

**RESOLUTION ADOPTING A CONFLICT OF INTEREST POLICY,
WHISTLEBLOWER POLICY, AND RECORD RETENTION POLICY
FOR THE Q300 PARENT-TEACHER ASSOCIATION, INC.**

WHEREAS, the Q300 Parent-Teacher Association, Inc. (the "Association") wishes to protect its interest when it is contemplating entering into a transaction or arrangement that might also benefit the private interest of an officer, board member or employee of Association and to ensure that all institutional decisions are made solely to promote the best interests of Association without favor or preference based on personal considerations, and to provide the highest ethical conduct;

WHEREAS, the Association believes the trust and confidence of its Members, donors, and other supporters depend on the Association's continuing to maintain the highest standards of ethical and lawful conduct. It is Association's position that all individuals involved with its mission must comport themselves so that there is not even the appearance of conflict between personal interests and those of Association. To ensure high standards of conduct, Association desires to set forth the common understandings that must exist among the members of its community;

WHEREAS, the Association requires its officers, board members, employees and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The representatives, members, and employees of the Association must practice honesty and integrity in fulfilling each of his or her responsibilities, comply with all applicable laws and regulations and ensure that each follows the Association's corporate policies; and

WHEREAS, the Association seeks to ensure that necessary records and documents are maintained and protected at the Association and to preserve the Association's history.

NOW, THEREFORE, be it resolved, by the Association, at its duly noticed meeting of the Membership on October 28, 2014, a quorum being present, and by a majority vote of the Members, as follows: hereby ratifies and approves the following policies for the good of the Association:

1. Conflict of Interest Policy (attached hereto as Exhibit A);
2. Whistleblower Policy (attached hereto as Exhibit B); and
3. Record Retention Policy (attached hereto as Exhibit C).

CERTIFICATION

We hereby state that the foregoing is a true and accurate description and copy of the Resolution passed by the Association at its General Membership Meeting on October 28, 2014.

Dated this 11th day of February 2015.

Q300 PARENT-TEACHER ASSOCIATION, INC.

/S/

By: _____
David William Wang
President

/S/

By: _____
Abrielle Rosenthal
Secretary

EXHIBIT A

CONFLICT OF INTEREST POLICY

Article I. General

The purpose of the Conflict of Interest Policy (the "COI Policy") is to protect the interest of the Q300 Parent-Teacher Association, Inc. (the "Association") when it is contemplating entering into a transaction or arrangement that might also benefit the private interest of an officer, director or key employee of Association (the "Managing Person") or a Related Party of such person. The COI Policy is designed to ensure that all institutional decisions are made solely to promote the best interests of Association without favor or preference based on personal considerations, and to provide the highest ethical conduct. This COI Policy is intended to supplement, but not replace any applicable New York State or federal laws governing conflicts of interest applicable to nonprofit corporations; and to clarify Association's principles and practices for guidance in resolving ethical and legal questions that might arise relating to business transactions.

The Association believes the trust and confidence of its members, donors and other supporters depend on our continuing to maintain the highest standards of ethical and lawful conduct. It is Association's position that all individuals involved with its mission must comport themselves so that there is not even the appearance of conflict between personal interests and those of Association. To ensure high standards of conduct, Association desires to set forth the common understandings that must exist among the members of its community.

Article II. Duty of Loyalty and General Requirements

Section 1. The Law. Conflict-of-interest statutes are contained in the New York Not-for-Profit Corporation Law and focus primarily on the duty of loyalty of the Managing Person. This duty broadly commands the Managing Person to be faithful to the Association's best interests and to refrain from using their organizational position or knowledge to advance a personal agenda at the Association's expense. The law does not require a prohibition of all conflicts of interests. Rather, the goal is to permit the Association to manage conflicting interests successfully and to reach optimum decisions with knowledge of the conflicts.

Section 2. Basis of Decisions. All institutional decisions are to be made solely to promote the best interests of Association without favor or preference based on personal considerations. The Managing Person may not obtain for themselves, or any Related Party a material benefit of any kind from the Association, or from the knowledge gained therefrom without first disclosing such benefit to the Association. The fairness of transactions involving potential conflicting interests is to be analyzed by comparing them with similar transactions negotiated by parties dealing at "arm's length" - that is, parties that have no other relationship and are presumed to base their decisions on rational economic interests. So long as transactions and potential conflicting interests are disclosed to the Board, and the transactions are found to be fair, reasonable and in the best interests of Association at the time of such determination, they may lawfully be undertaken.

Section 3. Confidential Information. In addition, one of Association's most valuable assets is its confidential information, which includes donor lists, research data, financial data and computer software and equipment information. The security and integrity of all confidential data must be diligently protected. Accordingly, the Managing Person should not disclose or use any confidential information involving Association for personal benefit or for non-Association related purposes.

