



International Registration Plan, Inc.

Policy Manual

Initially Adopted May 8, 2009
Includes revisions through October 2012

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I. INTRODUCTION

Policies of International Registration Plan, Inc. (IRP, Inc.), a Virginia nonstock corporation, are established by its Board of Directors (Board) and are compiled in this manual for easy reference. These policies are reviewed periodically to ensure they are up-to-date and serve the needs of IRP, Inc.'s activities.

I.1 Mission and Vision Statements

Mission Statement

To support jurisdictions and industry with the administration of and compliance with the International Registration Plan, and serve as a voice for commercial motor vehicle registration.

Revised: January 23, 2012

1. ETHICS AND ACCOUNTABILITY

1.1. Code of Ethics

The Board of IRP, Inc. expects that its employees, independent contractors, Board members and volunteers uphold the highest standards of ethical, professional behavior. The Board expects these individuals to:

- Hold paramount the safety, health, and welfare of the public in the performance of professional duties.
- Act in such a manner as to uphold and enhance personal and professional honor, integrity, and dignity.
- Treat with respect and consideration all persons, regardless of race, religion, gender, abilities, age, sexual orientation, or national origin.
- Carry out IRP, Inc.'s mission in a professional manner.
- Collaborate with and support other professionals in carrying out IRP, Inc.'s mission.
- Build professional reputations on the merit of services and refrain from competing unfairly with others.

The Board preserves the following core values:

- Excellence
- Commitment
- Leadership
- Fair and equitable solutions
- Ethical behavior
- Responsible financial stewardship
- Collaboration for mutual success
- Driving change
- Integrated transportation and development

Policy 1.1 Adopted: May 8, 2009

Revised October 2012

1.2 Conflict of Interest

CONFLICT OF INTEREST POLICY

Policy and Purpose

IRP, Inc. is a non-profit, tax-exempt organization. Maintenance of its tax exempt status is important for both its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of IRP, Inc. as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public. Consequently, there exists between IRP, Inc. and its board, volunteer committee members, officers and employees and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The board, volunteer committee members, officers, employees and independent contractors working for IRP, Inc. have the responsibility of administering the affairs of IRP, Inc. honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of IRP, Inc.

Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with IRP, Inc. or knowledge gained there from for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

This policy is intended to supplement but not replace any applicable laws governing conflict of interest applicable to nonprofit organizations.

Procedures and Guidelines

Definitions

1. **Interested Person**

Any officer, director, member of a committee with powers delegated by the Association's Board of Directors ("Board"), any employee or independent contractor working for IRP, Inc. is an "Interested Person." An individual member of the Board is referred to as a "Director" and individual members are referred to collectively as "Directors".

2. **Conflict of Interest**

A Conflict of Interest exists when an individual covered by this policy has a relationship or engages in an activity that impairs or adversely influences his/her judgment with respect to policies promoting the best interest of IRP, Inc. or that impairs or adversely influences the performance of his/her duties to IRP, Inc.

Conflicts of interests may arise in the relations of Directors, volunteer committee members, officers, employees and independent contractors working for IRP, Inc. with any of the following third parties:

- * Persons and firms supplying goods and services to IRP, Inc.
- * Persons and firms from whom IRP, Inc. leases property and equipment.
- * Persons and firms with whom IRP, Inc. is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
- * Competing or affinity organizations.
- * Donors or others supporting IRP, Inc.
- * Agencies, organizations, and associations which affect the operations of IRP, Inc.
- * Family members, friends, and other employees.

Some members of the Board of Directors and other persons may be subject to conflict of interest and similar proscriptions that are more stringent than those established in this Policy. In such circumstances, the more stringent limitations would apply to these persons.

3. Nature of Conflicting Interests

There are a variety of situations, which raise the Conflict of Interest concerns, including but not limited to, the following:

Financial Interest

A Conflict of Interest may exist where a person has a Financial Interest in any transaction involving the Association. A Financial Interest may exist if the Interested Person has, directly or indirectly, through business, investment, or family:

- * An ownership or investment interest in any entity which the Association has a financial transaction or arrangement;
- * A compensation arrangement with the Association or with any entity or individual with which, or with whom, the Association has a financial transaction or arrangement; or
- * A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a financial transaction or arrangement.
- * Used IRP, Inc.'s time, personnel, equipment, supplies, or good will for other than IRP, Inc.-approved activities, programs, and purposes.
- * Received personal gifts or loans from third parties dealing or competing with IRP, Inc. Acceptance of gifts of nominal value (\$50 or less) or reasonable personal entertainment may be ethically acceptable if the gift would not influence, or reasonably appear to others to be capable of

influencing, such person's business judgment in conducting IRP, Inc.'s affairs with the donor.

