

Oregon Pork Producers
Policy and Procedure Manual
2013

Oregon Pork Producer **Mission & Vision Statement**

Mission Statement: *“The Oregon Pork Producers strives to serve all producers regardless of size or production practices, by promoting producer and consumer education, research, animal well-being, marketing, and environmental responsibility.”*

Vision: *“Oregon Pork Producers: A strong advocate for the responsible production and marketing of swine and pork in the Pacific Northwest.”*

Goals:

Membership growth and involvement: Increase adult/farm membership by 10% for the 2013 year.

Education – Youth and Adult: Continue to reach out to other regions of Oregon. Conduct at least one PQA Plus (adult/youth) workshop a year.

Marketing growth and promotion: Take advantage of promotional opportunities in public venues. Look at opportunities to bring National Pork Board trailer to Oregon (Football, State Fair, Bite of Portland).

Staying current on industry and legislative issues through communication with the National Pork Producers Council.

This manual has been developed for pork producers and others who are interested in the attitudes, beliefs, goals, and future plans of the Oregon Pork Producers. This document is the result of volunteer hours spent in discussion, research, and careful, deliberate thought. We dedicate it to the producers who have contributed to its development.

This policy manual serves as a guide to pork producer members, leadership, and staff for future direction. It is updated annually to reflect current policies as directed by the Board of Directors, committees, and delegates of the Oregon Pork Producers. The officers carefully examine policies five years or older.

We challenge you, as an interested individual, to not rest with this document in its current form but rather, contribute to this manual and ‘to provide leadership in areas related to the industry’.

Any changes to this document must be announced one meeting prior to being voted on to allow for proper notification and comment.

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410.0 Check-off Compliance

The Vice President of the OREGON PORK PRODUCERS will be the compliance agent for the organization, and will be required to sign and comply with the National Pork Board contract for checkoff compliance. Producers are urged and will be directed to communicate any issues related to compliance with the checkoff in the state to the state compliance agent. Any matters, related to compliance with checkoff collections are confidential to the compliance agent in State and the National Pork Board. This policy includes restriction checkoff compliance information in confidence and not available to the producer leadership in the state. The Executive Secretary in the role of compliance agent will document the process and procedures for compliance in State. The records, including the correspondence file, should be under lock and key and available only to the compliance agent. The Vice President is urged to communicate and consult with the appropriate compliance staff at the National Pork Board regarding any issues related to compliance in State. Any issues resolved with the National Pork Board or individuals should be documented and filed.

500 Government Relations

510.0 Oregon Pork Producers Positions

Representation of Oregon Pork Producers legislative positions may only be presented by members of the Board of Directors, provided a general policy statement on the subject is developed and adopted by the Board of Directors.

520.0 Prohibited Use of Checkoff Funds for Influencing Government

In no case shall checkoff funds be used to influence governmental policy as defined in Section 4911 (d) and (e) of the Internal Revenue Code of 1954. Specifically this states:

(1) General rule

Except as otherwise provided in paragraph (2), for purposes of this section, the term “influencing legislation” means—

(A) any attempt to influence any legislation through an attempt to affect the opinions of the general public or any segment thereof, and

(B) any attempt to influence any legislation through communication with any member or employee of a legislative body, or with any government official or employee who may participate in the formulation of the legislation.

(2) Exceptions

For purposes of this section, the term “influencing legislation”, with respect to an organization, does not include—

(A) making available the results of nonpartisan analysis, study, or research;

(B) providing of technical advice or assistance (where such advice would otherwise constitute the influencing of legislation) to a governmental body or to a committee or other subdivision thereof in response to a written request by such body or subdivision, as the case may be;

(C) appearances before, or communications to, any legislative body with respect to a possible decision of such body which might affect the existence of the organization, its powers and duties, tax-exempt status, or the deduction of contributions to the organization;

(D) communications between the organization and its bona fide members with respect to legislation or proposed legislation of direct interest to the organization and such members, other than communications described in paragraph (3); and

(E) any communication with a governmental official or employee, other than—

(i) a communication with a member or employee of a legislative body (where such communication would otherwise constitute the influencing of legislation), or

(ii) a communication the principal purpose of which is to influence legislation.

(The Oregon Pork Producers is not prohibited from providing unbiased, factual information to government officials, provided it does not state a specific course of action.)

600 National, State, and Associate Relations

610.0 Conflict of Interest

The Oregon Pork Producers prohibit its board, committee and staff members from engaging in any activity, practice, or conduct which appears to be a conflict of interest. The Board of Directors shall resolve any questions from members regarding conflict of interest. Annually, the members of the staff report to the Board of Directors any interest in the pork industry, which appears to be a conflict of interest. Members of the Board of Directors and the committees are made aware of this conflict policy, in this handbook, and attendance noted at each meeting. If members of the Board or committees have a conflict they agree to withdraw from the discussion before the group and not vote on any action related to which they have a conflict.

