

Standing Rules of the New Mexico Dressage Association

The Standing Rules of the New Mexico Dressage Association (“NMDA”), a formal record of NMDA policies and procedures, shall be established and approved by the Board of Directors to specify the policies, procedures, and rules by which the business of NMDA shall be conducted. The Standing Rules derive their authority from the Bylaws. Whenever a conflict exists between the Standing Rules and the Bylaws, the Bylaws shall be the prevailing authority.

Changes or additions to the Standing Rules require approval by the simple majority of a quorum (as specified in Bylaws Article V, 1, E) of the Board of Directors. These changes or additions shall be published on the website at the direction of the Secretary or President in a timely manner after approval. (Bylaws Article IX, 2)

Part 1 – Policies and Procedures

I. Membership Obligation and Information

Each Member is strongly encouraged to contribute to the success of NMDA by serving as an Officer, Board Member, Committee Chair or Member, volunteering at an NMDA-sponsored activity, or performing other service to NMDA. (Bylaws Article III)

- A. Membership Classifications and Associated Dues: These classifications are for payment of membership dues only. (11/8/17)
 - 1. Primary Adult Member (22 years of age and over) - \$50
 - 2. Primary Youth Member (21 years and under) - \$25 [considered “Youth” until the end of the calendar year in which they turn 21]
 - 3. Additional Family Member(s) (spouse/partner and/or children) living at the same address) - \$15 each
 - 4. Business Member (business entities receive one Primary Adult membership and additional Business benefits noted below) - \$100

- B. Membership Benefits:
 - 1. Each Membership Class listed above receives the following benefits: all NMDA benefits, one USDF GM membership.
 - 2. Business Members also receive: One business card-sized ad, a logo, and a link on the NMDA website for the membership year; and the Business Member’s monthly events included in NMDA email notice, if requested.

- C. Miscellaneous Information:
 - 1. Memberships received after October 1st will be submitted to USDF for the following membership year beginning December 1st. NMDA discounts and benefits will be honored from the date membership application and fee are received.
 - 2. The NMDA Membership contact information will not be released to third parties, except on a case-by-case basis as determined by the Board of Directors.

II. Board-Approved Actions

- A. Fees:
 - 1. A rental fee will be charged for use of the NMDA arena, trailer, tent, table and chairs for non-NMDA events: \$200 for rental with a refundable \$250 damage deposit. The \$250 damage deposit check will be held until all of the equipment is

- returned. If there is no damage, the check will be either returned or destroyed.
2. Bank-returned checks: NMDA may charge \$40 for each returned check.
 3. Advertising clinics: any NMDA Member organizing a non-NMDA sponsored clinic may have a calendar listing and link on the NMDA website. Non-members may have a calendar listing and link on the NMDA website for a \$50 fee.
 4. Business ads are free to Business Members; \$50 for Members; and \$75 to non-members for one year (with the exception of clinic calendar listings and links, see above). Ads will run for 12 months from payment.
 5. Classified ads are free to Members and \$45.00 non-members.
 6. Schooling Show Class and Entry fees: \$15 office fee; \$25 per class; \$10 per group class; \$25 non-member fee per entry.
 7. Non-competing horses: All horses brought to the show grounds must be entered in the show or pay a \$10 fee, plus the \$15 office fee.
 8. Show Participants who wish to have their scores reported to WDAA for WDAA rated shows must pay a \$15 qualifying fee per test to be submitted.
 9. Trainers, who are Members, can post information on the website for free.
 10. Junior Riders (18 and under) who are members may enter one class per NMDA Schooling Show free. Fees must be paid for additional classes, including the office fee.

B. Expenses:

1. "Customary and Usual" Expenses:
 - a. The Board of Directors may periodically approve NMDA's "customary and usual" expenses (including, but not limited to, the amounts to be paid to show judges, venues, and incidentals such as purchase of dressage tests, ribbons, and office supplies) to be paid by the Treasurer for purposes related to Board-approved events without need of further approval for each such incident so long as the amount to be paid does not exceed the approved "customary and usual" amount.
 - b. If any expense is greater than the approved "customary and usual" amount for such expense listed below, or is not listed below, Board approval is required for reimbursement of expense. (6/8/16)
2. NMDA Board-Approved Schooling Show Expenses:

Venue Fee	Up to \$400/show day (should include at least one disk/watering of arena, office with electricity, restrooms and PA use, if available). 12/11/19
L Graduate Judge Fee	\$250/show day [for up to 8 hours (includes 30-minute lunch and 10-minute breaks every 2 hours), plus \$20/hr for time over 8 hours].