Other Interests

A Conflict of Interest may also exist where an Interested Person, or a relative or business associate of an Interested Person, obtains a non-financial benefit or advantage that she/he would not have obtained absent his/her relationship with the Association, or where his/her duty or responsibility owed to the Association conflicts with a duty or responsibility owed to some other organization. A non-exhaustive list of examples includes the following:

- * An Interested Person seeks to obtain preferential treatment by the Association for himself/herself, or a relative or business associate.
- * An Interested Person seeks to make use of confidential information obtained from the Association for his/her own benefit, or for the benefit of a relative, business associate, or other organization without proper compensation to the Association.
- * An Interested Person seeks to take advantage of an opportunity, or enable a relative, business associate or other organization to take advantage of an opportunity, which s/he has reason to believe is or would be of interest to the Association.

The areas of conflicting interest listed above and the relationships in those areas which may give rise to conflict are not exhaustive. Conflicts might arise in other areas or through other relationships. It is assumed that Directors, volunteer committee members, officers, employees and independent contractors working for IRP, Inc. will recognize such areas and relationships by analogy.

The fact that one of the interests described does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of IRP, Inc. However, it is the policy of the Board that the existence of any of the interests described above shall be disclosed before the transaction is consummated.

Procedures

1. Duty to Disclose

It shall be the continuing responsibility of the Board, volunteer members of committees, officers, employees and independent contractors working for IRP, Inc. to scrutinize their transactions and outside business interests and relationships for potential conflicts. An Interested Person is under a continuing obligation to disclose any actual or potential Conflict of Interest as soon as it is known, or reasonably should be known.

In connection with any actual or possible Conflict of Interest, an Interested Person must disclose the existence of a possible Conflict of Interest or a Financial Interest and be given the opportunity to disclose all material facts to the Board and members of committees with Board-delegated powers considering the Conflict of Interest or the proposed financial transaction or arrangement.

IRP, Inc. staff should discuss any questions or comments they may have regarding the Conflict of Interest policy with their supervisor, or the CEO of IRP, Inc..

If in fact an IRP, Inc. staff member believes he/she has a potential conflict of interest, he/she is required to notify the CEO of IRP, Inc. The CEO of IRP, Inc. is required to report any potential conflict of interest to IRP, Inc.'s Executive Committee of the Board of Directors of IRP, Inc. The Executive Committee of the Board of Directors of IRP, Inc. will determine if the nature of the potential conflict of interest needs to be brought before the full Board. Potential Conflicts of Interest pertaining to the CEO of IRP, Inc. should be reported to the Executive Committee of IRP, Inc.

2. Determining Whether a Conflict of Interest Exists

After disclosure of a potential Conflict of Interest or a Financial Interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Directors meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Directors shall determine if a Conflict of Interest exists or shall request additional information regarding the proposed financial transaction or arrangement.

3. Procedures for Addressing the Conflict of Interest

- a. An Interested Person may make a presentation at the Board meeting, but is not required to do so. If a presentation is made, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible Conflict of Interest.
- b. The Chair of the Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Procedures for Addressing Conflicts of Interest – Specific Transactions

Where an actual or potential conflict exists between the interests of the Association and an Interested Person with respect to a specific proposed action or transaction, the Association shall refrain from the proposed action or transaction until such time as the proposed action or transaction has been approved by the disinterested members of the Board. The following procedures shall apply:

- a. An Interested Person who has an actual or potential Conflict of Interest with respect to a proposed action or transaction of the Association shall not, except as set forth in this policy, participate in any way in, or be present during, the deliberations and decision-making of the Association with respect to such action or transaction. The Interested Person may, upon request, be available to answer questions or provide material factual information about the proposed action or transaction.
- b. The disinterested members of the Board may approve the proposed action or transaction upon finding that it is in the best interests of the Association, and to avoid remitting payments in excess of the amount by which the value of the economic benefit provided by the Association directly or indirectly to or for the use of any Interested Person exceeds the value of the consideration (including the performance of services) received for providing such benefit. The Board shall consider whether the terms of the proposed transaction are fair and reasonable to the Association and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a party or entity that is not an Interested Person.
- c. Approval by the disinterested members of the Board shall be by vote of a majority of Directors in attendance at a meeting at which a quorum is present. An Interested Person shall not be counted for purposes of determining whether a quorum is present, nor for purposes of determining what constitutes a majority vote of Directors in attendance.
- d. The minutes of the meeting shall reflect that the conflict disclosure was made, the vote taken and, where applicable, the abstention from voting and participation by the Interested Person.

5. Violations of the Conflicts of Interest Policy

- a. If the Board has reason to believe an Interested Person has failed to disclose actual or possible Conflicts of Interest or otherwise violated this policy, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

- b. If, after hearing the Interested Person's response and after making further investigation as warranted by the circumstances, the Board determines the Interested Person has failed to disclose an actual or possible Conflict of Interest (or otherwise), it may take appropriate disciplinary and corrective action as it deems appropriate up to and including termination of employment or removal from the Board of Directors.

Records of Proceedings

1. Board meeting minutes shall contain:

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

2. Annual Statements

Each Director, volunteer committee member, officer, employee and independent contractor working for IRP, Inc. and any other person as may be requested by the Board shall sign a statement which affirms such person:

- a. Has received a copy of the Conflict of Interest policy;
- b. Has read and understands the policy;
- c. Has agreed to comply with the policy; and
- d. Understands the Association is tax-exempt under Internal Revenue Code Section 501©(3) and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

3. Periodic Reviews

To ensure the Association operates in a manner consistent with its tax-exempt purposes and does not engage in activities that could jeopardize its tax-exempt

status, periodic reviews shall be conducted. The periodic reviews shall, at minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on available and competent survey information and the result of arm's length bargaining.
- b. Whether partnerships, joint venture, and arrangements with management organizations conform to the Association's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further tax-exempt purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.
- c. When conducting the periodic reviews, the Association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

***Policy 1.2 Adopted: May 8, 2009
Revised October 2012***

1.3 Confidentiality

Confidentiality is a hallmark of professionalism. IRP, Inc. board, employees and volunteers shall:

- Ensure that all information of IRP, Inc. that is confidential or privileged or that is not publicly available is not disclosed inappropriately.
- Ensure that all nonpublic information about other persons or organizations acquired from outside organizations on behalf of IRP, Inc. is treated as confidential and not disclosed.

***Policy 1.3 Adopted: May 8, 2009
Revised October 2012***

1.4 Whistleblower Protection

1. POLICY

IRP, Inc. requires its Board of Directors, members serving on committees, officers, employees and independent contractors to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. IRP, Inc.'s Core Values provides the direction necessary to act and behave in a responsible manner at all times. As employees and representatives of the Association, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

The Association is committed to maintaining a workplace where employees and contractors are free to raise good faith concerns regarding the Association's business practices, specifically: (1) reporting suspected violations of law on the part of the Association, including federal laws and regulations; (2) providing truthful information in connection with an investigation or inquiry by a court, government agency, law enforcement, or other governmental body; and (3) reporting possible violations of the Association's ethical rules.

2. PROCEDURES AND GUIDELINES

A. Reporting Responsibilities

It is the obligation of the Board of Directors, members serving on committees, employees and independent contractors to report violations or suspected violations in accordance with this Whistleblower Protection policy. Examples of such violations include, but are not limited to:

- Material deviations from generally accepted accounting principles;
- Circumvention of the IRP, Inc.'s system of internal controls;
- Embezzlement of IRP, Inc. funds;
- Forgery or alteration of documents;
- Unauthorized alteration or manipulation of computer files;
- Fraudulent financial reporting;
- Submitting fraudulent or improper expense account reporting;
- Misappropriation or misuse of IRP, Inc. resources;
- Authorizing or receiving compensation for goods not received or services not performed.

Questions, concerns, suggestions, complaints, or reports of violations or suspected violations should be shared with the IRP, Inc. CEO.. IRP, Inc.'s CEO serves as the Compliance Officer and has specific and exclusive responsibility to investigate all reported violations. If the ethical or legal concern pertains to IRP, Inc.'s CEO, the concern should be reported to the Chair of the Board of Directors.