Presentations made by consultants, University personnel, or outside groups may be made to the committees or Board of Directors, followed by questions. The committee or Board of Directors will only consider their proposals in their absence.

The OREGON PORK PRODUCERS will use an attendance sheet similar to what is attached to the appendix.

620.0 Memorandums of Agreement

621.0 MOA National Pork Board (original MOA signed November 1986, amended September 1987, This is the updated MOA in effect).

This Memorandum of Agreement is entered into this 1st day of August, 1995 by and between the National Pork Board (“NPB”) and the Oregon Pork Producers (“OREGON PORK PRODUCERS”),

Whereas, pursuant to the Pork Promotion, Research and Consumer Information Act, Pub.L. 99-198 (“ACT”) and the Pork Promotion, Research and Consumer Information Order (7 C.F.R. Part 1230) (“the Order”) it is provided that the NPB shall establish, issue, effect and administer appropriate plans and projects for promotion, research, and consumer information with respect to pork and pork products designed to strengthen the position of the pork industry in the marketplace and to maintain, develop and expand domestic and foreign markets for pork and pork products; and

Whereas, the NPB shall establish and conduct research and studies with respect to the sale, distribution, marketing and utilization of pork and pork products and the creation of new products thereof, to the end that marketing and utilization of pork and pork products may be encouraged, expanded, improved or made more acceptable; and

Whereas, the NPB shall distribute funds as established by the Pork Producers (Pork Act) Delegate Body and the Act received from net assessments (“Assessments”) attributable to animals produced in the State;

Now Therefore, it is hereby agreed as follows:

1. Compliance with Rules and Regulations. A) OREGON PORK PRODUCERS agrees that any funds attributable to Assessments and any income derived from the investment of Assessments distributed by the NPB to OREGON PORK PRODUCERS, shall be used in accordance with the purposes of the ACT. B) OREGON PORK PRODUCERS agrees that any funds attributable to Assessments distributed by the NPB to OREGON PORK PRODUCERS, shall not be used for the purpose of influencing legislation as that term is defined in Section 4911 (d) and (e) of the International Revenue Code of 1954 or for the purpose of influencing governmental policy or action except in recommending to the Secretary amendments to this part
 2. Reports. OREGON PORK PRODUCERS shall furnish to the NPB annual plans and budgets; an annual report prepared by a Certified Public Accountant, or is less than \$30,000 financial documents signed by two officers, of all funds distributed to the OREGON PORK PRODUCERS which are from assessments attributable to porcine animals produced in that state: delegate nominees to the Pork Act Delegate Body; or any other reports as may be required by the Secretary of Agriculture or the NPB for the purpose to verify the use of such funds.
 3. Notification. All information shall be communicated promptly by mail.
- Signed by the National Pork Board and the OREGON PORK PRODUCERS

622.0 MOA National Pork Producers Council and OREGON PORK PRODUCERS.

This is to certify that the Oregon Pork Producers Council has been an affiliate member of the National Pork Producers Council and is the official representative of the pork producers of this state. The state further pledges and agrees in maintaining this membership to comply with the articles and bylaws of the National Pork Producers Council and the policies and decisions of the NPPC Delegate Body and to cooperate with the programs and activities of the National Pork Producers Council.

The National Pork Producers Council, a federation of member State Associations, believes that industry unity and cooperation at the local, state, and national levels are fundamental to enhancing the producers' opportunity for profit.

With this mission, the NPPC will provide pork producers the most effective and efficient programs possible.

Duplication of projects and services will be avoided. The highest priority of the organization will be to maintain producer control of the decision making process so that responsiveness to the wants and needs of pork producers is assured.

The member State Associations agree to adhere to the uniform qualifications for membership in NPPC as established by NPPC.

Delegate Body – this includes support of basic organization policy decisions arrived at through the democratic delegate process.

For its part, the NPPC pledges its maximum assistance to state and local member units in coordination of a national program of work to further the goals of the pork industry. The State Associations will follow a similar policy in their relationship with the national organization. The undersigned and the National Pork Producers Council, as equal partners in this agreement, agree to work together in a unified spirit of cooperation.

Signed May 1986 by the President of Oregon Pork Producers and NPPC

623.0 Memorandum of Agreement with College of Agriculture at State University.

The Oregon Pork Producers Council has an agreement with the College of Agriculture at State University to provide administrative and staff services for the association. The agreement is available to all members of the Board of Directors, which review the agreement on an annual basis. As part of the OREGON PORK PRODUCERS agreement with the College of Agriculture at State University, the OREGON PORK PRODUCERS recognizes and adopts a specific Job Description for the Executive Secretary, and the Employee policies of the College of Agriculture at State University as part of the OREGON PORK PRODUCERS operations process. Annually, the Executive Secretary will review with the OREGON PORK PRODUCERS Executive Committee any changes in the Job Description, Employee Manuals and Handbooks, which relate to the application of these policies to OREGON PORK PRODUCERS.