Section 4. Definitions

- 4.1 **Board.** This term means the board of directors of the Association.
- 4.2 **Related Party.** This term means: (i) any Managing Person; (ii) relatives of any Managing Person which includes spouses or domestic partners, ancestors, siblings and half-siblings or their spouses, natural or adopted children, grandchildren and great-grandchildren or their spouses or any other family member sharing the same household; (iii) any entity in which any Managing Person or any individual described in (ii) above has thirty-five percent (35%) or greater ownership or beneficial interest or if a partnership or professional corporation any ownership in excess of five percent (5%); or (iv) any other entity or trust in which any Managing Person or any individual in (ii) serves as a board member, trustee, director, officer or employee or has a material financial interest.
- 4.3 **Covered Arrangement.** This term means each *proposed* transaction, agreement or other arrangement, including Compensation, in which: (i) one or more Related Parties would have a financial interest and Association would be a participant; or (ii) there could be an actual or perceived conflict of interest for some other reason, including any transaction, agreement or other arrangement in which the interests of a Related Party could be seen as competing with the interests of Association. A Covered Arrangement shall exclude any benefits received by a Related Party who is a student at Q300, provided that such benefits are also received by other similarly situated students at Q300 who are not Related Parties.
- 4.4 **Compensation.** Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

Section 5. Procedures

- 5.1 **Duty to Disclose.** In connection with any actual or possible conflict of interest, a Managing Person must immediately disclose in writing the existence and nature of her/his interest or any Related Party's interest (including any relevant and material facts) to the Board and/or members of any Association committee considering the proposed transaction or arrangement.
- 5.2 **Determining Whether a Conflict of Interest Exists.** A conflict of interest exists when a possible Covered Arrangement reduces the likelihood that a Managing Person's influence can be exercised impartially in the best interests of the Association. After

disclosure of a possible Covered Arrangement, the Related Party with any actual or possible conflict must leave, and shall not be present at or participate in the Board or committee meeting in which the Covered Arrangement is discussed. Such Related Parties are not allowed to vote on the Covered Arrangement, participate as advocates on behalf of the Covered Arrangement or otherwise attempt to influence improperly the deliberation of the Board or committee either formally at Board or committee meetings or informally through private contact, communication, and discussion. The remaining Board or committee members shall decide if a conflict of interest exists.

5.3 Procedures to Address a Conflict of Interest. The following procedure shall be taken:

5.3.1 If a Related Party has a substantial financial interest in the Covered Arrangement, the President of the Association shall appoint a disinterested person or committee of disinterested directors to investigate alternatives to the Covered Arrangement.

5.3.2 The Board or committee shall exercise due diligence, by using comparable market data among other objective tests, if available, to determine whether Association can obtain a more advantageous arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

5.3.3 If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors or committee members whether the Covered Arrangement is in Association's best interest and for its own benefit and whether the transaction is fair and reasonable to Association, and shall make its decision as to whether to enter into the Covered Arrangement.

5.3.4 The Board or committee must determine whether the Covered Arrangement is material to the financial, reputational or other interests of Association. If a committee is the body which determines that the Covered Arrangement is material, then it must promptly notify the Board of this determination and may condition its approval, if any, of the Covered Arrangement upon the further review, input or approval of the Board.

Section 6. Violation of Conflict of Interest Policy

6.1 If the Board has reasonable cause to believe that a Managing Person has failed to disclose any actual or possible conflicts of interest, it shall inform the person of the basis of such belief and afford the person an opportunity to explain the alleged failure to disclose.

6.2 If, after hearing the response of the person and making such further investigation as may be warranted in the circumstances, the Board should determine that the person has in fact knowingly failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action as is needed in the circumstances, including removal from office or termination of employment.

Section 7. Required Contemporaneous Record of Conflict of Interest Proceedings

The existence and resolution relating to the conflict of interest should be documented in the minutes of the Board and all committees at which the conflict was discussed or voted upon. Such minute shall contain the following information:

- 7.1 the names of the person(s) who disclosed or otherwise were found to have an actual or possible conflict of interest;
- 7.2 the nature of the interest;
- 7.3 the actions taken to determine whether a conflict of interest was present;
- 7.4 the Board's or committee's decision as to whether a conflict of interest in fact existed;
- 7.5 the content of the discussions, including any alternative transactions to the Covered Arrangement and comparable market data; and
- 7.6 the names of the persons who were present for discussions and a record of their vote relating to the Covered Arrangement.

Section 8. Periodic Reviews

To ensure that Association operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted to include the following subjects:

- 8.1 Whether compensation arrangement and benefits are reasonable and are the result of arm's length bargaining;
- 8.2 Whether any arrangements with outside service organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Association's charitable purposes and do not result in impermissible private benefit; and
- 8.3 Whether agreements with other organizations or employees further Association's charitable purposes and do not result in impermissible private benefit.

Section 9. Initial and Annual Disclosure Statements

- 9.1 Prior to the initial election, appointment or hiring of any Managing Person and annually thereafter, such individual must complete, sign and submit to the Secretary of Association a written disclosure statement which affirms that such person: a) has received a copy of the COI Policy; b) has read and understands the COI Policy; c) has agreed to comply with the COI Policy; and d) identified to the best of her/his knowledge any entity

or trust of which such individual is an officer, director, trustee, member, owner (either as a sole proprietor or a partner) or employee and with which Association has a relationship; any transaction in which Association is a participant and in which the individual or a Related Party might have a conflict of interest; or any other interests which could give rise to a conflict of interest.

