

Metropolitan Swimming Conflict of Interest Policy

Last updated September 30, 2023

SECTION 1. STATEMENT OF ETHICS

Metropolitan Swimming, Inc. (“Metropolitan Swimming”) seeks to promote a culture of ethical conduct within its organization and throughout its membership. Metropolitan Swimming is committed to developing and implementing policies and procedures to equip its members with the guidance and resources necessary to navigate ethical issues. This Statement of Ethics and Conflict of Interest Policy (“Conflict of Interest Policy”) are intended to reflect certain organizational values, including respect for others, integrity and honesty, competence and accountability, and teamwork.

SECTION 2: CONFLICT OF INTEREST POLICY PURPOSE AND COVERED INDIVIDUALS

Metropolitan Swimming’s Board of Directors (the “Board”), officers, committee members, task force members, hearing panel members, volunteers, and employees (“Covered Individuals”) have the responsibility of administering the affairs of Metropolitan Swimming honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of Metropolitan Swimming. Those persons shall exercise the utmost good faith in all activities and transactions involved in their duties, and they shall not use their positions within Metropolitan Swimming, or knowledge gained there from, for their personal benefit. The interests of the organization must be the first priority in all decisions and actions. Metropolitan Swimming requires that Covered Individuals recognize and avoid activities, transactions, relationships, or investments that involve, might appear to involve, or could result in a potential conflict of interest. Additionally, where reasonable, contractors shall be required to comply with this Conflict of Interest Policy in their written contracts.

SECTION 3. CONFLICT OF INTEREST DEFINITION

A conflicting interest may be defined as an interest or relationship, direct or indirect, with any of the following:

1. Persons and firms supplying goods and services to Metropolitan Swimming.
2. Persons and firms from whom Metropolitan Swimming leases property and equipment.
3. Persons and firms with whom Metropolitan Swimming is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting Metropolitan Swimming.
6. Agencies, organizations, and associations which affect the operations of Metropolitan Swimming.
7. Relatives, friends, close associates, and other employees.

Such an interest might arise through the following activities, including but not limited to:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with Metropolitan Swimming.

2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with Metropolitan Swimming.
3. Receiving remuneration for services with respect to individual transactions involving Metropolitan Swimming.
4. Using Metropolitan Swimming's time, personnel, equipment, supplies, or goodwill for anything other than Metropolitan Swimming-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with Metropolitan Swimming.

For example, a member of the Metropolitan Swimming Governance Committee (including athlete members) may have a potential conflict of interest if a family member is applying for nomination to the Board. In the event an individual is unsure whether they may have a potential conflict of interest, they should contact the Governance Committee.

SECTION 4. CONFLICT OF INTEREST POLICY INTERPRETATION

The relationships and activities of potentially conflicting interest listed in Section 2 are not exhaustive. Conflicts might arise through other relationships or activities. Covered Individuals must recognize such relationships and activities by analogy. The fact that one of the interests described in Section 2 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of Metropolitan Swimming. However, Covered Individuals must disclose the existence of any of the relationships and/or activities described in Section 2 before any related transaction is consummated. It shall be the continuing responsibility of Covered Individuals to scrutinize their transactions and outside business interests, investments, and relationships for potential conflicts and to immediately make such disclosures to Metropolitan Swimming.

Additional guidelines intended to assist Covered Individuals when making personal decisions relating to ethical behavior and conflict of interest include:

1. The business of Metropolitan Swimming is to be conducted in observance of both the spirit and letter of applicable federal and state laws.
2. Metropolitan Swimming properties, services, opportunities, authority, and influence are not to be used for private benefit.
3. Expenses incurred in furtherance of Metropolitan Swimming business are to be reasonable, necessary, and substantiated.
4. All are expected to exhibit honesty, loyalty, candor, and professional competence in their relationships with Metropolitan Swimming and with each other.
5. Each Covered Individual has the responsibility to maintain the confidentiality of the organization. This includes both proprietary and sensitive information.