USEF "r" Judge (or higher)	Varies, if more than \$450 needs approval by Board.
Judge's mileage	Current rate indicated at IRS.gov at time of event for driving to and from event or airport. Maximum mileage is \$350
Lunch for judge & volunteers	Up to \$100/show day.
Prizes	Up to \$100/show.

Water & ice	Up to \$20/show.
Copying	Up to \$100/show.
Port-a-potty	\$150

3. Clinic and Other Educational Activity Expenses:
 - a. Clinician fee, lodging, travel/mileage expenses, venue fee (should include at least one disk/watering of arena, office with electricity, restrooms and PA use, if available), audio system and/or port-a-potty rentals (if not included with venue), and any other expenses associated with the activity must be approved by the Board prior to the event. The event coordinator shall propose an event budget for Board approval.
4. Annual Year-End Banquet Expenses: The following expenses require prior Board approval:
 - a. venue;
 - b. catering;
 - c. Championship ribbons;
 - d. Awards; and
 - e. Purchase of raffle items.
5. Miscellaneous Association Expenses: The following expenses require prior Board approval:
 - a. USDF test booklets;
 - b. ribbons/bridle numbers;
 - c. office supplies;
 - d. Post Office box fee/postage; and
 - e. Member meeting/elections expenses.
6. Additional Expense policies:
 - a. Expense reimbursement with original receipts only.
 - b. Neither the President nor the Treasurer can write checks to themselves to cover expenses.

III. Binding Contracts and Miscellaneous Financial Items

- A. Use Board-approved contracts when possible for engaging clinicians, facilities/venues, judges and other service providers for NMDA activities.
- B. President and one additional Board member must co-sign all binding contracts/obligations.
- C. Any service provider expected to receive more than \$600 from NMDA per calendar year must complete a W-9 form.
- D. All Schooling Show, clinic or other event-related documentation should be retained at a minimum until all income and expenses have cleared and been reconciled with the monthly bank statement.

IV. Additional Detailed Description of Committee Chairs and Advisory/Liaison Groups

The purpose of this section is to complement and elaborate on some of the Committee Chair

and Liaison descriptions in the Bylaws (Articles VII and VIII).

- A. Membership Chair: Maintains an accurate record of the current NMDA membership and electronically reports to USDF monthly or more frequently as necessary per USDF guidelines and provides contact lists as needed to conduct NMDA business. The first NMDA membership list (USDF Roster) and correlated fees must be submitted to USDF electronically or postmarked before December 1st of each year.
- B. Schooling Show Coordinator: Helps plan the show calendar, with the approval of the Board, to avoid conflicts with other dressage shows/clinics; provides information regarding venues/contact/dates to the Treasurer for insurance purposes in early January; finds and instructs show secretaries and managers; ensures ribbons and tests are in sufficient amount as may be needed throughout the year; and keeps track of NMDA show equipment (arena, trailer, set-up kit, office equipment, table(s), chairs, canopy, etc.). Verifies the premiums and rules are correct, current, and published on the NMDA website in a timely manner. Some experience as a Schooling Show manager is helpful, but not necessary.
- C. Schooling Show Manager: Plans and manages individual Schooling Shows; gives information regarding venue/contacts/dates to the Treasurer for insurance purposes in early January. Contracts the venue and judge(s) in accordance with NMDA Standing Rules; finds and instructs show volunteers; makes sure sufficient number of ribbons and test are available; safeguards NMDA show equipment (arena trailer, set-up kit, office equipment, table(s), chairs, canopy, etc.); makes sure the show premium is correct, current, and published on the NMDA web site in a timely manner.
- D. Member-at-Large duties: Solicits feedback and information from members in a variety of ways, i.e. circulation at shows, attendance at general membership meetings, telephone contact, etc.; helps other Board members as may be needed.