624.0 Notification of Membership in outside organizations

The OREGON PORK PRODUCERS may use checkoff or non-checkoff funds to join membership in other outside related organizations. The source of funds used will depend on the nature of the organization the OREGON PORK PRODUCERS intends to join.

If checkoff funds are used to join an outside organization, the letter subscribing membership will contain the following statement.

“The Oregon Pork Producers chooses to join your organization. Our organization is funded in part by proceeds of the National Pork Board and checkoff funds. Included is a check to join your membership. It is important in submitting this membership fee that we inform you these funds and the proceeds from the OREGON PORK PRODUCERS may not be used to influence government policy at the local, state or national level. If you accept these funds you agree with this restriction, and agree not to use these funds for such purpose.”

700 Association Operation

700.0 General Operation

The Oregon Pork Producers is governed by the Board of Directors and has a well-documented set of Articles of Incorporation and By-laws.

Membership in the OREGON PORK PRODUCERS is defined in the By-laws for the organization. Annually, the Board of Directors for the association designs the membership recruitment plan for the organization. Information related to membership in the organization is available by contacting the OREGON PORK PRODUCERS office. Additionally, the OREGON PORK PRODUCERS attempts to identify all producers in the state.

It is a top priority of the OREGON PORK PRODUCERS to be responsive to producer needs in the state related to promotion, research, consumer information, as well as membership needs and representing producers to the public. Producer requests are generally responded to in kind, regardless if they contact the organization formally or informally.

Communication programs of the OREGON PORK PRODUCERS include direct mail, email, telephone, and local and state meetings. Communications related to checkoff and non-checkoff efforts are detailed in galleys, and other specific items of correspondence. It is the policy of the OREGON PORK PRODUCERS to identify the costs related to checkoff and non-checkoff and make sure they are appropriated to their proper accounts.

710.0 Budget and Fiscal Controls

The fiscal year of the Oregon Pork Producers will be the same as the calendar year. Within the organization, the following checking accounts are maintained separately. Specifically, they are:

National Checkoff – (Since November of 1986) – Annually OREGON PORK PRODUCERS submits a detailed “Plan of Work” and Budget request based on the estimated proceeds from the checkoff collections on animals produced in State. These documents must be submitted in a timely fashion to the National Pork Board, and must be approved prior to commitment or contract for funds or expenditure by both the National Pork Board and the Agricultural Marketing Service of USDA. Funds from this account cannot be used to purchase capital items and equipment. All projects in this account must be used only for those purposes defined in the National Pork Act and Order, generally Promotion, Research and Consumer Information. Any attempt to lobby or influence government action using these funds is strictly prohibited. As of January 1, 2009 Oregon’s Checkoff account will be managed within the National Pork Board Direct Documentation Program.

Non-Checkoff Development – These funds are collected from projects conducted by the Association related to Membership and other non-checkoff activities. The restrictions placed on this account and the priority of usage is established by the members. These funds can be used for government relations, lobbying, legislative, funding raising activities, and purchase of capital items. These funds are prohibited from being used as political action committee funds. Overall usage is guided by the bylaws, Board of Director action, and state and federal statutes.

Credit Card Policy. It is the policy of the Oregon Pork Producers to not issue any credit cards in the organizations name.

Budget Preparation

- a.** Any committee of the organization is chaired by a member of the Board of Directors, and may consist of members and non-members as appointed by the President. Any committee, or in their absence the Board of Directors annually will prepare a budget request as part of preparation for the annual ‘Plan of Work’. After the ‘Plan of Work’ is adopted the budget request will be managed by the committee.
- b.** The Finance Committee will meet annually at least 30 days in advance of the annual meeting to prepare the annual budget and ‘Plan of Work’ for consideration by the Board of Directors. The Board of Directors for the Oregon Pork Producers Council will then consider, alter, and/or adopt the annual budget and ‘Plan of Work’. The annual budget will be presented to the membership at the annual meeting. No funds in any account may be expended without prior budgeting or approval from the Board of Directors,

via the stated budget. The Executive Secretary will submit the annual budget and the 'Plan of Work to the National Pork Board annually by **date specified by National Pork Board**. The Executive Secretary will also submit any mid-year budget revisions to the NPB on a timely basis, if needed. The OREGON PORK PRODUCERS agrees no commitments will be made regarding the checkoff portion of the budget prior to receiving approval letter from the National Pork Board. Copies of these approval letters will be kept on an annual basis with the Plan of Work and Budget.

- c. Any account or budget line, which is anticipated to be 10 percent over or under the budgeted amount, should immediately be brought to the attention of the Executive Secretary and/or the Association Treasurer. The Board of Directors shall review alterations made in the budget above or below these amounts.

