



MANAGEMENT AND GOVERNANCE POLICIES

APPROVED Board of Directors Meeting – September 8, 2009

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Document Retention and Destruction Policy

This Document Retention and Destruction Policy of Justice for Children (JFC) outlines the record retention responsibilities of staff, volunteers, board members and outsiders for maintaining and documenting the storage and destruction of JFC's documents and records.

A. Documents and Terms of Retention:

- a. **Organizational/Governance Records:** Organizational records include the JFC's articles of incorporation, by-laws, IRS Form 1023, Application for Exemption and governing board and board committee minutes. Organizational records should be retained permanently.
- b. **Tax Records:** In general, JFC should maintain books and records to show that it complies with the tax rules. Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of deductions, business costs, accounting procedures, and other documents concerning JFC's revenues. Tax records should be retained permanently.
- c. **Intellectual Property Records:** Copyright and trademark registrations and samples of protected works should be kept permanently.
- d. **Financial Records:** Audited financial statements and attorney contingent liability letters should be retained permanently.
- e. **Pension and Benefit Records:** Pension plan/beneficiary records, actuarial reports, related correspondence with government agencies, and supporting records should be retained for 10 years.
- f. **Legal Files:** Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be retained for 10 years.
- g. **Government Relations Records:** State and federal lobbying and political contribution reports and supporting records should be retained for 10 years.
- h. **Employee/Employment Records:** JFC shall keep personnel files that reflect performance reviews and any complaints brought against JFC or individual employees under applicable state and federal statutes. All final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment and personnel records should be retained for 3 years after departure of each individual.
- i. **All Other Electronic Records, Documents and Files:** Correspondence files, past budgets, bank statements, publications, employee manuals/policies and procedures, survey information, etc. should be retained for 1 year.

B. Document Destruction:

- a. The Secretary is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction. Destruction of financial and personnel related documents will be accompanied by shredding.

- b. No paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.
- C. **Implementation of Policy:** The President shall be responsible for administering this policy. As part of this role they, in consultation with legal counsel, shall ensure that JFC documents and records retained by officers, directors, employees, volunteers or agents are stored or destroyed in a manner consistent with this policy.



Executive Compensation Policy

In compliance with Internal Revenue Service guidelines for approval of senior management compensation, the Board of Directors of Justice For Children (JFC) will follow the following review and approval guidelines.

A. Individuals Subject to this Policy:

- a. **Chief Employed Executives:** The individual or individuals who have the ultimate responsibility for implementing the decisions of JFC's governing body or for supervising the management, administration, or operations of JFC, including JFC's top management official and top financial official. If this ultimate responsibility resides with two or more individuals who may exercise such responsibility in concert or individually, then each individual should be included.
- b. **Officers:** A person elected or appointed to manage JFC's daily operations, such as a president, vice-presidents, secretary, or treasurer. The Board of Directors may elect or appoint such officers
- c. **Key Employees:** Individuals who are not a Chief Employed Executive or an officer of JFC, but who meet all of the following criteria:
 - i. *\$150,000 Threshold:* The individual receives reportable compensation from JFC and all related organizations in excess of \$150,000 for the calendar year ending with or within JFC's tax year
 - ii. *Responsibility Criteria:* The individual:
 1. Has responsibilities, power or influence over JFC as a whole that is similar to those of officers, directors, or trustees
 2. Manages a discrete segment or activity of JFC that represents 10% or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole or
 3. Has or shares authority to control or determine 10% or more of JFC's capital expenditures, operating budget, or compensation for employees
 - iii. *Top 20 Limitation:* In addition to meeting the \$150,000 threshold and the Responsibility Criteria, the individual is one of the top 20 most highly compensated employees (including all income from JFC and related organizations) for the calendar year ending with or within JFC's calendar year.

- B. Procedure for Approving Compensation:** The process includes all of these elements: (1) review and approval by the Board of Directors or compensation committee; (2) use of data as to comparable compensation; and (3) contemporaneous documentation and recordkeeping.