V. **Clinics and Other Educational Activities**

- A. Educational activities could include, but not limited to: Schooling Shows; clinics, both mounted and unmounted “how to” clinics (e.g. show “turnout”, braiding); educational lectures and/or updates on important equine topics (e.g. proper nutrition, veterinary care, farrier, saddle-fitting); and educational training focused on show management, scribing, stewarding, how to become an “L Graduate” judge, etc. NMDA will endeavor to offer at least one clinic per year.
- B. Education Fund Mini-Grants: Education Funds can be used to encourage participation in NMDA educational opportunities, as listed in paragraph A above, and are derived from donations received throughout the year, and raffle proceeds from the Annual Year-End Awards Banquet.
 - 1. General Mini-Grant Information:
 - a. Mini-grants are awarded on a first-come, first-served basis and are available to members and non-members.
 - b. Volunteer hours earned and grant coupons awarded are non-transferrable to other individuals.
 - c. Mini-grant coupons are good for two years and expire at the end of the second calendar year after the date the grant was awarded.
 - d. In addition to volunteering at NMDA shows and clinics, see www.NMDdressage.net web site for additional opportunities for volunteering.

- e. Board Members may not use hours from board-related tasks as volunteer hours.
- 2. Mini-Grant application requirements:
 - a. Applicants must submit a “NMDA Education Fund Mini Grant Application” and document their interest in furthering their knowledge/education of dressage on the application form.
 - b. Applicants must meet and verify the required volunteer hours:
 - i. 8+ verified hours of volunteer work to receive a \$25 grant;
 - ii. 16+ verified hours of volunteer work to receive a \$50 grant;
 - iii. 24+ verified hours of volunteer work to receive a \$75 grant; and
 - iv. 32+ verified hours of volunteer work to receive a \$100 grant.
 - c. An individual may be awarded a maximum of \$100 in grant funds per calendar year.
 - d. Applicants must disclose relationship, if any, to Board of Directors. (See Conflict of Interest in Appendix.)
 - f. Mini-Grant coupons must have a Board member’s signature to be valid.
- 3. How to Apply:
 - a. Submit completed application to Grant Coordinator stating hours and where volunteered and the desire to receive a Mini-Grant. Application form is available on the “Volunteer” page at www.NMDdressage.net.
 - b. Grant Coordinator verifies applicant’s hours volunteered and approves or disapproves the request for grant. If approved, the Mini-Grant Coordinator provides coupon(s) to the applicant.
 - c. To redeem Mini-Grant coupon, grant recipient provides coupon(s) to NMDA event secretary along with balance of entry fee as may be necessary.

Part 2 – Schooling Show and Awards Policies, Procedures and Rules

I. NMDA Schooling Shows

- A. General Show Policies:
 - 1. Show judges must be “L” graduates or USEF licensed judges.
 - 2. Show management reserves the right to:
 - a. Cancel, rearrange, and/or change classes or officials;
 - b. Refuse any exhibitor for cause, have any horse removed from the grounds for cause, and/or return any entry fee and eliminate the exhibitor for cause, all without being liable for damages or compensation; and
 - c. Allow or disallow competitors around or in show arenas prior to or during competition.
 - 3. Show Cancellation. If a show manager is considering canceling or postponing a show for reasons other than weather or insufficient entries they must get Board approval, ideally a week before the show. If show is canceled, all entry fees will be returned to sender.
 - 4. Show Prizes. Awarding Schooling Show High Score Awards/Ribbons are up to the discretion of the Schooling Show manager.
 - 5. Dogs are not permitted on show grounds. However, if dogs must be brought to the show, they must be on a leash, no longer than 6 feet, at all times and attached to a human for the safety of all concerned.
 - 6. Show participants should pick up manure and other waste from the parking area before leaving the show grounds.
 - 7. It is appreciated if participants stay to help pick up the competition arena(s).