Budget Submission and Approval:

Budget submissions to the National Pork Board must include:

- a. Summary of anticipated revenue
- b. Summary of proposed expenditures by major program area.
- c. Budget items intended for international activity need to be specifically stated, so NPB can inform FAS.
- d. Budgets will be reviewed and approved by NPB prior to submission to AMS.
- e. Budgets must be approved by AMS prior to obligating any funds. AMS will also approve amendments/additions to budgets, including transferring of program funds between major program areas.

Fundraising. It is the policy of the OREGON PORK PRODUCERS that fundraising may be accomplished from either Checkoff or Non-checkoff investments.

- a. Checkoff – If checkoff funds are used for projects, which result in funds raised then all net proceeds from the event or project will be considered to be checkoff funds, and come under the same restricted basis as outlined in the Act, Order and policies of AMS and the National Pork Board.
- b. Non-Checkoff – If non-checkoff funds are used for projects, which result in funds raised then all the net proceeds from the event or project will be considered to be non-checkoff funds.

Donations. The OREGON PORK PRODUCERS may either receive or make donations to other causes or efforts provided the following:

Receiving donations: Donated funds into the Checkoff account must be listed separately and incorporated into the budget process. Donated funds must not create a

conflict of interest. Non-checkoff funds entering the Checkoff account(s) should be classified as Donated Funds.

Granting Donations: It is the policy of the OREGON PORK PRODUCERS to allow donations of commodity, product, or funds, provided the donation is tied to a public relations or promotional effort promoting our commodity and/or the pork industry. If checkoff funds are to be used for donations the OREGON PORK PRODUCERS will submit the Donation grant from to the NPB for approval prior to committing or expending any funds.

The OREGON PORK PRODUCERS allows gifts (monetary or otherwise) as part of a research or promotion project if used as restitution to benefit the collection of information for the project. If checkoff funds are to be used for donations the OREGON PORK PRODUCERS will submit the Donation grant from to the NPB for approval prior to committing or expending any funds.

Prohibited Uses of Checkoff funds.

In no case shall checkoff funds be used to influence governmental policy as defined in Section 4911 (d) and (e) of the Internal Revenue Code of 1954. Specifically this states:

(1) General rule

Except as otherwise provided in paragraph (2), for purposes of this section, the term “influencing legislation” means—

(A) any attempt to influence any legislation through an attempt to affect the opinions of the general public or any segment thereof, and

(B) any attempt to influence any legislation through communication with any member or employee of a legislative body, or with any government official or employee who may participate in the formulation of the legislation.

(2) Exceptions

For purposes of this section, the term “influencing legislation”, with respect to an organization, does not include—

(A) making available the results of nonpartisan analysis, study, or research;

(B) providing of technical advice or assistance (where such advice would otherwise constitute the influencing of legislation) to a governmental body or to a committee or other subdivision thereof in response to a written request by such body or subdivision, as the case may be;

(C) appearances before, or communications to, any legislative body with respect

to a possible decision of such body which might affect the existence of the organization, its powers and duties, tax-exempt status, or the deduction of contributions to the organization;

(D) communications between the organization and its bona fide members with respect to legislation or proposed legislation of direct interest to the organization and such members, other than communications described in paragraph (3); and

(E) any communication with a governmental official or employee, other than—
(i) a communication with a member or employee of a legislative body (where such communication would otherwise constitute the influencing of legislation), or
(ii) a communication the principal purpose of which is to influence legislation.

(The OREGON PORK PRODUCERS is not prohibited from providing unbiased, factual information to government officials, provided it does not state a specific course of action.)

The OREGON PORK PRODUCERS prohibits the use of checkoff dollars for the following:

- a. Spouse/Family expenses
- b. Open Bars
- c. Personal Expenses
- d. Influencing Government Policy or Action at the Local, State, Regional or National level.

Controlling Receipts and Expenses

- a. All association business is transacted by checks requiring signature, or other paper voucher or receipt or expense statement or report. All association business done by check is listed in a monthly 'checks written' report. This report includes the date, check number, payee, code, and amount. Prior to each meeting of the board, the list of checks will be reviewed by the association Treasurer and Executive Secretary. This information will be available to the Board of Directors as part of the financial report at each meeting of the Board. Any member of the board has full access to the journals, accounts, and vouchers to ensure that checks are properly written, documentation supporting any check is in order, and financial resources are expended in line with budgets and board policy.
- b. Situations can occur when considerable amounts of cash are received by both association personnel and volunteers. Deposits should be made on a timely basis, so large amounts of cash do not accumulate. More than one person should be present any time cash is being handled.

Process for Payment

All requests for payment by the organization are to be directed to and received by the OREGON PORK PRODUCERS Executive Secretary or Treasurer. The Executive Secretary or Treasurer will open all requests for payment and initial the bill for payment, before preparing a check voucher.

The Treasurer will provide the original check and a copy of the original invoice to the association Secretary to approve the funds. A copy of the check and the original invoice will be kept in the OPP office for possible future verification. A copy of the checks issued each quarter will be faxed, emailed, or sent to the members of the Board of Directors.

