

## Kumoricon bylaws amendments – October 1, 2017

The Altonimbus Entertainment board of directors has voted to approve three amendments to our bylaws.\* Amendments must be approved by the membership (Kumoricon staff) by majority vote before they take effect. We are presenting these amendments for vote at the general meeting of the membership taking place on October 1, 2017.

The three amendments are on distinct but related topics:

- Adjudication process for staff and board members
- Conflict of interest
- Disciplinary action against, and requirements of election for, board members

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Policies are not voted on by the membership, but are included here to help explain the changes. If these bylaws amendments are approved by the membership, then the policies included here are the initial versions that have been approved by the board and will also take effect. Policies may be changed by the board at a later time.	

The most up-to-date version of the bylaws is available at <https://www.kumoricon.org/bylaws>

The version of the bylaws in effect at the time this document was prepared (September 21, 2017) is [https://www.kumoricon.org/files/bylaws/documents/bylaws-amended\\_2016-10-02.html](https://www.kumoricon.org/files/bylaws/documents/bylaws-amended_2016-10-02.html)

*\*The versions presented in this document are versions with some minor copy-editing mistakes corrected. The board expects to approve these copy-edited versions at a board meeting the day prior to the October 1, 2017 meeting of the membership.*

## Section A – Summary of bylaws amendments

### Amendment #1 – Adjudication process

This amendment requires the organization to create an adjudication process to be used for certain disciplinary actions, as well as when requested by the board. The process is designed to provide some insulation from the political pressures relating to elections, in order to allow sensitive decisions to be made more fairly. This will help to:

- Create fair expectations among staff.
- Create processes where the same standards apply to executives as to non-executives, so that board members and executives can be subject to disciplinary action in a more consistent manner as the rest of staff.
- This amendment also changes the membership removal process so that it uses the new adjudication process.

### Amendment #2 – Conflict of interest

This amendment provides more formal processes for working with conflicts of interest in staff decision-making.

Guidance to staff on how to handle conflicts of interest will be present in the policy portion (see section D in this document), rather than directly in the text of this bylaws amendment. This bylaws amendment makes the necessary changes to the governing rules in the bylaws in order to allow for a conflict of interest policy to be effective.

The changes to the bylaws include:

- Clarification that conflict of interest policies passed by the board must be followed.
- Allows for a board member to self-recuse from participation of a particular matter without impacting quorum.
- Provides a formal procedure, with due process protections, for the board to impose limits on a board member's participation or access due to a conflict of interest.

### Amendment #3 – Disciplinary action against, and requirements of election for, board members

This amendment contains a series of changes relating to elections and removal from office so that board members are subject to the same standards and disciplinary action as other staff. Changes include:

- From time to time, a person is barred from Kumoricon staff, known as the "redlist". This amendment allows a parallel to this process to apply to elections, as well. It does so in a manner that provides due process and helps to insulate it from political influence, and from the board being able to bar a candidate from election in a knee-jerk manner. The amendment also protects the board from changing the parameters of the restriction, which could be used in a political manner.
- The amendment allows a board member to be removed for sufficiently qualifying misconduct, giving weight to the code of conduct against board members in a more consistent manner as the rest of staff.
- The amendment also provides a last resort option of dealing with a conflict of interest, by removing a board member. However, the board member is immune from this for 90 days after the election if they disclosed the conflict to the electing body, to lessen the chance that it will be used frivolously. It also cannot be done for the term after this amendment is passed regardless of circumstances.
- Due process is required for any removal action under the newly-created reasons in this amendment.
- The removal provisions were carefully crafted to be legal under Oregon law, specifically ORS 65.324 (2) and (9), which only allow the board to remove a member-elected director if it is for reasons stated in the bylaws as of the start of their term.
- The amendment allows the organization to require that all elected board members sign a confidentiality agreement. However, if it chooses to do this, it must be the same agreement that applies to the entire staff, and the text of the agreement must be public in advance of the election.

## Section B – Annotated text of the bylaws

Key: Removed text is in ~~strikeout~~. New text is in red. Copied text as reference is in black.