B. Compliance Officer

IRP, Inc.'s Compliance Officer is the IRP, Inc. CEO.

IRP, Inc.'s Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations. The Compliance Officer will notify the Executive Committee of all such investigations.

If the ethical or legal concern pertains to IRP, Inc.'s Compliance Officer, the concern should be reported to the Chair of the IRP, Inc. Board of Directors. The Board Chair will designate an appropriate party to investigate the reported complaint and allegation concerning any violation.

C. Confidentiality and Handling of Reported Violations

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an effective investigation.

Disclosure of reports of concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, including, but not limited to termination of employment or volunteer position.

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days.

The Compliance Officer has the authority to retain outside legal counsel, accountants, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations.

All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

The Executive Committee of the Board of Directors shall investigate all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Executive Committee of any such complaint and work with the committee until the matter is resolved.

D. No Retaliation

The Association policy forbids any retaliatory action, including harassment, intimidation, or adverse employment actions of any kind, to be taken against an individual who, in good faith, reports a suspected violation of law or the ethical rules, or who in good faith complains about, or raises a claim or concern about, any type of discrimination, retaliation or harassment prohibited by applicable law or Association policy. Retaliation is also prohibited against those who participate in good faith in an investigation.

The Whistleblower Protection policy is intended to encourage and enable employees and others to raise serious concerns within IRP, Inc. prior to seeking resolution outside IRP, Inc.

Individuals who believe that they or someone they know are being, or have been, retaliated against should immediately report this to the IRP, Inc. CEO. If this is regarding the CEO, individuals should go to the Chair of the Board of IRP, Inc..

Any employee who engages in any form of retaliation will be subject to discipline, up to and including termination.

E. Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of this Whistleblower policy must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and prove to

have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination.

***Policy 1.4 Adopted: May 8, 2009
Revised October 2012***

1.5 Record Retention

I. PURPOSE and POLICY

In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention and destruction of documents received or created by IRP, Inc. in connection with the transaction of organization business. This policy is designed to ensure compliance with federal and state laws and regulations, eliminate accidental or innocent destruction of records and to facilitate IRP, Inc.'s operations by promoting effective record management.

II. PROCEDURES and GUIDELINES

1. Document Retention Schedule

IRP, Inc. follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time.

General

Annual Report to Membership	Permanent
Articles of Incorporation	Permanent
Board Meeting and Board Committee Minutes	Permanent
Board Policies/Resolutions	Permanent
By-laws	Permanent
Correspondence (general)	3 years
Donor Records and Acknowledgement Letters	7 years

Accounting and Tax Records

Annual Audits and Financial Statements	Permanent
Depreciation Schedules	Permanent
General Ledgers	Permanent
IRS 990/Tax Returns	Permanent
IRS 1099s	7 years
Journal Entries	7 years
Chart of Accounts	Permanent
Accounts Payable Ledgers	7 years

Purchase Orders	7 years
Vendor Invoices and Employee Expense Reports	7 years
Product Inventories	7 years
Petty Cash Vouchers	3 years
Cash Receipts and Credit Card Receipts	3 years
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Sales Tax Exemption Letter	Permanent
Accounts/Notes Receivable	7 years
Sales Records (Invoices, receipts etc)	7 years
Uncollectible accounts and bad debt	7 years
 <u><i>Bank Records</i></u>	
Check Registers	Permanent
Bank Deposit Slips	7 years
Bank Statements and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years
Checks (cancelled)	7 years
 <u><i>Payroll and Employment Records</i></u>	
Time Cards	7 years
Payroll Registers	Permanent
State Unemployment Tax Records	Permanent
Garnishment Records	7 years
Payroll Tax returns	7 years
W-2 Statements & W-4's	7 years
Employment and Termination Agreements	Permanent
Retirement and Pension Plan Documents	Permanent
Records Relating to Promotion, Demotion or Discharge	7 years after termination
Accident Rpts, Worker's Comp & OSHA Records	5 years
Employment Applications	3 years
I-9 Forms	3 years after termination
 <u><i>Legal, Insurance and Other Records</i></u>	
Appraisals	Permanent
Copyright Registrations	Permanent
Environmental Studies	Permanent
Insurance Policies	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Trademark Registrations	Permanent
Contracts & Leases (expired)	7 years after expiration
Contracts & Leases (active)	Permanent
Grant and related Applications	5 years after completion

2. Electronic Documents and Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an email message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.