The Treasurer will review the account codes to ensure payments were made from the proper account and in compliance with the budget.

All checks drafted for organization business, regardless of type of account, require drafting by the Treasurer and then officer signature for checkoff account. Those authorized to sign checks include any of the following: Treasurer or Secretary.

All unused checks of the Oregon Pork Producers will be kept under lock and key and available only to the Treasurer of OREGON PORK PRODUCERS.

The accountant and/or CPA will be retained on a yearly basis. The signed contract will be kept on file in the OREGON PORK PRODUCERS office, with a copy to the association Treasurer. All tax information will be sent to the accountant from the state office for completion and then returned to the state office for payment and filing. The NPB accountant will also prepare the required NPB audit.

Financial Reviews and Audits

The OREGON PORK PRODUCERS will be subject to and needs to comply with the following on use of checkoff funds:

1. The NPB and AMS shall review financial statements yearly – Balance Sheet & Revenues/Expenses (Budget vs. Actual)
2. States to have audit performed in accordance with the Order
 - < \$2,000 in Checkoff Revenue = Audit upon request
 - \$2,000 – \$29,999 in Checkoff Revenue = Audit every 5 years
 - \$30,000+ in Checkoff Revenue = Audit every year.
3. Audits should include auditor's opinion to address whether:

- a. Funds were used in accordance with the Act, Order, regulations, and AMS policy
- b. Funds were used only for projects/expenses authorized in a budget approved by USDA
- c. Funds were used for the influencing of government policy or action
- d. The State adhered to the AMS investment policy

Annual Audit

Oregon Pork Producers as part of their direction documentation program with the National Pork Board will adhere to all annual audits as required and complete by the National Pork Board. Audits will be performed in accordance with the requirements of the National Pork Board and at least every five years. The audits performed by the National Pork Board are for the checkoff operations of the organization. Non-checkoff accounts will go through an internal review by the board of directors. Any questions regarding the audit should be directed to the Executive Secretary or the Treasurer of OREGON PORK PRODUCERS.

Banking Policy

- a. The Oregon Pork Producers Council will determine by Board motion the banking institutions to handle each of the accounts of the organization. The Treasurer shall recommend to the Board of Directors which banking institutions are preferred, based on the services they provide and convenience.
- b. All accounts for the OREGON PORK PRODUCERS shall comply with one of the following conditions, provided checkoff funds are backed by the full faith and guarantee of the U.S Government:
 - 1. The bank shall agree to comply with the stated Memorandum of Agreement of the National Pork Board, as drafted, (see attached Banking agreement in the appendix) or
 - 2. Accounts will be deposited in separate banking institutions to ensure the balances do not exceed \$250,000 dollars (management position is to maintain less than \$225,000 at any time to ensure the accounts do not exceed \$250,000), or
 - 3. The OREGON PORK PRODUCERS will negotiate with the banking institution to arrange for a repurchase agreement on the account value, which will be backed by Treasury instruments of the U.S. Government in excess of the FDIC insurance.
 - 4. The OREGON PORK PRODUCERS will use a 'public funds' agreement with the designated banking institution.
- c. All bank statements will be mailed directly or electronically sent to the OREGON PORK PRODUCERS office of record. Copies of the statements may be mailed to other officers as directed by policy.

- d. Checkoff deposits from the National Pork Board will be accomplished electronically; the Treasurer will handle all non-checkoff deposits and National Pork Board (DDP) will handle all other checkoff deposits.
- e. All accounts will maintain signature cards of the current authorized persons.

Purchases/Contracts

All purchases are directed generally by the committees or directly by the Board of Directors, after budget approval has been secured. Specifically, purchases are directed by committee chairs and the Executive Secretary, based on the annual budget. All purchases over \$2,500 should not be made without the solicitation of three competitive bids. In some cases where contract services are only available from one vendor (i.e. a specific radio station or market, or consultant for contract services) the OREGON PORK PRODUCERS recognizes competitive bids may not be possible or practical. Any purchase above \$2,500 shall be approved by the Executive Secretary and the Treasurer to ensure it is in compliance with the policy, prior to commitment to purchase. Contracts may only be signed with those having check authorization. All contracts should have prior approval through the budget process, or specific action of the Board of Directors.

Supporting documentation is needed for each purchase. This may include but not be limited to: Bid sheets, order invoices, confirmation letters, contracts, letter of agreement, memorandum of understanding, or similar contracts from the vendor is acceptable. This documentation is needed for proof of performance.

Contract documentation is needed for each purchase. This may include but not be limited to: Bid sheets, order invoices, confirmation letters, contracts, letter of agreement, memorandum of understanding, or similar contracts from the vendor is acceptable.

All contracts are required to avoid conflict of interest and all contracts will have a prohibition on lobbying with Checkoff funds. All checkoff funded projects under contract can only be for the current fiscal year. If multi-year planning and contracts are used an end of fiscal year 'escape clause' is required. If contracts are awarded to a contractor other than the lowest competitive bid a written explanation should be filed with the signed contract as to why the lowest bid was not selected.