Please note that references to Article 11 in all three bylaws amendments are referring to the Adjudication Process article.

### Amendment #1 – Adjudication process

Note: For ease of understanding, the two Articles in the annotation for this amendment are in the opposite order they appear in the bylaws.

#### Article 11: Adjudication Process

1. The organization shall establish a process by which decisions can be made regarding disciplinary action or restrictions against a Member or Board Member.
2. These bylaws do not impose a general requirement that this process must be used for all disciplinary actions or restrictions against a Member, but policy passed by the Board, other portions of these bylaws, or applicable law, may specify specific situations where it must be used.
3. Any change to the process made after the organization becomes aware of a specific incident cannot apply to the disadvantage of the affected respondent.
4. Once the Board authorizes or assents to this process being used to decide a particular matter, then the process must be allowed to run to completion, and the decision of the process is the action of the organization with the same or greater weight as a decision of the board.
5. The process must:
  - a. Provide fair and reasonable notice to the respondent of the proceedings and the outcome, and accommodate reasonable scheduling requests;
  - b. Provide an opportunity to the respondent to present arguments and evidence in their defense;
  - c. Operate in a consistent manner over time, taking into account relevant circumstances;
  - d. Individually consider each case in a fair and reasonable manner, taking into account all of the relevant facts and circumstances, and not have a pre-ordained outcome.

[...]

#### 8.F. Removal of Members

- ~~1. The board shall establish a procedure or various procedures for removing an individual's Membership status.~~
- ~~2. Removal of an individual's Membership status must be carried out in good faith in a fair and reasonable manner, according to the belief that such removal is in the best interest of the organization after taking into consideration all of the relevant facts and circumstances.~~
- ~~3. An individual's Membership status may not be removed without an appeals meeting of the Board, at which the individual has the opportunity to present arguments against his or her removal and evidence supporting those arguments. The individual may waive, in writing, his or her right to appear at the appeals meeting. Following the appeals meeting, unless waived, a vote of two thirds of the total number of Board Members within 30 days of the appeals meeting or delivery of written waiver of such meeting shall be sufficient to remove an individual's Membership status at a Meeting of the Board for which Notice to the Board has been given for this vote.~~
- ~~4. The Board must schedule the appeals meeting described in Paragraph 8.F.3 to accommodate reasonable scheduling requests of the Member in question, and provide fair and reasonable notice to the Member and to the Board of the removal proceedings and outcome.~~

~~5. If a vote to remove a Member is held, meeting Notice and quorum requirements and any other requirements specified in these bylaws or applicable law, but fails to remove the Member, then such removal vote cannot be held again without restarting a new and separate removal proceeding per this Section.~~

1. The organization may remove an individual's Membership status, but only upon the final outcome of an adjudication process, as described in Article 11.

~~6~~2. Benefits of Membership may be suspended, reduced, or revoked immediately upon, or at any time after, beginning the process of removal of Membership, except that voting rights or rights to any Notice may not be suspended, reduced, or revoked until a successful confirmatory vote of removal passes **the adjudication process decides on removal**, and provided that if the Member's removal does not occur, benefits are restored to the Member to the extent reasonable and practical without undue burden to the organization.

## Amendment #2 – Conflict of interest

### 3.E. Conflict of Interest

1. A transaction in which a Board Member has a conflict of interest, direct or indirect, may be approved:

~~1a.~~ if, in advance of the transaction, the material facts and the Board Member's interest is disclosed or known to the Board; ~~and/or~~

~~2b.~~ if the material facts and Board Member's interest were disclosed to the Members, and they approved, authorized or ratified the transaction;

**c. and, if in addition to Subparagraphs 3.E.1.a or 3.E.1.b, the transaction adheres to any other conflict of interest policies established by the organization.**

**2. A Board Member shall recuse from voting on any matter in which he or she has a personal interest, including decisions on disciplinary action to themselves or to another person.**

**3. A Board Member may recuse themselves from discussion or attendance on any matter in which he or she has a personal interest, and if doing so:**

**a. If quorum of the Board would otherwise be met but for the presence of recused Board Members, it shall continue to be met, as long as at least 44% of Board Members in office are present; and**