- a. **Review and Approval:** The compensation of the person is reviewed and

approved by the Board of Directors, provided that persons with conflicts of interest with respect to the compensation arrangement at issue are not involved in this review and approval. (Example: neither the executive whose compensation is being determined nor any of his/her family members may be present during the discussion/debate or participate in the vote)

- b. 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. This information can be obtained from sources such as IRS Form 990 filings of similar organizations, documented telephone calls about similar positions at both nonprofit and for-profit organizations, etc.
- c. Contemporaneous Documentation and Recordkeeping:** There is contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement. The Board of Directors shall keep minutes and the Secretary shall keep the books provided for this purpose.



Whistleblower Policy

The Whistleblower Policy of Justice For Children (JFC) encourages staff and volunteers to come forward with credible information on illegal practices or violations of adopted policies of the organization, specifies that the organization will protect the individual from retaliation, and identifies those staff or board members or outside parties to whom such information can be reported. This policy applies to all JFC employees, including part-time, temporary, and contract employees, as well as directors, officers, and other JFC volunteers.

- A. **Encouragement of Reporting:** JFC encourages complaints, reports or inquiries about illegal practices or serious violations of JFC's policies, including illegal or improper conduct by JFC itself, by its leadership or by others on its behalf. The earlier a concern is expressed, the easier it is to take action. JFC will make every effort to treat a complainant's identity with an appropriate regard for confidentiality, with the understanding that the details of complaints may need to be shared with others in order to investigate such complaints properly. In addition, anonymous allegations are allowed, but will be explored to the extent possible, but will weigh the prudence of continuing such investigations against the likelihood of confirming the alleged facts or circumstances from attributable sources. Staff or volunteers must recognize that JFC may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.
- B. **Protection from Retaliation:** JFC prohibits retaliation by or on behalf of JFC 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. Retaliation includes harassment, intimidation, adverse employment actions, or any other form of retaliation. Any employee who believes that he or she has been subjected to any form of retaliation as a result of reporting a suspected violation of law or policy should immediately report such incidents to his/her supervisor. Any employee who engages in retaliation will be subject to discipline, up to and including termination. This protection extends to those whose allegations are made in good faith, but prove to be mistaken. JFC reserves the right to discipline persons who make bad faith, knowingly false or vexatious complaints, reports or inquiries or who otherwise abuse this policy.
- C. **Where to Report:** Complaints, reports or inquiries should describe in detail the specific facts demonstrating the bases for the complaints, reports or inquiries. They should be directed to the Executive Director. A prompt, discreet, and objective review or investigation will take place. In addition to the Executive Director, the President and treasurer will be notified and duplicate reports will be filed with the board of directors.



Joint Venture Policy

In compliance with Internal Revenue Service guidelines for approval and management of any joint venture entered into by Justice for Children (JFC), the Board of Directors adopts the following guidelines.

- A. Joint Ventures or similar arrangements with one or more taxable persons:** For purposes of this policy, a joint venture or similar 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 JFC 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 the following conditions:
- a.** 95% or more of the venture's or arrangement's income for its tax year ending within JFC's tax year is excluded from unrelated business income taxation, including, but not limited to royalties, rent from real property and incidental related personal property except to the extent of debt-financing and gains or losses from the sale of property and
 - b.** The primary purpose of JFC's contribution to, or investment or participation in, the venture or arrangement is the production of income or appreciation of property.
- B. Approval and Management of Joint Activities To Ensure Exempt Status**
- Protection:** Before making any decision to participate in a Joint Venture, the Board of Directors or any other Officer or Agent approved by the Board of Directors will ensure that the joint venture furthers JFC's exempt purposes and will negotiate at arm's length, contractual and other terms of participation that safeguard JFC's exemption from federal income tax. Such terms shall be in writing and shall include the following minimum requirements:
- a.** With respect to any joint venture in which JFC contributes substantially all of its assets to the enterprise, JFC's control over the joint venture through 51% or more of the voting rights and/or veto power
 - b.** With respect to any ancillary joint venture (that is, a joint venture to which a portion of JFC's resources are contributed), JFC would, at a minimum, maintain sole control over the tax-exempt aspects of the joint venture and would have voting and ownership interests in the joint venture that are consistent with JFC's capital contributions