SECTION 5. DISCLOSURE POLICY

Each Covered Individual shall annually sign a Disclosure Statement which affirms such individual:

1. Has received a copy of this Conflict of Interest Policy,
2. Has read and understands this Conflict of Interest Policy,
3. Has agreed to comply with this Conflict of Interest Policy, and
4. Understands that Metropolitan Swimming is a charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes. As new potential conflicts of interest arise, Covered Individuals must update their written disclosure.

Moreover, Board and committee minutes must include the following when a potential conflict of interest is involved in a discussion:

1. The names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the Governance Committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

SECTION 6. DISCLOSURE PROCEDURE

All Disclosure Statements will be provided to the Governance Committee for review. The Governance Committee must document its review of any disclosures, by demonstrating in its meeting minutes that each Disclosure Statement has been considered and drafting a memorandum to the Governance Committee's file containing the evaluation of each disclosure. After disclosure of the conflict or potential conflict of interest and all material facts, and after any needed discussion with the interested person, the Governance Committee shall decide if a conflict of interest exists and if there are mitigating measures that could be implemented to permit Metropolitan Swimming to move forward with the transaction or activity. If a member of the Governance Committee discloses a conflict of interest or potential conflict of interest, that member will recuse themselves from any discussion of the Disclosure Statement. If the Governance Committee determines that Covered Individuals must take certain steps to manage or avoid their potential conflict, that direction on conflict mitigation must be provided to the Covered Individual in writing and the Covered Individual must acknowledge receipt and understanding in writing, including recognition that directives must be followed as a condition of membership.

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following, at a minimum, are observed:

1. The conflicting interest is fully disclosed to the Governance Committee;

2. The Governance Committee has reviewed the Disclosure Statement and considered alternatives to the proposed transaction or arrangement.
3. If the Governance Committee determines that a more advantageous transaction or arrangement, free of any potential conflict of interest, is not reasonably possible under circumstances, the Governance Committee shall determine whether the transaction or arrangement is in Metropolitan Swimming's best interest, for its own benefit, and whether it is fair and reasonable.
4. In conformity with the above determination, the Governance Committee shall inform the Covered Individual and the Board or committee in writing whether there is a conflict of interest precluding Metropolitan Swimming from entering into the transaction or arrangement, or if there are mitigating measures that may be implemented to alleviate concerns regarding the potential conflict of interest.
5. The person with the conflict of interest must be excluded from the discussion and approval of such a transaction.

SECTION 7. VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY

Members of Metropolitan Swimming must report potential violations of this Conflict of Interest Policy to the Governance Committee; Metropolitan Swimming strictly prohibits any retaliation for reporting any alleged violations of this Conflict of Interest Policy. The Governance Committee will investigate reports of any alleged violation of this Conflict of Interest Policy; if the Governance Committee has reasonable cause to believe a Covered Individual has failed to disclose an actual or possible conflict of interest, or if the Governance Committee determines that a Covered Individual has not followed one of its directives subsequent to disclosure, it shall inform the Covered Individual of the basis for such belief and afford the Covered Individual an opportunity to explain the alleged failure to disclose. After the Governance Committee reviews the Covered Individual's response, it will generate a report of its investigation and findings, and submit such report to all interested parties, as well as to the General Chair of Metropolitan Swimming and the Board, via email from the Secretary. If the Governance Committee determines the Covered Individual has failed to disclose an actual or possible conflict of interest, or violated one of its directives following a disclosure, it will take appropriate and reasonable disciplinary and corrective action, including, but not limited to, retroactive disclosure and/or removal from the Covered Individual's leadership position(s) within the organization. The severity of the disciplinary or corrective action will depend upon the severity of the violation. In the event a member of the Governance Committee is the subject of the alleged violation and subsequent investigation, the General Chair shall refer the matter to outside counsel. Any appeal of the Governance Committee's decision shall be referred to the Metro Administrative Review Board.