



Potatoes USA

Board Policies

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Board Policies
(Approved by USDA on March 15, 2024)

1.0 PURPOSE

Potatoes USA is the national research and promotion organization representing United States potato growers and importers. This Board Policies document outlines the expectations Potatoes USA employees and board members must use in their daily responsibilities.

2.0 NAME

The organization governed by these Board Policies shall be known officially as the National Potato Promotion Board, also doing business as Potatoes USA, hereinafter referred to as the "Board." The total program administered by the Board is the Potato Research and Promotion Plan [7 CFR §1207], hereinafter referred to as the "Plan."

3.0 MISSION STATEMENT

The Board will operate under the following mission statement: "Strengthen demand for potatoes."

4.0 DIVERSITY STATEMENT

The Board does not discriminate on the basis of race, color, national origin, sex, religion, age, disability, protected genetic information, or reprisal. Potatoes USA agrees that it will fully comply with any and all applicable Federal, State, and local equal employment opportunity statutes, ordinances, and regulations, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act of 1990; the Age Discrimination in Employment Act of 1967; Genetic Information Act of 2008; and the Equal Pay Act of 1963.

Persons requiring alternative means of program communication (Braille, large print, audiotape, etc.) or mobility assistance should contact Potatoes USA at (303) 369-7783. Additionally, program information may be made available in languages other than English.

To file a program complaint, a complainant should complete the form AD-3027, USDA Program Discrimination Complaint Form, found at: <https://www.usda.gov/oascr/how-to-file-a-program-discriminationcomplaint>, from USDA by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an

alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA via mail, fax, or email. Contact information is provided below.

Mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410

Fax: (202) 690-7442

Email: program.intake@usda.gov

5.0 BUSINESS ETHICS

The Board's business ethics state:

- Board members and employees will hold no interest in any Board supplier
- Board members and employees will not accept any extravagant gratuities, gifts, or entertainment
- Employees will not perform any work or service for any company which is in conflict with the Board's goals
- Board members and employees will not use any confidential knowledge or information gained by virtue of their position to pursue a business opportunity
- Purchases of Board supplies and services will be done according to good business practices with decisions and recommendations that are based on economic merit and not on personal gain and employees shall periodically audit purchasing practices
- Board members and employees shall establish and maintain transaction procedures necessary to properly reflect their business in the Board's books and records.

6.0 SOCIAL MEDIA

This policy is intended to provide board members and employees with guidance for social media activity that takes place outside of their work with the Board. This policy applies to all social media activity that is directly related to the potato industry and does not apply to personal Facebook, Instagram, Snapchat, etc. accounts. The goal of board members and employees that participate in social media should be to ensure the Board's voice is part of the larger conversation relating to our industry and to the consumption of potatoes.

It is the request of the Board that those participating in a potato related social media discussion include the following disclaimer when they are identifying themselves as being a part of Potatoes USA: "The views expressed here are my own and do not necessarily represent the positions or opinions of Potatoes USA."

Before participating in or joining a discussion on social media that relates to the potato industry, one should have a thorough understanding of the topic being discussed. Comments made on social media should be done in a way that contribute to or advance the discussion taking place. Board members and employees should not post anything that can be construed as hurtful or offensive to other participants.

Board members and employees are expected to follow all policies contained in this policy when participating in social media. Those participating in social media should refrain from commenting on or posting comments that reference drug or alcohol use or posts that contain profanity. The Board expects all social media activities to adhere to U.S. laws relating to, but not limited to, defamation, discrimination, harassment, copyright, and/or fair use. The Board will make every effort to remove social media posts that violate these policies.

To protect the privacy, confidentiality, and interests of the Board, those participating in social media are not allowed to post names of products, employees, partners, or competitors unless they are also participating in the social media post and have already revealed their identity.

If a board member or employee sees something posted on social media that questions the Board's credibility or that complains about the organization, that information should be relayed to management at Potatoes USA and they will handle the situation.

All social media activities must also adhere to U.S. Department of Agriculture (USDA) guidelines, including the "Guidelines for AMS Oversight of Commodity Research and Promotion Programs" and the "Guidelines for Committee/Board Advertising, Promotional Material, Web Sites, and Other Publications" as issued by the Agricultural Marketing Service's Specialty Crop Programs.

7.0 PERSONAL CONDUCT ON BOARD BUSINESS

Any time board members and members of its committees are engaged in activities for or on behalf of the Board or when they are traveling on Board business, they shall conduct themselves in a responsible and professional manner. Board members and members of its committees should always conduct themselves in a manner which does not discriminate against nor disparage any individual or group of persons based upon race, color, creed, religion, gender, age, national origin, disability, sexual orientation, marital or family status, political beliefs, parental status, or protected genetic information. The standards of conduct expected of board members and Potatoes USA employees are the same.

8.0 BOARD STRUCTURE AND MEETING PRACTICES

8.1 Off Going Board Member Attendance at Spring Meeting

Board members who are completing the final year of their final term will be invited to the Spring Meeting at the end of their term to be recognized, even though a new member will be sworn in to vote at that meeting.

