

SUBMARINE OFFICERS' SPOUSES CHARITABLE ASSOCIATION WASHINGTON

ARTICLES OF ASSOCIATION

Revised Spring 2013

Tax ID #91-124098

ARTICLE I: NAME

This organization shall be called "Submarine Officers' Spouses' Charitable Association - Washington" hereafter referred to as "SOSCA-WA" or "Association".

ARTICLE II: RULES OF ORDER

The rules contained in "Robert's Rules of Order" shall govern this Association in all cases to which they are applicable, and in which they are not inconsistent with the Bylaws or special rules of order of this Association.

ARTICLE III: PURPOSE

The SOSCA-WA shall be a nonprofit organization whose sole purpose shall be the disbursement of funds to charitable community endeavors. Funds shall be distributed only to nonprofit funds, foundations or corporations that are organized and operated exclusively for charitable purposes and which have established tax-exempt status under the Section 501(c) (3) of the Internal Revenue Code.

No part of the activities of SOSCA-WA shall be the carrying on of propaganda or otherwise attempting to influence legislation and SOSCA-WA shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of, or in opposition to any candidate for public office.

Notwithstanding any other provision of these articles, SOSCA-WA shall not carry on any other activities not permitted to be carried on

1. by an association exempt from Federal income tax under sections 501(c) (3) of the Internal Revenue Code or
2. by an association, contributions to which are deductible under sections 170(c) (2) of the Internal Revenue Code.

ARTICLE IV: MEMBERS

SOSCA-WA shall have no members

ARTICLE V: GOVERNING BODY

The business of SOSCA-WA shall be conducted solely by its Board of Directors. The Board of Directors shall be comprised of the elected officers of the Submarine Officers' Spouses' Association – Washington hereafter referred to as "SOSA-WA" and the Allocations Chairmen.

ARTICLE VI: OFFICERS

The SOSCA-WA shall have a President, Vice President, Charitable Treasurer, Operational Treasurer, and Secretary. These officers shall be the same individuals as those who are serving as the President, Vice President, Operational Treasurer, Charitable Treasurer, and Secretary of SOSA-WA, respectively.

The duties of the officers shall be as follows:

A. President

1. Preside at all SOSCA-WA Board of Directors meetings.
2. Direct the activities of the Board of Directors.
3. Oversee the receipt, collection, holding and disbursement of all monies as authorized by the Board of Directors.

B. Vice President

1. Assume the office of President if the President is unable to fulfill the term.
2. Preside at any SOSCA-WA Board of Directors meeting if the President is unable to do so.
3. Oversee Allocations committee in accordance with Article VIII of SOSA-WA Bylaws.
4. Fulfill the duties of Allocations Chairperson, if that position is vacant.

C. Charitable Treasurer

1. Be responsible for the SOSCA-WA financial accounts
2. Receive, collect, hold, and disburse all monies as authorized by the Board of Directors.
3. Keep a current account of monies received and paid out and make a report at the Board of Directors meetings.
4. Keep financial records of the SOSCA-WA for a period of seven (7) years, plus the current year.
5. File income tax statement as required by state and/or federal law.
6. Secure an official review of all financial records from an independent auditor to be complete by the filing of the yearly federal tax return.
7. Be responsible for annual charitable status update with the Washington Secretary of State and the associated fees.

D. Secretary

1. Keep the minutes of each Board of Directors meeting, including records of motions, rules and amendments.
2. Have the minutes duplicated and distributed at the following meeting.
3. Keep a file of the minutes for a period of seven years plus the current year.
4. Handle all SOSCA-WA correspondence as deemed necessary by the President.
5. Keep a file of all business and correspondence for a period of seven years plus the current year, including but not limited to the IRS and tax-related documents which must be maintained for no less than five (5) years.

E. Operational Treasurer

1. Help oversee all SOSCA-WA financial accounts.
2. Temporarily perform the duties of the Charitable Treasurer in their absence.

ARTICLE VII: ADOPTION OF AMENDMENTS

These Articles of Association shall be adopted by a two-thirds (2/3) vote of the Board of Directors. The Articles of Association may be altered, amended, or repealed and new articles may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least two (2) days written notice is given of the intention to alter, amend or repeal or to adopt new articles at such meeting.

ARTICLE VIII: MEETING

The Board of Directors shall provide, by resolution, the time and place for SOSCA-WA meetings, without other notice than such resolution.

Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. Notice of any special meeting of the Board of Directors shall be given at least four (4) days prior to such meeting by written notice or by telephone message.

ARTICLE IX: FINANCIAL INFORMATION

A maximum of \$2,500 for each year's funds will be retained in order to fund necessary related fundraising expenses for the following year.

After retaining money to fund next year's fundraising events, seventy five percent (75%) of all remaining funds will go to the Dolphin Scholarship Foundation, a 501(c) (3) organization, and the remaining twenty-five percent (25%) will be dispersed to local 501(c) (3) charities that support the military, personnel, and their families.

All funds should be dispersed no later than May 15th.

The SOSCA-WA accounting year shall start on August 1st of every calendar year and end on July 31st of the following year.

ARTICLE X: DISSOLUTION

In the event of dissolution of SOSCA-WA any and all remaining assets of SOSCA-WA, after payment or provision for payment of all SOSCA-WA debts and liabilities, shall be distributed to the Dolphin Scholarship Foundation or another 501(c) (3) charitable organization.

Adopted unanimously by all eligible members of the Board of Directors.

SUBMARINE OFFICERS' SPOUSES' ASSOCIATION – WASHINGTON

CONFLICT OF INTEREST STATEMENT

Article I - Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organizations (SOSCA-WA) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II - Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III - Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

- c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV - Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Governing Board's or Committee's decision as to whether a conflict of interest in fact existed.
- b. 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.

Article V - Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI - Annual Statements

Each director, principal officer and member of a committee with Governing Board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy
- b. Has read and understands the policy
- c. Has agreed to comply with the policy
- d. Understands the Organization is charitable 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.

Article VII - Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII - Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.