- c.** Any subsequent contract with JFC's partner in the joint venture be negotiated at arm's length
- d.** The joint venture give priority to JFC's tax-exempt purposes over maximization of profit for the participants of the joint venture
- e.** A prohibition on activities that would jeopardize JFC's tax-exempt status.



Conflict of Interest Policy

A. Members of the Board of Directors, Justice for Children (JFC), shall not personally benefit as a result of JFC board involvement except for reasonable compensation of services rendered. The purpose of this provision is to prevent JFC Board members from acting primarily on the basis of financial self-interest and to prevent JFC from operating in a manner that favors the same board members to the detriment of others. Each Board of Directors member and key employees are required to annually submit a statement confirming that no conflict of interest exists. Such statement should be similar to one attached and disclose any potential conflict of interests. Such statements shall be retained by the Secretary for five years. Prior to serving as a key employee or Board of Director member a signed statement is required to be submitted to the Secretary.

B. In the event that the JFC board considers an issue that involves the financial relationship between the organization and a member of the JFC Board, the Board member will disclose to the JFC Board the financial relationship that the particular Board member has, with respect to the issue. The Board member shall refrain from voting on the matter.

C. JFC Board members who serve as an employee or volunteer in a decision making capacity on behalf of another organization with which JFC is working or transacting business with shall inform the JFC Board President and the JFC Executive Director as to their involvement in the said organization.

D. It should be mentioned that the Conflict of Interest Policy as enumerated herein applies to a JFC Board Member's immediate family as well as themselves, to the best of the board member's knowledge and without further inquiry

E. Staff and their current spouse, if applicable, are restricted from serving as voting members of the JFC Board, and former staff members are restricted as voting members for a period of two years from the date of their separation as the staff member of JFC.

F. The staff of JFC shall not engage in any outside activity of employment which involves the direct or indirect use of information obtained as an employee which shall provide financial gain to himself or herself or a member of his or her immediate family without the express consent of the Executive Director of JFC. The Executive Director shall not similarly act without the express consent of the JFC Presidentnt.

G. It is the responsibility of the Secretary to obtain the annual statement from each board member and as such to monitor the compliance of this policy.



Donor Privacy Policy

In this Privacy Policy the terms “Justice For Children”, “we” and “our” refer to the national and regional offices of Justice For Children.

This policy applies to personal information being collected from Justice For Children donors and potential donors.

Justice For Children is committed to protecting your personal information. This Privacy Policy provides you with information about how we collect, use, disclose and protect your personal information. This Privacy Policy also explains how you can contact us if you have a question about, want to make a change to or delete any personal information that we may be holding about you.

For the purpose of this Privacy Policy, “personal information” means information about an identifiable individual (such as name, phone number, email, credit card information).

How We Collect Your Personal Information

Justice For Children collects personal information about you only when you voluntarily provide it. Typically, we will seek consent for the use or disclosure of your personal information at the time of collection. In certain circumstances, we may wish to use your personal information we previously collected for a new purpose (i.e. a purpose that was not stated at the time the information was collected), we will notify you by way of an email or mail and give you the opportunity to opt-out of such new use.

Justice For Children collects personal information from you when you make a donation or pledge, request Justice For Children materials, register for one of our events, or use some of our web services.

We will not, as a condition of your interaction with Justice For Children, require you to consent to the collection, use or disclosure of information beyond that required to fulfill the explicitly specified and legitimate purposes for which your information is being provided.

Justice For Children may also use list broker to rent names from our donor lists for its fundraising efforts. These list brokers are required to ensure that the appropriate consents have been obtained by the list owners to use the names on the list.