8.2 Meeting Plan Development

On the day of adjournment of the Spring Meeting the Chairperson and President/CEO shall meet to discuss the President/CEO's recommendation for meetings, including location and dates for the coming fiscal year. It shall be their mutual responsibility at this meeting to develop these recommendations into a proposed meeting plan.

8.3 Executive Committee Meeting Schedule

The board shall have a minimum of three (3) meetings each year. The Executive Committee shall have a minimum of five (5) meetings each year. All five (5) of the Executive Committee meetings shall be scheduled at places and times deemed appropriate by the Chairperson.

8.4 Initial Meeting of the New Executive Committee

The initial meeting of the Executive Committee shall occur immediately after the Spring Meeting is adjourned. The President/CEO shall present to each Executive Committee member a tentative outline of a meeting schedule and work/issues to be addressed in the coming year.

8.5 Executive Sessions

All Executive Committee meetings shall include an executive session. The timing of the executive session shall be at the discretion of the Chairperson.

8.6 Meeting Agendas

The agenda at all board and Executive Committee meetings be approved in advance by the Chairperson.

8.7 Voting Process During Regional Caucuses

In keeping with the voting process outlined in the *Bylaws*, all regional caucuses will vote on the basis of one person one vote of those present or by proxy.

8.8 Nominating Committee

The Executive Committee will serve as the Nominating Committee for the purpose of nominating a candidate(s) for Chairperson. The immediate Past-Chairperson will serve as Chairperson of the Nominating Committee. Interested candidates for Chairperson will notify the Nominating Committee of their interest by Winter Meeting so the Nominating Committee can announce its recommendation prior to Spring Meeting.

9.0 BOARD PRACTICES OF PROGRAM IMPLEMENTATION

9.1 Executive Approval for Promotional Projects, Amendments, and Changes

All board approved promotion projects must be approved by the President/CEO before the project proceeds to final form and implementation.

In the event the promotion project deviates materially from when it was approved at Spring Meeting, the President/CEO must approve the change of plan, with board approval.

Authorizations for payment on promotion projects should follow the policies set forth in the *Finance Policies*.

9.2 Use of Outside Consultants and Advisors

Potatoes USA encourages the use of outside consultants and advisors for purposes of research and evaluation, independent of employee and agency. It shall be Board policy to pay the fair market value costs for services performed and delivered. However, the Board will not pay an additional percentage markup, designated as overhead, when conducting a research project with or through a university or college.

9.3 Research and Evaluation

All research and evaluation should be limited to marketing and promotion of potatoes and/or studies that measure the effectiveness of the Board's programs. This is in keeping with the Mission Statement and long-range goals of Potatoes USA.

9.4 Board Logo

The Board has developed a number of logos and intends to continue to employ them in appropriate places. The Board will continue to develop logos to fit its needs.

9.5 Use of the Board's Logo on Promotional Materials

All Board promotional materials shall include the Board's official logo. The logo's size shall be large enough to readily identify the source. The Board shall be identified as the source of materials in which it has invested its funds and expertise. The exception to this policy is that the Board's logo should not be used on point-of-sale materials where a retail customer in a domestic supermarket or a domestic foodservice establishment might confuse the Board's activity with a state activity.

9.6 Use of the Board's Name or Logo

The Board does not endorse board members' use of their names and titles on any letters or other correspondence that is not directly related to Board business. This policy shall eliminate the use of the Board's name and logo by present or past

members when they conduct outside business or actions done for their personal interest.

9.7 Market Development Committee Selection

The Market Development Committee shall be selected by the Chairperson to assure that the committee members represent the geographic distribution of the potato industry as well as all of the industry elements: fresh and processed (i.e., frozen, dehydrated and chips). This policy is not meant to restrict the Chairperson in their selections, rather it is designed to assure the entire industry has a role in formulating and managing the Board's promotion plans.

10.0 BOARD FINANCE AND INTERNAL OPERATIONS PRACTICES

10.1 Budget and Development Process

Each fall the Finance and Policy Committee shall prepare and adopt a recommended budget for submission to the board. The preliminary budget will be submitted early enough to allow for discussion and review by board and Executive Committee members before the budget is presented at Spring Meeting.

10.2 Capital Improvements and Office Lease

Potatoes USA employees shall be authorized to spend up to the allocated amount per fiscal year for capital improvements. Any improvements that exceed the allocated amount individually or aggregated will require explicit approval from the Executive Committee. When a new lease agreement for office space is negotiated, it shall receive prior approval of the Executive Committee before being signed by the President/CEO.

10.3 Compensation Committee

The Compensation Committee shall consist of four (4) members: the Chairperson, the immediate Past-Chairperson, the Chairperson of the Finance and Policy Committee, and the President/CEO. The Compensation Committee shall have a minimum of one (1) meeting each year. The meeting shall be scheduled prior to the budget meeting to review benefits and establish a compensation rate for the following fiscal year.

10.4 Special Projects Funding

In the event an urgent request for funding is made and cannot wait for annual budget consideration, it will be submitted to the appropriate operating committee for a recommendation to the Executive Committee and board, in that order.

