gift consistent with UMRBA's mission and priorities?
 - b. Would the gift in any way undermine the credibility or effectiveness of UMRBA, its Board members, or its employees? In considering this question, the Board should consider the potential donor as well as the gift itself.
 - c. Would the gift present any actual or perceived conflicts of interest for UMRBA, its Board members, or its employees?
 - d. Would accepting the gift present any immediate or longer term costs to UMRBA? If so, how do those costs compare with the value of the gift? "Costs" include time and other resources, as well as cash expenses.
4. Under no circumstances will UMRBA's Executive Director or Board accept a gift that:
 - a. violates an applicable law or regulation,
 - b. includes conditions that would impose an unreasonable burden or are incompatible with UMRBA's mission,
 - c. is incompatible with UMRBA's Code of Ethics,
 - d. is financially unsound, or
 - e. would expose UMRBA to legal liability.

Upper Mississippi River Basin Association Document Retention and Destruction Policy

Adopted May 19, 2009

Purpose

Effective document management is essential to the Upper Mississippi River Basin Association's (UMRBA's) effectiveness, transparency, and accountability. In addition, the Sarbanes-Oxley Act makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding. Therefore, this policy provides for the systematic review, retention, and destruction of documents received or created by UMRBA in connection with its operations. This policy covers all records and documents, regardless of physical form, and is designed to ensure compliance with federal and state laws and regulations, eliminate inadvertent destruction of documents, and facilitate UMRBA's operations by promoting efficiency and eliminating the retention of unnecessary documents.

Document Retention

UMRBA follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the corresponding length of time.

In the event of pending, threatened, or otherwise reasonably foreseeable litigation, audits, government investigations, or similar proceedings, UMRBA's Executive Director shall issue a notice, known as a "legal hold," suspending the destruction of potentially relevant records. No records specified in any legal hold may be destroyed, even if the scheduled destruction date has passed, until the legal hold is withdrawn, in writing, by the Executive Director.

In addition, UMRBA's Executive Director has the authority to retain documents beyond their scheduled destruction date if s/he determines that this would be helpful in maintaining the organization's historical record.

Corporate Records

Articles of Association	Permanent
Bylaws	Permanent
Board Meeting Agendas and Minutes	Permanent
Board Policies/Resolutions	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
Contracts (after expiration)	7 years
Conflicts of Interest Disclosure Forms	4 years
Correspondence (general)	3 years

Accounting and Corporate Tax Records

Audits and Financial Statements (including management letters)	Permanent
Depreciation Schedules	Permanent
IRS Form 990 Tax Returns	Permanent
General Ledgers	Permanent
Business Expense Records	7 years
IRS Forms 1099	7 years
Journal Entries	7 years
Invoices	7 years
Cash Receipts	7 years
Credit Card Receipts	7 years

Bank and Investment Records

Check Registers	Permanent
Bank Deposits, Statements, and Reconciliations	7 years
Electronic Fund Transfer Documents	7 years
Investment Statements and Other Records	7 years

Payroll and Employment Tax Records

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

Employee Records

Personnel files (includes I-9 forms)	Permanent
Retirement Plan Documents	Permanent
Accident Reports and Worker's Compensation Records	5 years
Time Sheets	5 years
Employment Applications	3 years

Donor and Grant Records

Grant, Contract, and Cooperative Agreement Documentation	7 years after completion
Donor Records and Acknowledgment Letters	7 years

Legal, Insurance, and Safety Records

Appraisals	Permanent
Insurance Policies	Permanent
Leases	6 years after expiration
OSHA Documents	5 years

Electronic Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. E-mail messages that constitute one of the identified document types should be printed in hard copy and kept in the appropriate

file or moved to an “archive” computer file folder. Backup and recovery methods for electronic records will be tested on a regular basis.

Emergency Planning

UMRBA’s records will be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping UMRBA operating in an emergency will be duplicated or backed up at least every week and maintained off-site by UMRBA’s Administrative Assistant.

Document Destruction

UMRBA’s Executive Director is responsible for establishing a process for identifying documents that have met the required retention period and overseeing document destruction. Destruction of financial and personnel-related documents, and any other documents of a sensitive nature, 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. This will typically be done via a “legal hold” issued by UMRBA’s Executive Director. However, other employees should halt document destruction temporarily and consult with the Executive Director in the event they have any question concerning the destruction of documents not subject to a legal hold. Destruction will be reinstated following written directive from the Executive Director that either rescinds the legal hold (if applicable) or responds to the concern raised by employees.