**b. The Board must recall a recused Board Member to discussion before discussing or acting on any other matters, or it shall be treated the same as if the Board had acted without proper notice to that Board Member.**

**4. The organization may abridge a Board Member's right to voting, discussion, meeting attendance, or access to any organization records or minutes, but the restriction must be limited to a specific matter on which the Board Member has a conflict of interest, and only as the final outcome of an adjudication process as described in Article *<adjudication process amendment number>*.**

## Amendment #3 – Disciplinary action against, and requirements of election for, board members

### 7.A. Eligibility for Election

~~1. Any person who has attained the age of 18 years at the time of election shall be~~ **who has the legal ability to enter contracts with Altonimbus Entertainment and who has reached the age of majority in the jurisdiction in which they reside is eligible for election to an Elected Position.**

**a. An otherwise eligible person may be made ineligible for election, but only by an explicit limitation on an individual basis imposed by the final outcome of an adjudication process as described in Article 11. For such a limitation to be valid:**

**i. The offense(s) must be substantial enough to warrant being barred from all Kumoricon Staff positions; and**

- ii. The limitation must be brought in a timely manner proximate to the alleged offense(s), taking into account delays caused by information that could not have been reasonably known to the organization.
- iii. Such limitation must last for a specific amount of time not to exceed 7 years, which can only be adjusted longer or shorter, or removed, by a formal finding of a new adjudication process.

b. The organization may impose a condition that all elected Board Members sign a confidentiality agreement to protect non-public business information of the organization, but only if the text of the agreement is publicly available at least 10 days prior to the election, and if the same agreement and terms are required for all incoming Kumoricon Staff. Such an agreement may not include terms that are not directly required for this purpose.

c. Eligibility may not otherwise be limited except by amendment to these bylaws. *[text unchanged but moved to its own Subparagraph from 7.A.1]*

2. An individual does not need to be present at the election to be elected. *[text unchanged]*

[...]

7.F. Removal from an Elected Position

[...]

5. An individual may be removed from an Elected Position by a majority vote of the total number of Board Members in office, whether present or not, at a Meeting of the Board at which notice was given of the time and date of the Meeting and of the intent to vote on removal naming the individual to be voted on not less than 48 hours prior to the Meeting. Such removal under this Paragraph may only occur in recognition of a final outcome of an adjudication process as described in Article 11, as the result of a finding by the process that:

- a. The individual violated a written code of conduct that applies to all Members or all Kumoricon Staff in a manner substantial enough to warrant removal from a leadership position, based on clear and convincing evidence;
- b. The individual pled guilty to, or was convicted of, a felony, or to an offense involving violence to any person; or
- c. The individual is found, by the organization's internal processes based on clear and convincing evidence and ratified by the adjudication process, to have carried out an action involving violence to any person.
- d. The adjudication process must be brought in a timely manner proximate to the alleged offenses or legal outcome, taking into account delays caused by information that could not have been reasonably known to the organization.

6. An individual may be removed from an Elected Position by a majority vote of the total number of Board Members in office, whether present or not, at a Meeting of the Board at which notice was given of the time and date of the Meeting and of the intent to vote on removal naming the individual to be voted on not less than 48 hours prior to the Meeting. Such removal under this Paragraph may only occur in recognition of a final outcome of an adjudication process as described in Article 11, as the result of a finding by the process that a conflict of interest is too great to co-exist with that individual's position on the Board.

- a. Such an adjudication process may not be brought within 90 days of that member's most recent election if the conflict in substantially similar form was disclosed to the electing body prior to or at the beginning of the same-day comment period of that election.
- b. This Paragraph shall not apply to removal from an Elected Position for which the term began earlier than 180 days after this Paragraph was present in these bylaws.

7. A vote of removal under Paragraphs 5 or 6, to be effective, may not occur more than 45 days after the final outcome of the adjudication process committee that would authorize it.

## Section C – Text of the bylaws amendments

Note: In most cases, it is easier to understand the amendment text by reading the annotated versions in Section B instead. However, the wording in this section is the text that will be formally voted on.