Research

All proposals for research projects funded by the OREGON PORK PRODUCERS with academic or private research organizations should be covered by the Memorandum of Agreement approved by AMS and the National Pork Board. This agreement includes clauses, which address intellectual property rights, which the National Pork Board retains on all research projects funded with checkoff funds. The OREGON PORK PRODUCERS will consult with the National Pork Board prior to issuing any

commitments for research projects to ensure the project is complementary and non-duplicative to other research initiatives. (see appendix attachment).

Proof of Performance

In order to assure the OREGON PORK PRODUCERS receives the value of the funds to purchase goods and services routinely requires a statement of proof of performance. This includes but is not limited to any of the following types of documentation:

- a. A confirmation of a delivery on the purchase of goods and services.
- b. Reports confirming and documenting goods or services.
- c. Committee reviews of activities and programs.

Reports and Availability of Information

The OREGON PORK PRODUCERS has several reports directed to various audiences based on standard business procedures. Specifically, these are:

| Report | Available to |
|--|--|
| 990 Internal Revenue Service Filing PORK PRODUCERS office | Public on request at the OREGON |
| Applicable budget lines, checks, special Reports related to committee purpose | Board members |
| Annual financial reports of the Certified Public Accountant | Board Member |
| Any financial report including lists of checks, Balance sheets, operating statements, investments | Board of Directors, CPA, Legal Counsel, Executive Secretary |
| Individual Payroll information, personnel Documents, etc. | Officers, Board of Directors, CPA, Legal Counsel |

Record Retention Schedule

The OREGON PORK PRODUCERS retains records for various organization documents based on the following schedule.

Accounting:

Number of Years Retained

| | |
|-----------------------------------|--------------------------|
| Bank Statements and Deposit Slips | 6 |
| Computer Records | 6 |
| Payroll or Contracts for Staff | 6 |
| Time Sheets | 6 |
| Expense Reports and Receipts | 6 |
| Checks | 6 |
| Vouchers | 6 |
| Audit Reports | Indefinitely, as of 2005 |
| General Ledgers and Journals | Indefinitely, as of 2005 |

Corporate

| | |
|---------------------------------------|--------------------------|
| Mortgage, notes, and leases (expired) | 6 |
| Bylaws, charter, and minutes | Indefinitely, as of 2006 |
| Contracts and Agreements | 6 |
| Retirement and pension records | Indefinitely, 2005 |

Correspondence

| | |
|-------------------------------------|---|
| General (including electronic mail) | 3 |
| Legal and Tax | 7 |

Insurance

| | |
|--------------------------------|---|
| Policies (all types – expired) | 6 |
| Accident Reports | 6 |
| Claims (after settlement) | 6 |

Purchasing and Sales

| | |
|--------------------------------|---|
| Purchase Orders | 6 |
| Sales Contracts and Invoices | 6 |
| Shipping and Receiving Reports | 6 |

Investment Policy

The OREGON PORK PRODUCERS policy goal is to achieve a maximum amount of safety, while generating interest income by investing current balances in short term investments (Checkoff funds will only be invested for period of 1 year or less). Association funds shall not be viewed as monies with which to speculate.

It shall be the responsibility of the Executive Secretary, in consultation with the association Treasurer to oversee the management of investments of the operational and contingency funds. These funds will be limited to investments in the following types of insured accounts:

1. Money Market and Checking Accounts
2. Certificates of Deposit
3. U.S. Treasury Bills
4. Accounts and amounts covered by FDIC
5. NPB funds shall be invested only for a period of 1 year or less

Contingency Funds

In order to enable the OREGON PORK PRODUCERS to respond to unforeseen opportunities in which the organization operates, a contingency strategy is established. The long-term goal is to maintain cash and securities at least equal to 40 percent of the gross profit and checkoff income, in the accounts for Checkoff and Non-checkoff.

Fixed Expenses

These costs include the operating costs of the association. The costs are allocated to the various programs based on the basis of checkoff and non-checkoff activity. To attribute costs the staff keeps track of their time based on the checkoff and non-checkoff projects and accounts.

The following list of expenditures details the basis of allocation:

| Expenditure | Basis of Allocation |
|-------------------------|----------------------------------|
| Board/Committee Expense | Time records of staff |
| Rent | Fair market value of space |
| Dues/Subscriptions | Time records of staff |
| Postage Expense | Specific project or Time records |

Volunteer, Staff Travel and Expense Policy

The purpose and scope of the following expense and travel policies are to establish guidelines for reimbursement of appropriate expenses. These procedures apply to all volunteers and staff incurring expenses.

1. Travel Authorization: All out of town business travel, for which OREGON PORK PRODUCERS is to be expensed, must have prior approval being given by the Board. No Cash Advances will be made by OREGON PORK PRODUCERS for travel expenses. Mileage expenses will be reimbursed at the IRS rate.

