

**NATIONAL EXECUTIVE COMMITTEE  
OF  
THE AMERICAN LEGION  
INDIANAPOLIS, INDIANA  
October 15-16, 2008**

**Resolution No. 1: Adoption of a 990 Compliance Policy to Comply With Internal Revenue Code Redesign of Form 990, Effective 12/31/08, Specifically Related to Governance, Management, and Disclosure**

**Origin: Finance Commission**

**Submitted by: Finance Commission**

WHEREAS, The American Legion continues to remain in compliance with all Federal regulations and Internal Revenue codes, and The American Legion has many Policies and Procedures already in place that provide the information and protections desired by the Federal Government; and

WHEREAS, The Internal Revenue Service has redesigned Form 990, effective 12/31/2008, and will include questions asking whether key employees, officers and board members are required to annually disclose interests that could give rise to conflicts; how the organization monitors and enforces compliance with its conflict of interest policies; and requires detailed information on the organization's process for determining compensation for top executives; and

WHEREAS, The adoption of a structured 990 Compliance Policy with all details defined to comply with the Internal Revenue Code will assure that the policy will be in place and all information necessary for compliance will be gathered annually; now, therefore, be it

**RESOLVED, By the National Executive Committee of The American Legion in regular meeting assembled in Indianapolis, Indiana, on October 15-16, 2008, That The American Legion adopt a 990 Compliance Policy to assure compliance with the redesign of Form 990 as defined under Internal Revenue codes and effective 12/31/08; and, be it further**

**RESOLVED, That this 990 Compliance Policy will establish a governance structure to include establishing a Financial Governance Committee, for the National Executive Committee, establishing Compliance Officer(s), for staff and for the National Executive Committee, and a Compensation Practices Committee to establish salaries for the Non Graded Employees; and, be it further**

**RESOLVED, That this 990 Compliance Policy include the existing Conflict of Interest Policy for paid staff and a separate compliance policy applicable to "independent" non-paid officers and National Executive Committee members; and, be it further**

**RESOLVED, That this 990 Compliance Policy set forth compensation practices similar to those already in practice to be used from this date forward in establishing the salary base for non-graded employees; and, be it finally**

**RESOLVED, That the 990 Compliance Policy establish procedures, to include a document retention/destruction policy and a "whistle blower" protection policy for the National Executive Committee.**