### Amendment #1 – Adjudication process

Strike Paragraphs 8.F.1 through 8.F.5.

Insert the following text as a new Paragraph 8.F.1:

“1. The organization may remove an individual’s Membership status, but only upon the final outcome of an adjudication process, as described in Article 11.”

Renumber the original Paragraph 8.F.6 as 8.F.2, and within its text, strike “a successful confirmatory vote of removal passes” and insert in its place “the adjudication process decides on removal”.

Insert the following text, and renumber subsequent articles:

“Article 11: Adjudication Process

1. The organization shall establish a process by which decisions can be made regarding disciplinary action or restrictions against a Member or Board Member.
2. These bylaws do not impose a general requirement that this process must be used for all disciplinary actions or restrictions against a Member, but policy passed by the Board, other portions of these bylaws, or applicable law, may specify specific situations where it must be used.
3. Any change to the process made after the organization becomes aware of a specific incident cannot apply to the disadvantage of the affected respondent.
4. Once the Board authorizes or assents to this process being used to decide a particular matter, then the process must be allowed to run to completion, and the decision of the process is the action of the organization with the same or greater weight as a decision of the board.
5. The process must:
  - a. Provide fair and reasonable notice to the respondent of the proceedings and the outcome, and accommodate reasonable scheduling requests;
  - b. Provide an opportunity to the respondent to present arguments and evidence in their defense;
  - c. Operate in a consistent manner over time, taking into account relevant circumstances;
  - d. Individually consider each case in a fair and reasonable manner, taking into account all of the relevant facts and circumstances, and not have a pre-ordained outcome.”

### Amendment #2 – Conflict of interest

In section 3.E, renumber the text beginning with “A transaction in which a Board Member has...” to be “1”, and renumber its sub-items numbered “1” and “2” to “a” and “b”.

Strike “and/” in the now-renumbered Subparagraph 3.E.1.a.

After the now-renumbered Subparagraph 3.E.1.b, insert the following text:

“c. and, if in addition to Subparagraphs 3.E.1.a or 3.E.1.b, the transaction adheres to any other conflict of interest policies established by the organization.

2. A Board Member shall recuse from voting on any matter in which he or she has a personal interest, including decisions on disciplinary action to themselves or to another person.

3. A Board Member may recuse themselves from discussion or attendance on any matter in which he or she has a personal interest, and if doing so:

a. If quorum of the Board would otherwise be met but for the presence of recused Board Members, it shall continue to be met, as long as at least 44% of Board Members in office are present; and

b. The Board must recall a recused Board Member to discussion before discussing or acting on any other matters, or it shall be treated the same as if the Board had acted without proper notice to that Board Member.

4. The organization may abridge a Board Member's right to voting, discussion, meeting attendance, or access to any organization records or minutes, but the restriction must be limited to a specific matter on which the Board Member has a conflict of interest, and only as the final outcome of an adjudication process as described in Article <adjudication process amendment number>.", where the text in angle brackets is the article number of the Article "Adjudication Process". If this article does not exist in the Bylaws at the time this amendment passes, then Paragraph 4 is not included as part of this amendment.

### Amendment #3 – Disciplinary action against, and requirements of election for, board members

This amendment will make changes to the bylaws only if there is an Article in the bylaws called "Adjudication Process" at the time this amendment passes. Any text in this amendment referring to Article 11 refers to this Article.

In Paragraph 7.A.1, strike "who has attained the age of 18 years at the time of election shall be" and insert in its place "who has the legal ability to enter contracts with Altonimbus Entertainment and who has reached the age of majority in the jurisdiction in which they reside is". Strike "Eligibility may not be further limited except by amendment to these bylaws."