2. Receipts: For reimbursement, every expenditure must be supported by a receipt. Receipts should indicate the specific expense, the meeting or purpose for the expense, the date and amount.
3. Expense Report Certification: All volunteers and staff are required to sign the expense report to certify the information is correct. Reports should be submitted to the Executive Secretary who will evaluate the expenses for their correctness and reasonableness. Expense reports submitted which do not meet the criteria will be returned. Expense reports should be submitted within 30 days of travel being completed. OREGON PORK PRODUCERS will not reimburse the traveler for out-of-pocket expenses.
4. Credit Cards: OREGON PORK PRODUCERS will not issue credit cards for business expenses.
5. Telephone: Reasonable actual expenses will be reimburse to the members of the Board of Directors and staff. Personal calls home are not reimbursed by OREGON PORK PRODUCERS.
6. Transportation Expenses: Producers and staff should coordinate all airline and ground travel through the association whenever possible to reduce costs. Advanced planning will result in the lowest possible transportation expense.
7. Lodging: Lodging costs reimbursement is limited to the actual lodging night needed to conduct association business while traveling out-of-town. Any additional nights taken in conjunction with a business trip are the responsibility of the traveler, unless negotiated with the Board in lieu of cheaper airfares.
8. Meals: Staff and producers must be traveling out-of-town on business in order to be reimbursed for meals. Meals include personal meals and related tips when dining alone or in the company of others who are paying for themselves. Only the actual cost of the meal and appropriate tips will be reimbursed. The association's policy is to choose reasonably priced restaurants and tipping should be consistent with the service. Sponsored events where meal functions are scheduled at no cost to staff or producers, the association will not pay for meals eaten away from the scheduled event.
9. Miscellaneous Expenses: Personal entertainment expenditures such as bar tabs, in- room movies, etc. will not be reimbursed. Reasonable laundry service will be reimbursed only if traveling for longer than 5 consecutive days.

Computer Records

Every six months the Executive Secretary will provide a back-up copy of the documents on the computer to the Association Treasurer. Every six months the Treasurer will provide a back-up copy of documents to the Executive Secretary.

Policy on legal compliance

It is the policy of the state association is to abide by all applicable federal, state and local laws, rules and regulations. Every employee has a responsibility to abide by all such laws and standards and to assist in ensuring that the company is in compliance.

If any employee is aware of any violation of law or is concerned that there may be a violation of any law, the employee should report the violation or concern to their immediate supervisor. If, for any reason, the employee does not feel comfortable reporting the situation to his/her immediate supervisor or if such a report does not correct the problem to the employee's satisfaction, the employee should report the violation or concern to any other officer of the organization.

The state association will not take any adverse employment action or retaliate in any way against an employee who reports violations or concerns about possible violations of law to association management under this policy.

All employees should report violations or concerns about possible violations of law within the state association before reporting any such situation to any outside person or entity. If an employee makes a report of violation to any outside person or entity, the state association will abide by all applicable laws, rules and regulations in resolving the situation and will comply with any applicable laws, rules, regulations or public policies prohibiting retaliation against an employee who makes such a report.

720.0 Insurance

The Oregon Pork Producers has elected not to have a board of directors and officers insurance policy. We do encourage our board to get their own insurance liability insurance.

730.0 Equal Opportunity

All State Pork Producer Council personnel policies and practices related to both volunteers and employees – including recruitment, selection, promotion, compensation, benefits and discipline – will be administered without regard to any individual's race, color, religion, sex, age, national origin, and disability or veteran status. As a federal government contractor, OREGON PORK PRODUCERS has an Affirmative Action Plan. Any question or complaints concerning Equal Employment Opportunity or the Americans with Disabilities Act should be brought to the attention of the Executive Secretary.

740.0 Anti Harassment Policy

The OREGON PORK PRODUCERS is committed to maintaining a work environment that is free of employment discrimination. In keeping with this commitment, we will not tolerate harassment of OREGON PORK PRODUCERS employees or producer volunteers by anyone, including management staff, non-management staff, producers (leaders, committee/task force members, and all other producers), stakeholders, vendors, or other customers of OREGON PORK PRODUCERS.

All interactions between staff and producer leaders or between staff members will be on a professional basis. This includes interactions in meetings after regular working hours and in social situations during or after regular working hours where staff is still performing work-related duties.

Harassment consists of unwelcome conduct, whether verbal, physical, or visual that is based upon a person's sex, color, race, religion, national origin, age, or disability. The OREGON PORK PRODUCERS will not tolerate harassing conduct that affects tangible job benefits, that interferes unreasonably with an individual's work performance, or that creates and intimidating, hostile, or offensive working environment.

If you believe that you have experienced or witnessed conduct not consistent with this policy, you may attempt to correct it yourself at the lowest possible level, and/or you are to notify immediately your supervisor, another supervisor, CEO or Human Resources. You can also report violations to USDA's AMS at 1-202-720-0633 or to USDA's Office of the Inspector General at 800-424-9121, or call your state Department of Civil Rights office.