Compliance

Failure to follow this policy can result in possible civil and criminal sanctions against UMRBA and its employees, as well as disciplinary action against responsible individuals. The Executive Director will periodically review these procedures with UMRBA’s independent auditors to ensure that they are in compliance with new or revised regulations.

UMRBC Records

As the successor organization to the former Upper Mississippi River Basin Commission (UMRBC), UMRBA will maintain the UMRBC’s records consistent with this Document Retention and Destruction Policy, to the extent UMRBA is in possession of these records.

Upper Mississippi River Basin Association
Drug-Free Workplace Policy
October 3, 2007

Purpose and Goal

The Upper Mississippi River Basin Association (UMRBA) is committed to protecting the safety, health, and well being of all employees and other individuals in our workplace. The purpose of this Policy is to maintain a drug-free workplace through good faith implementation of the requirements of the Drug-Free Workplace Act of 1988. (41 USC 701 *et seq.*, as amended).

We have established a drug-free workplace program that balances our respect for individuals with the need to maintain an alcohol and drug-free environment.

UMRBA encourages employees to voluntarily seek help with drug and alcohol problems.

Covered Workers

Any individual who conducts business for UMRBA is covered by our drug-free workplace policy. Our policy includes, but is not limited to full-time employees and part-time employees.

Applicability

Our drug-free workplace policy is intended to apply whenever an employee is representing or conducting business for UMRBA. Therefore, this policy applies during all working hours and at UMRBA-sponsored events.

Prohibited Behavior

UMRBA prohibits the unlawful possession, use, distribution, sale, or manufacture of alcohol and controlled substances in the UMRBA workplace or as part of UMRBA activities.

Notification of Convictions

Any employee who is convicted of a criminal drug violation in the workplace must notify UMRBA in writing within five calendar days of the conviction. UMRBA will take appropriate action within 30 days of notification. Federal contracting agencies will be notified when appropriate.

Consequences

One of the goals of our drug-free workplace program is to encourage employees to voluntarily seek help with alcohol and/or drug problems. If, however, an individual violates the policy, the consequences are serious.

If an employee violates the policy, he or she will be subject to progressive disciplinary action and may be required to enter rehabilitation. An employee required to enter rehabilitation who fails to successfully complete it and/or repeatedly violates the policy will be terminated from employment. Nothing in this policy prohibits the employee from being disciplined or discharged for other violations and/or performance problems.

Assistance

UMRBA recognizes that alcohol and drug abuse and addiction are treatable illnesses. We also realize that early intervention and support improve the success of rehabilitation. To support our employees, our drug-free workplace policy:

- Encourages employees to seek help if they are concerned that they or their family members may have a drug and/or alcohol problem.
- Encourages employees to utilize the services of qualified professionals in the community to assess the seriousness of suspected drug or alcohol problems and identify appropriate sources of help.

Information about the health risks of drug abuse is available from the National Institute on Drug Abuse at <http://www.nida.nih.gov/>.

Counseling and treatment assistance is offered by a variety of organizations in the Twin Cities, including Hazelton (<http://www.hazelden.org/>) and Alcoholics Anonymous (<http://www.aastpaul.org/>).

Treatment for alcoholism and/or other drug use disorders may be covered by the employee benefit plan. However, the ultimate financial responsibility for recommended treatment belongs to the employee.

Confidentiality

All information received by UMRBA through the drug-free workplace program is confidential communication. Access to this information is limited to those who have a legitimate need to know in compliance with relevant laws and management policies.

Shared Responsibility

A safe and productive drug-free workplace is achieved through cooperation and shared responsibility. Both employees and management have important roles to play.

All employees are required to not report to work while their ability to perform job duties is impaired due to on- or off-duty use of alcohol or controlled substances.

In addition, employees are encouraged to support fellow workers in seeking help.

It is the supervisor's responsibility to inform employees of the drug-free workplace policy.

Communication

All employees will receive a written copy of the policy and be notified that as a condition of employment on Federal grants and contracts they will abide by the terms of this statement.