3. Emergency Planning

IRP, Inc.’s records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping IRP, Inc. operating in an emergency will be duplicated or backed up at least every week and maintained off site.

4. Document Destruction

IRP, Inc.’s CEO or his/her designee is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding. Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

5. Compliance

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against IRP, Inc. and its employees and possible disciplinary action against responsible individuals. The CEO or his/her designee will periodically review these procedures with legal counsel or the organization’s external auditor to ensure that they are in compliance with new or revised regulations.

Revised October 2012

2. BOARD AND BOARD MEMBERS

2.1 Board Responsibilities

The Board of Directors of IRP, Inc. shall:

- Approve IRP, Inc.'s mission and review management's performance in achieving it.
- Annually assess the ever-changing environment and approve IRP, Inc.'s strategy to be responsive.
- Annually review and approve IRP, Inc.'s funding plans.
- Review and approve the annual financial goals.
- Annually review and approve the organization's budget.
- Approve major policies.

Policy 2.1 Adopted: May 8, 2009

2.2 Compensation of Board Members

Board members shall serve without compensation.

Policy 2.2 Adopted: May 8, 2009

2.3 Board Self-Assessment

The Board shall conduct a self-assessment in a manner deemed appropriate once a year to identify areas and actions for improvement.

Policy 2.3 Adopted: May 8, 2009

2.4 Board/Committee Liaisons

Reference: IRP Plan Section 1350 – Liaisons to Committees

Position Description of Board Liaisons:

- Act as a liaison between the Board and an IRP committee, communicating issues back to the Board on behalf of the committee.
- Attend all committee meetings/conference calls.
- Participate in committee activities/projects.

2.5 Board Meetings

2.5.1 Meetings of the IRP, Inc. Board of Directors shall be open to representatives of all Member Jurisdictions, with the following exceptions:

- Executive Committee meetings;
- Portions of meetings determined by the Board to be held in executive session or which, for the protection of IRP, Inc. in accordance with the advice of legal counsel, shall be limited to jurisdictional Board members. The Chair can include other relevant parties as deemed necessary for the subject of discussion.

***Policy 2.5.1 Adopted: May 8, 2009
Revised October 2012***

2.6 Industry and Federal Government Advisors to the Board

Reference: Section 1325(d) of the Plan

In accordance with Section 1325(d) of the Plan, the Chair may appoint representatives of industry, federal governments or other organizations to serve as advisors to the Board.

***Policy 2.7 Adopted: May 8, 2009
Revised October 2012***

3. CEO

3.1 CEO Position Description

Reference: Appendix – CEO Position Description

3.2 CEO Performance Evaluation

In addition to ongoing oversight of the performance of the CEO of IRP, Inc., the Board will provide a specific opportunity for the CEO to present a written self-evaluation and for Board members to organize their evaluation of the CEO's performance in written format and have it presented in a face-to-face debriefing with the CEO. At this time, the executive committee and the CEO will agree on any specific, personal performance goals for the year ahead. The CEO's compensation package will be reviewed during this process.

Policy 3.2 Adopted: May 8, 2009

3.3 CEO Compensation

The Board retains the authority to establish compensation guidelines for the CEO. The Board Executive Committee shall determine the amount of annual increases to the compensation of the CEO based on the CEO's performance evaluation.

***Policy 3.3 Adopted: May 8, 2009
Revised October 2012***

3.4 Executive Transition

The Board has the responsibility to undertake a carefully planned search process when the position of CEO is vacant.

The Board shall establish clear objectives and clarify expectations for at least the first year of the new CEO's service, delineate Board functions as distinct from those of the CEO and staff, and provide an adequate compensation package and other employment terms.

In order to provide for orderly and effective succession planning and transitions, the Board chair may at any time appoint a task force to anticipate and recommend any policies or actions. Whenever a vacancy is known or imminent, the Board Chair shall appoint a search committee and a committee chair to conduct the search for a new CEO.