Retaliation:

The OREGON PORK PRODUCERS forbids retaliation against anyone for reporting alleged sexual harassment, discrimination, unethical practice or illegal activity. Additionally, retaliation against anyone assisting in making a complaint or cooperating in an investigation of the above mentioned activities will not be tolerated. Acts of retaliation include, but are not limited to:

- Termination of an employee who reports harassment or participates in an investigation
- Contacting an employee who reports harassment or participates in an investigation to discuss the matter with him/her.
- Negatively interfering with future job assignments, promotions, salary changes,

750.0 Notification of Membership in outside organizations

The OREGON PORK PRODUCERS may use checkoff or non-checkoff funds to join membership in other outside related organizations. The source of funds used will depend on the nature of the organization the OREGON PORK PRODUCERS intends to join.

If checkoff funds are used to join an outside organization, the letter subscribing membership will contain the following statement.

“The OREGON PORK PRODUCERS chooses to join your organization. Our organization is funded in part by proceeds of the National Pork Board and checkoff funds. Included is a check to join your membership. It is important in submitting this membership fee that we inform you these funds and the proceeds from the OREGON PORK PRODUCERS may not be used to influence government policy at the local, state

or national level. If you accept these funds you agree with this restriction, and agree not to use these funds for such purpose.”

800.0 Oregon Operating Procedures

810.0 Appoint of Officers & Coordinators

Appoint of officers of the OREGON PORK PRODUCERS board of directors will take place during the first board of directors meeting following the annual meeting. Officers will include: President, Vice President, Secretary, and Treasurer. Coordinators will include: Membership, Youth, Education, and Nominations.

811.0 President Job Description

The president shall preside at all meetings of the members and all meetings of the Board of Directors. The president shall be the official executive officer of the Corporation with power to execute on behalf of the corporation all notes, checks, drafts, of other orders for the disbursement of funds and shall perform such other duties as customarily appertain to the office of president as directed to perform, by the resolution of the Board of Directors.

812.0 Vice President Job Description

The vice president shall have and exercise all of the powers, authority, and duties of the president in the absence or disability of the president. The vice president shall also serve as the checkoff compliance officer for the Oregon Pork Producers.

813.0 Secretary Job Description

The secretary shall prepare and maintain records of the meetings of the members and Board of Directors and shall give the notice of all meetings. The secretary shall attest all deeds, mortgages, and notes executed by the corporation.

814.0 Treasurer Job Description

The treasurer shall have the custody of all of the funds, securities, valuable papers, and other assets from the corporation's bank accounts and shall present to the Board of Directors financial statements showing the condition of the corporation prior to the annual meeting each year.

815.0 Membership Coordinator Job Description

The Membership Coordinator will be responsible for processing new and renewing member applications, preparing packet for new members, sending out renewal notices, tracking member contact information changes, and sending quarterly updated membership lists to the Secretary.

816.0 Youth Coordinator Job Description

The Youth Coordinator will be responsible for working with Junior Members on the proper and appropriate manner to receiving entries and for Oregon Pork Producers Sweepstakes, Gilt Giveaways, and Scholarships.

817.0 Education Coordinator Job Description

The Educational Coordinator will determine what types or programs Oregon Pork Producers will provide to teach children and/or adults producers about a subject that relates to the swine industry. The Educational Coordinator may teach classes or assemble other educators to administer programs or seminars, develop budgets and purchase supplies associated with the program or seminar. The coordinator also measures the success of a program on a regular basis, making changes when necessary to improve its quality.

818.0 Nominations Coordinator Job Description

The Nominations Coordinator will oversee the nominations committee and conduct the annual election for board of directors and National Pork Delegates. The Nominations Coordinator will also oversee all paperwork received from the National Pork Board associated with delegate elections.

820.0 Term Limit for President

The term limit for a board member to serve as president will be two consecutive years unless no other excepted candidate is found.

830.0 Committees

Any member on a sub-committee of the OREGON PORK PRODUCERS must be a current paid member.

831.0 State Fair Sale Committee

The OREGON PORK PRODUCERS State Fair Sale Committee will be made up of six individuals and a sale manager. The board of directors will request a list of proposed committee members from the state fair exhibitors, the board will then select the six individuals to serve on the

committee. The board of directors will also select a manager to serve as the seventh individual on the committee. Each year two committee members will rotate off of the sale committee, but will be eligible for re-appointment if proposed by the state fair exhibitors.

840.0 Internal Review

An internal financial review conducted by a committee made up of three board members along with the association treasurer will take place annually with a report back to the board.

850.0 Distinguished Service Award

Annually the board of directors will present one or more distinguished service award to an individual or family that has provided exception service to the swine industry on a local, state, and/or national level.

Oregon Pork Producers Donation Request Form