After Paragraph 7.A.1, insert following text:

"a. An otherwise eligible person may be made ineligible for election, but only by an explicit limitation on an individual basis imposed by the final outcome of an adjudication process as described in Article 11. For such a limitation to be valid:

i. The offense(s) must be substantial enough to warrant being barred from all Kumoricon Staff positions; and

ii. The limitation must be brought in a timely manner proximate to the alleged offense(s), taking into account delays caused by information that could not have been reasonably known to the organization.

iii. Such limitation must last for a specific amount of time not to exceed 7 years, which can only be adjusted longer or shorter, or removed, by a formal finding of a new adjudication process.

b. The organization may impose a condition that all elected Board Members sign a confidentiality agreement to protect non-public business information of the organization, but only if the text of the agreement is publicly available at least 10 days prior to the election, and if the same agreement and terms are required for all incoming Kumoricon Staff. Such an agreement may not include terms that are not directly required for this purpose.

c. Eligibility may not otherwise be limited except by amendment to these bylaws."

In Section 7.F, insert the following text:

"5. An individual may be removed from an Elected Position by a majority vote of the total number of Board Members in office, whether present or not, at a Meeting of the Board at which notice was given of the time and date of the Meeting and of the intent to vote on removal naming the individual to be voted on not less than 48 hours prior to the Meeting. Such removal under this Paragraph may only occur in recognition of a final outcome of an adjudication process as described in Article 11, as the result of a finding by the process that:

a. The individual violated a written code of conduct that applies to all Members or all Kumoricon Staff in a manner substantial enough to warrant removal from a leadership position, based on clear and convincing evidence;

b. The individual pled guilty to, or was convicted of, a felony, or to an offense involving violence to any person; or

c. The individual is found, by the organization's internal processes based on clear and convincing evidence and ratified by the adjudication process, to have carried out an action involving violence to any person.

d. The adjudication process must be brought in a timely manner proximate to the alleged offenses or legal outcome, taking into account delays caused by information that could not have been reasonably known to the organization.

6. An individual may be removed from an Elected Position by a majority vote of the total number of Board Members in office, whether present or not, at a Meeting of the Board at which notice was given of the time and date of the Meeting and of the intent to vote on removal naming the individual to be voted on not less than 48 hours prior to the Meeting. Such removal under this Paragraph may only occur in recognition of a final outcome of an adjudication process as described in Article 11, as the result of a finding by the process that a conflict of interest is too great to co-exist with that individual's position on the Board.

a. Such an adjudication process may not be brought within 90 days of that member's most recent election if the conflict in substantially similar form was disclosed to the electing body prior to or at the beginning of the same-day comment period of that election.

b. This Paragraph shall not apply to removal from an Elected Position for which the term began earlier than 180 days after this Paragraph was present in these bylaws.

7. A vote of removal under Paragraphs 5 or 6, to be effective, may not occur more than 45 days after the final outcome of the adjudication process committee that would authorize it."



## **Section D – Policies changes to accompany these bylaws amendments**

Policies changes are made by the Altonimbus Entertainment board, and do not require a membership vote to take effect. The text of the policies included here are the initial versions approved by the board which will take effect if the above bylaws amendments are approved by the membership. The board may make changes to these policies at a later time.

### **New policy – Adjudication process**

This policy will take effect if and when the bylaws amendment #1 (adjudication process) is approved by the membership.

#### **Summary**

This new policy creates an adjudication process for resolving difficult disciplinary situations. It is intended to complement the proposed bylaws amendment which establishes it. Key points:

- The new adjudication process is not automatically used for all redlist or disciplinary actions; rather, it is invoked when at least two board members request it. Therefore, it does not slow down clear-cut decisions.
- The process calls for a committee to consider each proceeding. The committee is different each time; no person can “always” or almost always be selected. There are several compositional requirements, which include having some non-executives, to try to create a fair committee.
- Proceedings can be done in person, by phone, or in writing.
- There are provisions dealing with fair notice, communication with the respondent, fair scheduling requests, the manner in which the committee discusses, how a decision is reached, the scope and role of each proceeding, conflict of interest, and waivers.