Policy 3.4 Adopted: May 8, 2009

4. FINANCE AND INVESTMENTS

4.1 Budgeting

The Board shall approve a balanced annual operating budget prior to the beginning of each fiscal year that projects income and expenses and provides for programs and support services as outlined in the work plan for the year.

Policy 4.1 Adopted: May 8, 2009

4.2 Capital Expenditures

Except as otherwise determined by the Board, capital expenditures for IRP, Inc. shall be incorporated in the annual operating budget. The following guidelines will govern all capital expenditures:

- The Executive Committee shall approve any non-budgeted expenditures over \$4,000.
- The CEO may make capital expenditures specifically identified in the annual operating budget approved by the Board.

Policy 4.2 Adopted: May 8, 2009

4.3 Financial Controls

The Board authorizes the CEO to manage the day-to-day operations of IRP, Inc. in accordance with the approved annual operating budget. Program or operational changes that may have a significant impact on the annual operating budget shall be reviewed by the Executive Committee between budget cycles.

Policy 4.3 Adopted: May 8, 2009

4.4 Investments

Reference: IRP, Inc. Investment Policy

4.4.1 As necessary during the year the CEO will evaluate and provide for the foreseeable cash requirements of IRP, Inc.

Policy 4.4.1 Adopted: May 2006

Revised October 2012

4.4.2 IRP, Inc. shall adopt fiscal policies that strive to achieve between six to 12 months' operating expenses in reserves.

Policy 4.4.2 Adopted: August 2005
Policy 4.4.2 Amended: January 2009
Revised October 2012

4.4.3 IRP, Inc. shall review its investment policies on a regular basis.

Policy 4.4.3 Adopted: January 2006
Revised October 2012

4.5 Clearinghouse

4.5.1 Data storage time for the IRP Clearinghouse shall be a minimum of 18 months.

Policy 4.5.1 Adopted: May 2000
Revised October 2012

4.5.2 IRP shall not borrow any funds or incur any debt with the host bank of the IRP Clearinghouse bank account.

Policy 4.5.2 Adopted: January 2014

4.5.3 IRP, Inc. holds legal (and not beneficial) title to the Clearinghouse funds as custodian and for the benefit of jurisdictions participating in the IRP Clearinghouse.

Policy 4.5.3 Adopted: January 2014

4.6 Tax Matters

The CEO shall ensure that tax payments and other government-ordered payments or filings are filed in a timely and accurate manner.

The CEO shall sign and certify that the IRS Form 990 is accurate and complete.

The Treasurer shall be provided the IRS Form 990 annual tax filing prior to filing with the Internal Revenue Service. The Board shall receive a copy of the IRS Form 990 before it is filed with the Internal Revenue Service.

Policy 4.6 Adopted: May 8, 2009

4.7 Financial Audits

4.7.1 In order to ensure financial accountability, IRP, Inc. shall have its financial statements audited by an independent auditing firm on an annual basis. The selection of the firm to conduct the audit will be approved by the Board. The audited financial statements, auditor's report, and management letter shall be presented to the Board for approval and are available to IRP members upon request. IRP Inc.'s audited financial statements will also be made available to other persons on request.

***Policy 4.7.1 Adopted: May 8, 2009
Revised October 2012***

4.7.2 The Board shall approve the selection of a firm to conduct an annual audit of the internal controls of IRP, Inc. in accordance with Statement on Standards for Attestation Engagements (SSAE 16). A complete copy of the SSAE 16 audit shall be provided to members of the Board and will be made available to the membership.

***Policy 4.7.2 Adopted: August 2001
Revised October 2012***

4.8 Risk Management

IRP, Inc. is committed to protecting its human, financial, tangible, real estate, and goodwill assets and resources through the practice of effective risk management, including the purchase of insurance policies, including but not limited to officer liability. On an annual basis, the CEO shall review, and report to the Board concerning, the insurance coverage and coverage limits applicable to IRP, Inc.'s business activities to determine whether changes are required to protect the interests of IRP, Inc. Periodically, the Board shall review disaster recovery procedures for all computer and other administrative and financial management and accounting systems and ensure that the systems are in place.