B. Show Entry Requirements and Information:

1. Entries will be accepted on a first-come, first-served basis. In general, 50 rides is considered a full show. However, final decision regarding number of rides per show is at show management's discretion.
2. Schooling Show opening and closing dates are determined by show management. Shows are open as soon as the show information is posted on the NMDA website. Entries must be postmarked no later than closing date.
3. Entries must be completely filled out, signed and submitted with full payment of fees to be accepted. No phone or fax entries will be accepted. A class entry will be presumed to be an Open class unless specifically marked otherwise.
4. For the purpose of schooling show entries, riders may be classified as Juniors (JR) until the end of the calendar year in which they turn 18; thereafter, they may compete as Adult Amateurs (A/A) (19 and over) or Open competitors.
5. A rider may not enter as both Open and Adult Amateur at the same Schooling Show.
6. A rider/horse combination can ride the same test twice, but the second test will be *hors de Concours* ("out of competition"). The score for the second test does not count towards any awards and cannot be used for any NMDA Year End Awards.
7. No horse may be shown in more than three tests per day with the exception of one additional group class.
8. A horse may not be ridden in more than two adjoining levels. (For example: USDF Introductory Level tests A, B and C are one level below Training Level).
9. Group classes (e.g. Equitation, Suitability) may be entered at the show if time permits.
10. Non-member fees. A fee will be charged for each non-member rider and owner for each horse/rider combination per entry form submitted.
11. Non-competing Horses. All horses brought to the show grounds must be entered in the show or pay a \$10 fee, plus the \$15 Office Fee and a liability form signed. The horse will be issued a number which must be worn by the horse while on the show grounds. This rule applies to all horses brought to the show for any reason.
12. Payment. If entries are mailed or hand-delivered, a check payable to NMDA must be submitted along with the entry. Checks returned for non-payment may incur a fee of \$40.
13. Refunds and Scratches. Full refunds will be made if withdrawals are received prior to the closing date. After the closing date, a full refund will only be given with Doctor's or Veterinary's note regarding the circumstances prohibiting participation.
14. Ride times will be posted on the NMDA website approximately three (3) days before the show.
15. Substitutions. Substitution of rider, horse, or times may be made only at the discretion of show management.

C. Schooling Show Rules:

1. Shows will be run in accordance with the following USEF rules:
 - a. DR101 thru DR118 – Gaits and Movements
 - b. DR119 – Participation in Dressage Competitions – Exception to DR119.3: Riders may compete in NMDA Schooling Shows as Adults when they reach the age of 19, and Exception to DR119.7: The Manager and Secretary can compete at their own Competition. (5/7/08)
 - c. DR120 – Dress – Exception: Informal dress is allowed, neatness is requested (no tank tops, inappropriate t-shirts.) Half chaps are allowed at any level.

- Coats are not required. (5/7/08)
- d. DR121 – Saddlery & Equipment – Exception: Colored saddle pads are allowed. Bits, Bridles, and saddles must adhere to USEF rules. Checking tack and attire is optional. Correct equipment and attire is the responsibility of the competitor.
 - e. DR122 – Execution & Judging of Tests
 - f. DR123 – Scoring, Classification & Prize-Giving – Except as stated below (# 14).
 - g. DR124 – Elimination
 - h. DR132 – Suitable to Become a Dressage Horse
 - i. DR133 – Dressage Seat Equitation (2/14/18)
2. Event tests will be judged by USEF-Event Division rules. (2/14/18)
 3. Western Dressage tests will be judged by the USEF Western Dressage Division rules with the following highlights:
 - a. Horses shown in Western tack must enter/ride the Western Dressage Association of America (WDAA) tests.
 - b. Helmets must be worn whenever mounted. This is the only exception to USEF/ WD rules.
 - c. Gaited horses are allowed in Western Dressage, substitute “Saddle Gait” for “Jog.” Gaited horses will be put in separate classes (see USEF-WD129). (Gaited horses are severely penalized in Classical & Event classes.)
 - d. Western Dressage riders may use voice and patting during a test.
 - e. Western Dressage riders may carry a regulation dressage whip (no longer than 47.2 inches).
 - f. A regulation snaffle, Western curb bit or Bosal is allowed at any age and level. Mechanical hackamores are not allowed.
 - g. When a snaffle is used, rider must ride with two hands; with a leverage bit, rider may ride with two hands or one hand but cannot switch during a test.
 4. All riders, regardless of discipline, must wear a regulation helmet and riding boots or paddock shoes with a distinguishable heel, while mounted.
 5. Judges are allowed to talk with exhibitors. Judge to initiate the conversation.
 6. Judges are allowed to judge their students or horses that they have bought or sold.
 7. Tack may be checked before or after entry into the arena, or in the warm-up at the discretion of the gate keeper or show management.
 8. Schooling, riding or lunging is permitted only in designated areas.
 9. A horse on the show grounds (including non-competing horses) must wear its assigned number at all times except when in its stall or trailer. If two numbers are provided, numbers must be visible on both sides of the horse.
 10. Tests will be released only to the rider or the rider’s representative. Riders are urged to check their tests for errors before leaving the show grounds.
 11. The Show Manager has final decision in all disagreements regarding a particular show. In some instances, the Board of Directors may be consulted prior to a decision. USEF rules control where possible.
 12. Ribbons. Beginning with the 2019 show season: In all test classes, ribbons will be awarded by the following standard:
 - a. Blue = 62% or better
 - b. Red = 59 to 61.999%
 - c. Yellow = 58.999% or below
 - d. Place ribbons, 1 through 6, will be awarded in group classes, e.g.: Equitation and Suitability. (3-13-19)