#### **Policy text**

1. This process will apply:
  - a. In any situation required by the bylaws or applicable law;
  - b. In any proposed institution, revocation, or change in disciplinary action (including but not limited to redlist status), for which at least two board members request this process be used;
  - c. A conflict of interest situation referred to it by the board; or
  - d. Any other situation referred to it by the board.
2. Except when acting only on a final decision is required by the bylaws or applicable law, the board will decide whether the action under consideration will be imposed on an interim basis until the adjudication process concludes.
3. A review committee will be assembled, meeting these requirements:
  - a. Consist of at least 5 people, or at least 7 people for any case that may lead to removal from the board or ineligibility to be on the board;
  - b. Consist of members not having a conflict of interest involving the respondent, unless unavoidable;
  - c. Consist either of neutral parties, or be about equally divided between those in favor of and against the respondent;
  - d. Consist of at least one-third executive-level staff members; at least one-third non-executive-level staff members; and at least two board members;
  - e. Consist of at least one-third persons (and if possible, at least majority) who were not firsthand involved in the original dispute;
  - f. If possible, not have a conflict of interest between committee members. If this cannot be avoided, then prior to commencing proceedings, all but one person in the conflict should be designated non-voting, and such non-voting members will not count for any count or composition requirements.
  - g. There is no permanent committee; a separate selection of people will occur for each proceeding. There should be no person who “always” or almost always gets selected; participation should rotate.
  - h. Any of these committee requirements may be waived by the respondent.

4. The board, consistent with applicable requirements, will specify to the review committee their role for this particular proceeding, which may include one or more of the following:
  - a. Finder of fact
  - b. Determiner of whether certain facts warrant a guilty finding
  - c. Decider of punishment
  - d. The role may be limited in scope; for example, only considering guilt over one specific set of facts.
5. The committee will select a chairperson who will communicate with the respondent, and must stay in reasonable communication.
6. Fair and reasonable notice must be given to the respondent, and to all committee members, of the proceedings and outcome.
7. The committee must accommodate reasonable scheduling requests of the respondent.
8. The committee must move with reasonable speed through the process. Generally, at each adjournment or step, a specific date for the next meeting or deadline should be communicated to affected parties.
9. There will be a hearing at which the respondent can present arguments and evidence in their defense, and answer questions from the committee. This may be by phone or in person, based on reasonable accommodations of all parties involved.
  - a. The only persons at the hearing should be committee members, witnesses, and if requested, one accompanying person for the respondent, who may assist in their defense; and any other person with a strong justification for being present.
  - b. If agreed to by the respondent, a written process may substitute for a live hearing.
10. There will be a discussion session with only committee members present for discussing and/or voting on a decision.
11. All discussion involving any committee members must include all committee members, except for absences at a reasonably scheduled meeting, unless an exception and a reason for it is disclosed to the committee chairperson, which the chairperson should share with the committee to the extent reasonable.
12. The committee may request additional hearings or discussion sessions as needed or desirable.
13. Decisions of the committee:
  - a. A vote of the majority of all committee members of a specific action shall constitute the decision of the committee.
    - i. "Majority" means more than half. Equally divided votes are not more than half. Majority is measured out of total committee members, so an abstention is functionally a "no" vote.
  - b. Findings of guilt, or of lack of guilt, are separate motions requiring separate votes.
  - c. A failure to reach a majority vote for any decision after extensive committee action—being "hopelessly deadlocked"—shall be treated as no action taken by the committee. Once the committee concludes it is deadlocked, the adjudication process is over. A new one may be brought again later, but it must be restarted, with a new committee selection process, and so on.
  - d. A failure of the committee to act in a timely manner shall be treated the same as (c).
14. The respondent may waive any or all provisions or steps of this policy that act to their advantage, including, if desired, their entire participation in the process.
  - a. If the respondent does not respond to or cooperate with this adjudication process within a reasonable amount of time, or engages in abuse or frivolous behavior with committee members, it shall be treated as a waiver.
  - b. In cases of explicit or implicit waiver, the committee may proceed without the respondent's defense and accelerate all remaining portions of the proceeding as desired.
15. The committee proceedings are confidential, but records may be accessed by board members, current or future, and any other persons who have a direct need to review the proceedings. They may be restricted from board members only for conflict of interest reasons.
16. The board may override an adjudication committee decision only in cases where the bylaws or this policy does not require this adjudication process to be used. However, a new adjudication committee and proceeding may review or amend an earlier decision.

## New policy – Conflict of interest

This policy will take effect if and when the bylaws amendment #2 (conflict of interest) is approved by the membership.