- 9.2 The Secretary of Association shall provide a copy of all completed statements to the Board and the Audit Committee for review. All such forms will be available for inspection by any Board members or General Member.

Section 10. Use of Outside Experts

When conducting the periodic reviews, Association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

EXHIBIT B

WHISTLEBLOWER POLICY

- 1. General.** The Q300 Parent-Teacher Association, Inc. (the "Association") requires its directors, officers, employees and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The representatives, members, and employees of the Association must practice honesty and integrity in fulfilling our responsibilities, comply with all applicable laws and regulations and ensure that we are following our corporate policies.
- 2. Scope of Policy.** The matters which should be reported under this Whistleblower Policy include suspected fraud, theft, embezzlement, accounting or auditing irregularities, bribery, kickbacks, misuse of Association's assets, violations of Association's policies including the Conflict of Interest Policy, suspected regulatory or compliance violations, or ethics-related issues or concerns.
- 3. Reporting Responsibility.** It is the responsibility of all directors, officers, employees and volunteers to report violations or suspected violations of ethical standards and/or applicable legal or regulatory requirements as well as any Association policy ("Violations") in accordance with this Whistleblower Policy.
- 4. Reporting Violations.** Questions, concerns, suggestions or complaints regarding the ethical and legal standards noted above should be addressed directly to the Chairperson of the Audit Committee.
- 5. Audit Committee.** The Chairperson of Audit Committee is responsible for the investigation and resolution of all reported Violations and shall notify the Audit Committee and, if the Chairperson determines is appropriate, the Board, of all such Violations.
- 6. Timing Procedures of Reported Violations.** The Audit Committee will notify the sender and acknowledge receipt of the reported Violation within five (5) business days or if orally communicated will make such an acknowledgment at the time of the communication as well as send a follow-up receipt within five (5) business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.
- 7. Investigation.** The Audit Committee shall review all reported Violations and may consult other Association committees, Board members and staff. The Audit Committee shall work through the concerns until the matter is resolved.
- 8. No Retaliation.** No Board Member, officer, employee or volunteer who in good faith reports a Violation shall suffer harassment, retaliation or adverse employment consequence. A Board Member, officer or employee who retaliates against someone who has reported a Violation in good faith is subject to discipline. This Whistleblower Policy is intended to encourage and enable directors, officers, employees or volunteers to raise serious concerns

within Association prior to seeking resolution outside of the organization. If any such person feels that s/he has suffered from retaliation, then this matter should be reported to the Chair of the Audit Committee.

9. **Confidentiality.** Violations may be submitted on a confidential basis by the complainant. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation or as may be required by applicable law or regulation.
10. **Acting in Good Faith.** Anyone filing a Violation must act in good faith and have reasonable grounds for believing the information disclosed may indicate a Violation of the above standards. 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.
11. **Annual Report.** The Chair of the Audit Committee is required to report to the Board at least annually regarding such Violations.
12. **Distribution of Whistleblower Policy.** The Association will distribute this Whistleblower Policy to all directors, officers and employees and volunteers who provide substantial services to the Association.

EXHIBIT C

RECORD RETENTION POLICY

Section 1. Purpose

The Record Retention Policy ensures that necessary records and documents are maintained and protected at the Q300 Parent-Teacher Association, Inc. (the "Association"). This policy is also intended to preserve the Association's history. Records retention applies to all records, whether paper, electronic, or other media.

Section 2. Retention

- 2.1 The board of directors of the Association (the "Board") may appoint individuals who are responsible for the retention of records. Individuals responsible for the retention of records are responsible for the destruction of such records following the retention period provided in Section 3 below (each a "Retention Period", together, the "Retention Periods"). Documents should be destroyed in a manner so all sensitive or confidential material can no longer be read. This means paper documents should be shredded and electronic documents should be erased or otherwise made unreadable.
- 2.2 The Association's financial records are the property of the Association and do not belong to those who prepare such records. No member, officer, director or employee of Association has a personal or property right to the Association's financial records and may remove or copy such records for personal use.

Section 3. Record Types and Retention Periods

Records should be retained by the Board according to the table below to ensure the continuation of Association policies, with the exception of situations in which there is an audit or litigation document preservation hold. If the Association has any doubt whether a record should be preserved, it should consult with the President before destroying the record.

Corporate Records:

Articles of Incorporation	Permanent
By-Laws, including Amendments	Permanent
Minutes of Executive Directors Meetings	Permanent
Minutes of General Membership Meetings	Permanent
Minutes of Committee Meetings	Permanent
Election Records	Ballots shall be kept one year following the date of the election or until the determination of any grievance filed concerning the election, whichever is later. Ballots must not be removed from the school.

Federal Tax Records:

Form 990 and support	Permanent
IRS Exemption Application & Determination Letter	Permanent
State Tax Exemptions	Permanent

Membership Records:

PTA membership list	6 years
All parent contact information	6 years

Fundraising Records:

Fundraising Event budgets	6 years
Fundraising Event Activity reports	6 years

Grants Records:

Grant Application and Reporting Forms	6 years
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