***Policy 4.8 Adopted: May 8, 2009
Revised October 2012***

5. COMMUNICATIONS

5.1 Media Relations

To ensure the quality and consistency of information disseminated to media sources, the following policy shall be observed:

- All media inquiries are to be handled by the CEO or his or her designee, regardless of who the media representative is, whom he or she represents, or how innocuous the request.
- Prior to dissemination, all press releases or other promotional materials are to be approved by the CEO or his or her designee after consultation, as appropriate, with the Executive Committee or Board of Directors and legal counsel.
- IRP, Inc. will take reasonable steps to establish and maintain positive media relations throughout the year with media outlets related to IRP, Inc.
- IRP, Inc. will provide reasonable assistance to the media when doing research on local stories.
- IRP, Inc. staff will discuss how to handle media crises and implement an emergency media plan.

***Policy 5.1 Adopted: May 8, 2009
Revised October 2012***

5.2 Electronic Media

A Website will be established to provide access to member services and information to the general public. The Website will be updated on a regular basis. Information and updates will be posted by employees after approval from the CEO or his or her appointee.

Policy 5.2 Adopted: May 8, 2009

5.3 Publications

All IRP, Inc. publications (Plan, Audit Procedures Manual, fee schedules, etc.) are available on the IRP, Inc. Web site free of charge. Printed copies of the publications will be assessed a fee to cover the repository's cost.

***Policy 5.3 Adopted: January 2007
Revised October 2012***

5.4 IRP Fees

Reference: IRP Plan Section 1205

IRP member jurisdictions are required to follow guidelines developed by IRP, Inc. for sending fee schedule updates to IRP, Inc. and to fellow IRP jurisdictions.

***Policy 5.4 Adopted: May 2001
Revised October 2012***

6. COMMITTEES

6.1 Overview of IRP Committees

Reference: Bylaws of IRP, Inc.

- Committee positions shall be filled in accordance with Committee charters.
- An in-person committee meeting can be called by the committee chair after approval from the Board if funds are available for such a meeting.
- The Board will set the committee's objectives and goals, while the committee will determine its strategies for achieving the objectives and goals.
- Each committee will meet according to its schedule outlined in its charter.
- Each committee will be assigned a staff liaison, who will assist because of his or her knowledge of the actual day-to-day operations of IRP, Inc. An important responsibility of the committee chair is to ensure that only tasks within the scope of the committee's responsibility are assigned to IRP, Inc. staff.
- Except as expressly authorized by the Board, no committee may enter into any contractual obligations on behalf of IRP, Inc.

***Policy 6.1 Adopted: May 8, 2009
Revised October 2012***

6.2 Audit Committee

Reference: Audit Committee Charter

6.2.1 A joint IFTA/IRP Audit Workshop may be held once a year. The workshop may be hosted by IRP, Inc. or IFTA, Inc. with members of both Audit Committees working together to develop the agendas.

Policy 6.2.1 Adopted: May 2002

6.2.2 IRP, Inc. shall maintain an "Electronic Exchange of Audits" program on the IRP, Inc. Web site to allow jurisdictions to share audits electronically.

Policy 6.2.2 Adopted: May 2003

6.3 Information Technology and Data Services Committee

Reference: Information Technology and Data Services Committee Charter

6.4 Dispute Resolution Committee

Reference: Dispute Resolution Committee Charter

6.5 International Committee

Reference: International Committee Charter

6.6 Peer Review Committee

Reference: Peer Review Committee Charter

6.6.1 Peer review cycles are scheduled on a five-year cycle.

Policy 6.6.1 Adopted: November 1994

6.6.2 The Board endorsed “Guidelines for Determining Limited Scope Peer Reviews” to allow the Peer Review Committee to conduct modified peer reviews, subject to Board approval, of jurisdictions the committee feels should be reviewed prior to the jurisdictions’ next regularly-scheduled peer reviews.

Policy 6.6.2 Adopted: May 2003

6.7 Education Committee

Reference: Education Committee Charter

6.8 Task Forces/Working Groups and Ad Hoc Committees

As needed, the Board will create and appoint Task Forces, Working Groups or Ad Hoc Committees to work on specific issues facing IRP.

Policy 6.8 Adopted: October 2012

6.9 Industry Advisory Committee

Reference: Industry Advisory Committee Charter

7. IRP MEETINGS

Reference: Criteria for Selecting IRP Meetings

***Policy 7.1 Adopted: November 1998
Revised October 2012***