### Summary

This is an organizational conflict of interest policy. It is designed to protect the integrity of Altonimbus’s decision-making process, and increase the confidence of staff, attendees, and our community. It was crafted based on the guidance of the article [Nonprofit Conflict of Interest: A 3-Dimensional View](#), and other sources. Key points:

- Two cornerstones of the policy:
  - Disclosure
  - Grandfathering
- The policy recognizes that conflicts of interest are very common in nonprofit organizations, and often represent benefits.
- The policy recognizes that most conflicts of interest can be effectively mitigated.
- Grandfathering provisions ensure that restrictions on permissible activity must be considered in advance, and in the abstract, and not be used to target individuals.

### Policy text

*These policies include wording from templates at [Nonprofit Conflict of Interest: A 3-Dimensional View](#). Neither the publisher nor author of the article is affiliated with Altonimbus Entertainment, nor has reviewed or endorsed this policy.*

### Goal and purpose

The standard of behavior at Altonimbus Entertainment is that all staff, volunteers, and board members scrupulously recognize, disclose, and work to mitigate conflicts of interest between the interests of Altonimbus Entertainment on one hand, and personal, professional, and business interests on the other. This includes potential and actual conflicts of interest, as well as perceptions of conflicts of interest.

The purposes of this policy are to protect the integrity of Altonimbus Entertainment’s decision-making process, to enable our attendees, staff, and members of our community to have confidence in our integrity, and to protect the integrity and reputations of volunteers, staff, and board members.

We recognize that potential and actual conflicts of interest are very common in community and fan-driven organizations such as ours, and are a part of having close beneficial ties throughout our communities. We handle this by scrupulously recognizing and disclosing potential conflicts. When possible, we attempt to turn “conflicts of interest” into “benefits from interest” by taking advantage of the connections that a close community provides, and setting up a process in advance to mitigate potential problems from any conflict.

This policy is meant to supplement good judgment, and staff should respect its spirit as well as its wording.

### Definition

A conflict of interest is a situation where, as a staff member:

1. You have a personal interest (including financial, family, romantic, business, or role in an organization) which may influence your decision-making in your role for Altonimbus; or
2. You have duties of loyalty to both this organization and another organization which conflict with each other.

An interest in another organization includes being an owner (sole or significant part), partner, board member, executive decision-maker, influential donor, significant voting power holder, or the same in another organization closely tied to it. In some cases, it may include being an employee, contractor, or staff (paid or unpaid).

A situation that would be a conflict of interest for a given person is also a conflict of interest if it instead involves that person’s close family member, romantic partner, business partner, or somebody in that person’s reporting chain in another organization.

A conflict of interest is evaluated based on the “whole picture” and what a reasonable person at arm’s length would perceive, not technicalities.

## **Disclosure**

All staff members are expected to disclose any potential conflicts of interest, or significant changes in any potential conflicts of interest, and defer or recuse from making decisions related to the conflict until approval is given.

Staff members applying for a position are expected to disclose any potential conflicts of interest that may be created by holding the position, including elected positions.

When disclosing a conflict of interest, disclose to the staff member you report to. Board members should disclose to the board. If disclosing prior to an election and the potential conflict exists by virtue of holding the position, then disclose to the electing body, as soon as possible prior to the election.

When a conflict is disclosed to a supervisory staff member, that staff member will report it further up their management chain if it’s needed to adequately address the situation.

A similar process may be followed if a conflict of interest concern is raised by a third party. An individual raising a concern should report it in the same way as if they were disclosing their own potential conflict of interest.

## **Review and mitigation**

When reviewing a conflict of interest, the staff member(s) or board should record the disclosure for future reference and review. In some cases, the conflict can be easily and simply resolved through a quick discussion, or an offer to recuse on a particular issue. In other cases, there should be more detailed discussion and a written mitigation plan.