Criteria for a review request shall be subject to at least the following:

- The request is of a promotional nature, be it in research, development, execution or evaluation
- The request will secure or expand profitable potato markets

- The request shall display clear benefit to a relatively large percent of the potato industry
- The request being made conforms to a currently approved project with an approved existing budget
- The request shall be in the interest of the Board's Mission Statement and strategic plan for that fiscal year.

If the special project funding is approved, the project will be added to the budget as a separate line item and a budget amendment will be submitted to USDA for review and approval.

10.5 USDA Designated Reserve

The designated reserve is a USDA-mandated cash fund that is allocated to cover the costs to shut down the business of Potatoes USA, should it ever go out of existence. The amount of USDA designated reserve shall adhere to guidelines in the Plan and will cover liabilities such as employment costs, off overhead, contracts, etc..

10.6 Board Designated Reserve

The Board designated reserve has been set at \$1,500,000. These reserves are to be used with board approval. Additional designated reserves can be allocated as approved by the board.

10.7 Board's Plan for Unplanned Expenses

A contingency fund shall be established and up to \$25,000 will be budgeted to this fund per fiscal year for unanticipated circumstances resulting in unbudgeted expenses. The President/CEO shall be responsible for distributions from this fund only after receiving approval from the Executive Committee. The contingency fund shall be part of the annual budget that is submitted to USDA for review and approval.

11.0 BOARD AND INDUSTRY INTERACTION PRACTICES

11.1 Qualifications of Participants in Board-Sponsored Activities, Programs, and Committees

Growers, importers, packers, processors, or any other industry members who seek to participate in Potatoes USA sponsored activities or programs, or those appointed to any sub-committees or ad hoc committees by the Board, shall be in compliance with all current Potatoes USA program assessments, qualifications, and requirements as determined by Board employees. Such participants shall also follow all rules and regulations governing the board.

11.2 National Potato Council Marketing Support

The Board shall support the various marketing activities of the National Potato Council with a contribution for an annual sustaining membership. In addition, the

Board will purchase pages in the annual Statistical Yearbook to facilitate Potatoes USA grower communications as approved by USDA each year during the budget and long range plan approval process. Any contributions made to the National Potato Council are specifically for the purposes outlined above and no portion may be used for any political or lobbying activity. Each year Potatoes USA will send a letter or email to the National Potato Council stating funds from the Board may not be used for any political or lobbying activity.

11.3 Use of the Board's Promotional Materials by Others

The Board shall encourage the use of its marketing materials by others. The sole stipulation is that Board developed marketing materials may not be changed in any way unless authorized and directed by Potatoes USA.

11.4 Contributions and participation in State and Local Events

The Board will be prohibited from making financial and gift contributions, even in honor or memory of an individual. (See *Finance Policies* for additional information.)

Donations of commodity, product, or funds may be made provided the donation is tied to a public relations or promotional effort promoting the commodity and/or the image of the industry. The Board may provide monetary gifts or gifts that function as money or other gifts as part of a research or promotion project. The Board may pay membership or sponsorship fees to industry associations or other groups upon certification by the group that the funds will not be used for the purpose of influencing government policy or action.

11.5 State Organization Work with the Board's Foreign Representatives

The Board's foreign market representatives shall not represent, be employed by, or create promotions for any state potato organizations.

The Board recognizes state potato organizations have a desire to assist in the expansion of international demand for U.S. potato products. The Board encourages the states' participation in these markets and recognizes the benefits of these contributions to the overall effort of increasing exports. Further, the presentation of a unified message surrounding U.S. potatoes and potato products is the most effective method of increasing sales of U.S. product in foreign markets. The most effective way to present this unified front is through the use of only one foreign representative for U.S. potato products in each international market. Therefore, from time to time the Board may offer state organizations the opportunity to invest in Potatoes USA's international programs.

However, it is also important that no state or group of states gain an advantage in a market because of the work of the Board's foreign representative or the states association with the representative. It is important that states do not capture the equity created by the Board's programs by association with the Board's representative.

11.6 Use of Board Provided Booths at International Trade Shows

Exhibit space leased by the Board at international trade shows may be subleased to growers and/or processors as part of a pavilion. This space will be subleased at full market value with the Board providing no cost subsidy. Additionally, participation by processors of U.S. potato products shall be governed by provisions of *The Potato Research & Promotion Act* (The Act) relating to brand promotion.

11.7 Issues/Crisis Management

The Board shall cooperate with the National Potato Council and/or other state and national organizations in communications. The purpose of this policy is to communicate to consumers, retailers, exporters, importers, and the potato industry (domestic and foreign) information relative to food safety.

11.8 Growing Area Organization Officer's Meeting

Each year the Board shall invite chief elected officers of the state and regional potato growing area organizations to attend the Spring Meeting. The cost of this meeting will be borne by the Board. All other costs of travel are to be borne by the invitee.

11.9 Growing Area Organization Manager's Meeting

Each year the Board will host a growing area organization managers' meeting. By creating this forum, the Board hopes to establish and maintain an open channel of conversation between the Board, its employees, and the organizations' managers.

The Board's employees will arrange invitations and a suitable meeting room for the managers' meeting.