How We Use Your Personal Information

The personal information we collect is used to carry out the transaction you requested or authorized. This may include using your personal information to process your donation, send you the information or materials you requested, register you for one of our events, keep you informed about Justice For Children, ask for your support and do all the things necessary to develop and maintain our relationship with you and communicate with you.

Justice For Children may share personal information with third parties engaged to assist us in providing services to you or to carry out one or more of the purposes described above. These service providers are prohibited from using your personal information for any purpose other than to provide this assistance and are required to protect the personal information it receives from us or has access to and to comply with the general privacy principles described in this Privacy Policy.

If you have not opted out of receiving promotional information from our national office or the regional office in your area of residence, we may also use your contact information to inform you about Justice For Children developments or activities, upcoming fundraising events or sponsorship opportunities occurring at the national or regional level.

You may withdraw consent or remove yourself from our donor or mailing list at any time, subject to legal or contractual restrictions and reasonable notice by contacting us in the manner described below.

How We Collect And Use Your Non-Personal Information

When you visit our website at www.justiceforchildren.org we may collect non-personally identifying information from you. We collect and use IP addresses to analyze trends, administer the site, track donors' movement, and gather broad demographic information for aggregate use. We do not link IP addresses to personally identifiable information.

Our website contains links to other websites. Please be aware that Justice For Children is not responsible for the privacy practices of other such websites. We encourage our donors to be aware when they leave our website and to read the privacy policy of every website that collects personally identifiable information.

How We Protect Your Personal Information

Justice For Children takes commercially reasonable steps to protect your personal information against unauthorized access and to maintain the accuracy and proper use of the information by means of appropriate physical, technical and organizational measures. All online transactions and contributions on our website occur through a safe, private, and secure system that protects the individual's personal information. All of our employees, volunteers and service providers are required to comply with the terms of this Privacy Policy and are required to keep confidential the information they have access to when performing their duties. All of our systems are protected by a top quality firewall and all users are required to use a password.

Retention And Disposal Of Your Personal Information

Justice For Children retains your personal information for as long as necessary to fulfill the purpose(s) for which it was collected and to comply with applicable laws.

Changes to this Privacy Policy

Justice For Children will review and update its Privacy Policy annually and always post the most current form of our Privacy Policy on our website. You may also request a copy of our current Privacy Policy at any time by contacting us as set out below.

How To Opt-Out, Request Access or Update Your Personal Information

Justice For Children makes commercially reasonable efforts to keep your files complete, up-to-date, and accurate. Should you wish to access, update or correct your personal contact information, remove yourself from our mailing list or discuss a privacy concern with us please contact our Privacy Officer at 2600 Southwest Freeway Suite 806 Houston, TX 77098 or 1-800-733-0059 or jshields@jfcadvocacy.org.



Nondiscrimination Policy

It is the policy of Justice for Children that all employees and volunteers should be able to enjoy and work in an environment free from discrimination. Discrimination against any person or group of persons on the basis of race, color, national origin, religion, sex, sexual orientation, age, marital status or disability is prohibited by this Policy. Any employee, volunteer, or person privileged to work with Justice for Children who violates this policy will be subject to disciplinary action up to and including permanent exclusion from the Justice for Children.

Discrimination includes conduct (oral, written, graphic, or physical) directed against any person or group of persons because of race, color, national origin, religion, sex, sexual orientation, age, marital status or disability and that has the purpose or reasonably foreseeable effect of creating an offensive, demeaning, intimidating, or hostile environment for that person or group of persons.

Persons who feel they are victims of discrimination or who observe incidents of discrimination should immediately make a detailed written record of incidents, dates, and times at which they occurred, and of the names of perpetrators and witnesses, if known. This written record should be submitted to the Board of Directors of Justice for Children.



Availability of information to the public

It is the policy of Justice for children that IRS Form 990 is available for inspection by the public during normal business hours. The last three years of returns available. The returns will be located at the national headquarters.