The following are possible outcomes of a conflict of interest discussion:

- The conflict may be too great to be allowed at all.
- The conflict is allowed, but a designated person will be appointed who will handle the specific duties that would be imputed by the conflict. For example: Appointing a different staff or board member to make a decision on a contract, or appointing a person other than a staff member’s normal manager who can review their performance or respond to complaints.
- A staff member will be required to be recused from discussion or decision-making on certain matters.
- A board member or committee member may be restricted from participation, votes, and/or accessing minutes or records relating to a particular issue.
- A decision may be made to communicate the details of the mitigation plan to additional staff members who may be impacted (for example, people who report to the staff member).

The specific process of discussing, creating, and carrying out recusal or a mitigation plan is flexible and should be adapted as needed to serve the spirit and goals of this policy, as there are many unforeseen circumstances that may occur.

Conflict of interest decisions are set on a case-by-case basis, but should generally follow the standards set by previous similar circumstances.

## **Examples of potential conflicts of interest**

- Altonimbus is considering paying a vendor for goods or services, but a staff member is an employee there.
- A staff member helps run a contest, but their romantic partner wants to enter.
- A staff member helps decide applicants for the Exhibits Hall or Panels, but a family member applies.
- Altonimbus is considering spending money in a manner that benefits both the organization and a staff member personally, such as travel for outreach, or software that they will use on their personal computer for both convention and personal work.
- A staff member is considering hiring a romantic partner in a position reporting to them.
- Two board members are in a romantic relationship.
- A staff member routinely talks to representatives of other fan conventions, but they also hold a staff position in one of them.

- An executive-level staff member is also an executive-level staff member or board member in another fan convention.
- A staff member holds a similar position in another organization where confidentiality obligations may conflict.
- A staff member holds a similar position in another organization in which opportunities based on inside information may need to be pursued for only one organization or the other, leading to a conflict.
- Altonimbus is considering a contract with another organization, but a staff member considers undercutting the process and pursuing the contract personally, relying on inside information.

### **Examples of things not usually needing disclosure**

These situations can be conflicts of interest, but they are not automatically considered to be. Staff only need to disclose these if there are additional circumstances such as those described above. Examples:

- Your employer
- Being staff for another convention
- Membership in a social or advocacy organization
- Having a certain political opinion that influences your decision-making

### **Grandfathering**

We recognize that discussion about conflict of interest policy may be heated or even feel like it is targeting a particular individual. To help avoid this, we declare it to be part of the policy and culture of this organization that we grandfather in exceptions for specific individuals when we amend this conflict of interest policy (or when we pass it for the first time).

The decision to grandfather a specific individual's conflict should be based on whether the conflict existed in substantially similar form, or was being actively contemplated in that form, at the time the policy was changed or enacted. Sometimes this is difficult to tell, so we should review each situation with regard to what a reasonable person at arm's length would feel happened.

The policy of grandfathering doesn't avoid the need for disclosure, discussion, or mitigation of conflicts (with one exception noted in the next section). Rather, it means that when a specific conflict would otherwise be something we wouldn't allow if it happened in the future, we err on continuing to allow it if we allowed it in the past.

### **Grandfathering from disclosure**

This policy also recognizes a special form of grandfathering from disclosure. There are certain situations where you may feel even just a disclosure is an unfair coercion of your privacy, such as about a romantic relationship. Therefore, you may be excused from disclosure if all of the following are true:

1. The policy was enacted for the first time, or amended, in a way that requires you to disclose a situation that the earlier wording wouldn't have;
2. For any of the positions you now hold, the enactment or change happened after you applied for that position or (if an elected position) announced your candidacy after the official open of nominations, for this convention year only;
3. The disclosure would expose private information that can't be readily found online by the public; and
4. Either:
  - a. You sincerely believe that this disclosure would burden your personal privacy, the personal privacy of a romantic partner, or the personal privacy of a close family member; or
  - b. The disclosure would violate a legal obligation you entered into prior to your acceptance of this conflict of interest policy.

If you make use of this exception, the burden to exercise your best judgment is all on you, and you still otherwise need to act to further the spirit and goals of this policy and your obligations to the organization.

Once an amended or enacted policy is in place through the next appointment or election of your position, this "grandfathering from disclosure" section no longer applies for that particular conflict of interest. You'll then need to make a choice between accepting a position for the subsequent year or making the disclosure.