II. NMDA Year-End Awards

A. General Award Information:

1. NMDA offers Year-End Awards of Champion and Reserve Champion for both Classical (or Traditional) and Western Dressage, by level and division as described below.
 - a. An NMDA Member may be eligible for a Year-End Award(s) if they submit a minimum of three (3) scores per level from three (3) different NMDA-sponsored activities, and two (2) different judges during the current year.
 - b. All eligible scores that are submitted must be from either NMDA Schooling shows, NMDA Sponsored Recognized Shows NMDA Ride Re-Ride clinics, NMDA approved virtual shows, or a combination thereof. Only one score from a virtual show may be used for Year-End Awards. The Board may allow scores from partner equestrian organizations from time to time. Only one score per year from these partner organizations may count toward awards.
 - c. All three (3) scores must be from the highest test of the level. The eligible scores are averaged for determination of Year-End Awards.
 - d. Awards are available for Introductory through Fourth level Classical (or Traditional) Dressage and Introductory through Level 4 Western Dressage, in the three (3) divisions of Junior, Adult Amateur and Open, with the following exception - no awards for Introductory Level (either Classical or Western) will be awarded in the Open division.
2. The Competition year is December 1st to November 30th.
3. The owner and rider of the horse must be NMDA Members at the time the scores are earned. With the exception that the parent or guardian of a Junior rider can be the owner of the horse without being a member.
4. For the purpose of NMDA Year-End Awards: a Junior rider is 18 years old and under; an Adult Amateur is 19 years old and over.
5. The final average score must be 55% or higher to receive an award.
6. A championship can be won only once per rider/horse combination for each level.
7. Year-End Awards are presented at the Annual Awards Banquet.

B. Specific Award Information:

1. A horse/rider combination can only win one division at a level in a year (i.e. a horse/rider combination cannot win both Training Level Adult Amateur and Training Level Open Championship or Reserve in the same year). Different horse/rider combinations can win at the same level.
2. Memorial Traveling Trophy. Each year, at the Year-End Awards Banquet a perpetual trophy will be awarded to the highest scored First Level Test 3 Adult Amateur rider, in memory of Sue Ann Kirkby, who passed away July 2, 2010. The trophy will be held by the winner for one year and can only be won by a rider once.
3. NMDA Year-End Junior Equitation Award. Award requirements for highest placed Junior in Equitation classes:
 - a. Junior rider must place in a minimum of three (3) Junior Equitation group classes at NMDA Schooling Shows; and
 - b. Junior rider's three (3) highest percent scores are averaged. The Junior rider with the highest percent score wins the Year-End Award.
4. Ride Re-Ride Clinics. The rider performs a dressage test and receives a score from the judge/clinician, then the judge/clinician instructs the rider followed by the

rider performing the same test a second time and is judged again. Only the score from the first test may count towards Year-End Awards.

APPENDIX

Conflict of Interest Policy

Article I: Purpose

The purpose of the Conflict of Interest Policy is to protect NMDA's interest when it is contemplating entering into a transaction or arrangement that may benefit the private interest of an one or more of its officers or directors or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and/or federal law governing conflict of interest applicable to nonprofit charitable organizations.

Article II: Definitions

1. Interested Person: Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below.
2. Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which NMDA has entered into a transaction or arrangement;
 - b. A compensation arrangement with NMDA or with any entity or individual with which NMDA has entered into a transaction or arrangement; or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which NMDA is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III: Procedures

1. Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
2. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and relevant material facts, and after any discussion with the Interested Person, Interested Person shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
3. Procedures for Addressing the Conflict of Interest
 - a. An Interested Person may make a presentation at the governing board or committee, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the governing board or committee shall determine

- whether NMDA could obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in NMDA's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
4. Violations of the Conflicts of Interest Policy
- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 - b. If, after hearing the member's response and after making further investigation as may be warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV: Records of Proceedings

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

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussion and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V: Compensation

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

Article VI: Annual Statements

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

1. Has received a copy of the conflicts of interest policy;
2. Has read and understands the policy;

3. Has agreed to comply with the policy; and
4. Understands NMDA is a nonprofit organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII: Periodic Reviews

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

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

Article VIII: Use of Outside Experts

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

(end)