

# ASSOCIATION OF VETERINARY HEMATOLOGY AND TRANSFUSION MEDICINE

## BYLAWS

### ARTICLE ONE

#### NAME, PURPOSES, POWERS AND LOCATION

**Section 1.1 Name.** The name of this corporation (the "Corporation") is Association of Veterinary Hematology and Transfusion Medicine, Inc. thereafter referred to as "AVHTM".

**Section 1.2 Purposes.** AVHTM is organized and shall be operated exclusively for charitable, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision or provisions of any subsequent United States revenue law (the "Code"). Within the scope of the foregoing purposes, and not by way of limitation thereof, AVHTM is organized and operated to function as a global forum for veterinary and medical professionals to gather, exchange ideas, conduct educational seminars, advance and publish research in peer-reviewed publications, and generally foster the science and clinical art of the field veterinary hematology and transfusion medicine. The objectives of AVHTM are as follows:

(a) to associate and affiliate into one organization doctors of veterinary medicine and human medicine, as well as members of allied health professions and basic sciences; and other individuals who have a special interest in veterinary hematology and transfusion medicine.

(b) to support and promote education and research in veterinary transfusion medicine and hematology.

(c) to sponsor and/or conduct and/or participate in scientific, research, and educational meetings dealing with one or more aspects of veterinary hematology and transfusion medicine, and to discuss and disseminate scientific findings related to the fields of veterinary hematology and transfusion medicine.

**Section 1.3 Powers.** AVHTM is a nonprofit corporation incorporated in the State of Arizona and shall have all of the powers, duties, authorizations and responsibilities to conduct its lawful business; provided, however, AVHTM shall neither have nor exercise any power, nor engage directly or indirectly in any activity, that would invalidate its status as a corporation that is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code.

**Section 1.3 Principal Office.** The initial principal office of AVHTM shall be located in Town of Sahuarita, County of Pima, State of Arizona. The Board of Directors may at any time, or from time to time, change the location of the principal office from one location to another within said city and county. The Board of Directors may at any time establish branch offices at any place where the Corporation is qualified to do business.

## ARTICLE TWO

### MEMBERS

**Section 2.1 No Membership Classes.** The Corporation shall not have any members within the meaning of Title 10, Chapter 29 of the Arizona Revised Statutes. The Corporation may from time to time use the term “members” to refer to persons associated with it, but such persons shall not be members within the meaning of Title 10, Chapter 29 of the Arizona Revised Statutes.

**Section 2.2 Affiliates.** The Board of Directors may approve classes of affiliates with rights, privileges, and obligations established by the Board. Affiliates may be individuals, businesses, and other organizations that seek to support the mission of AVHTM. The Board, a designated committee of the Board, or any duly elected Officer in accordance with Board policy, shall have authority to admit any individual or organization as an affiliate, to recognize representatives of affiliates, and to make determinations as to affiliates’ rights, privileges, and obligations. At no time shall affiliate information be shared with or sold to other organizations or groups without the affiliate’s consent. At the discretion of the Board of Directors, affiliates may be given endorsement, recognition and media coverage at fundraising activities, clinics, other events or on the AVHTM website. Affiliates are not members of AVHTM within the meaning of Title 10, Chapter 29 of the Arizona Revised Statutes, but at the discretion of the Board, may be invited to participate in polls, surveys, discussions, “town-hall meetings,” etc.

**Section 2.3 Dues.** Any dues for affiliates shall be determined by the Board of Directors.

## ARTICLE THREE

### BOARD OF DIRECTORS

**Section 3.1.1 General Powers: Delegation.** The activities, property and affairs of AVHTM shall be managed by its Board of Directors, who may exercise all such powers of AVHTM and do all such lawful acts and things as are permitted by statute, by the Articles of the Incorporation or by these Bylaws. The Board of Directors is empowered to enter into contracts and authorize expenditures necessary for AVHTM. The Board of Directors may delegate its authority to enter into contracts and approve expenditures to the Executive Director, subject to such guidelines as the Board may adopt from time to time.

**Section 3.2 Executive Officers and Directors at Large.** The Board of Directors, hereinafter referred to as “The Board”, shall consist of not less than five (5) nor more than nine (9) Directors, with the exact number of Directors to be designated from time to time by resolution of the Directors; provided that no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director. The Executive Officers shall be a President, Vice President, Secretary, Treasurer and Executive Director. All Officers and Directors at Large shall serve a term of office for two (2) years. Terms will begin on July 1. The Directors at Large, up to five (5) Board members, will be seated on the Board with voting rights to conduct lawful business.

At the first annual meeting, the Directors shall be divided into two (2) approximately equal groups and designated to serve two (2) or three (3) terms by a random method determined by the Board of Directors. Thereafter, the term of office of each Director shall be two (2) years. If any annual meeting is not held or the Directors are not appointed at the annual meeting, the Directors may be appointed at any meeting of the Board.

The President shall preside over all meetings of the AVHTM and the Board, shall be an ex-officio member of all committees, and shall perform the duties of such office. The President will have overall responsibility for the planning, organizing and conducting of all AVHTM meetings. He/she shall be the chairperson of the program committee for all scientific sessions sponsored by the AVHTM. The President may delegate these duties and responsibilities to AVHTM committees or individuals as he/she sees fit.

The Vice President shall preside at meetings in the absence of the President, and shall succeed to the duties and office of the President should the office be vacated. He/she shall be chairperson of a membership committee. He/she shall be chairperson of a nominating committee for the election of new Officers and members of the Board.

The Secretary shall serve AVHTM under the general direction of the Board. He/she shall record the minutes of all the meetings and perform such other duties as may be necessary for the conduct of his/her office. He/she shall keep the following books and records as required by law: Minutes of Proceedings of the members; Minutes of Proceedings of the Board of Directors; and a list of all names and addresses of affiliates entitled to vote.

The Treasurer shall make a report at each Board meeting. The Treasurer shall chair the Finance Committee, assist in the preparation of the budget, help develop fundraising plans, oversee grant monies, maintain adequate and correct accounts of business transactions of AVHTM including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements and make financial information available to Board members and the public.

The Executive Director shall conduct the day-to-day business of AVHTM, answer the telephone and e-mail, respond to public inquiries, maintain the database, collect dues and fees, issue receipts for said dues and fees, make bank deposits, draw vouchers, and arrange for the safe-keeping and audit of the funds of AVHTM. He/she shall additionally keep the following book and records as required by law: correct and complete books and records of account. All material required by this section shall be kept and maintained at the office of the Registered Agent or the principal office of the AVHTM. The Executive Director shall be a non-voting member of the Board of Directors and Executive Committee.

Directors at Large will sit on standing and ad-hoc committees as appointed by the President.

**Section 3.3 Election and Term of Office.** Each Director shall hold office for a two-year term and until such Director's successor is chosen and qualified, or until such Director's earlier death, resignation, retirement, disqualification or removal from office. No Director shall be eligible for reelection so as to serve more than three (3) consecutive terms in office. The Executive Director

shall be an appointed position by the Board of Directors and will serve until such Executive Director's earlier death, resignation, retirement, disqualification or removal from office.

**Section 3.4 Filling of Vacancies.** Any vacancy occurring in the office of Director resulting from the death, resignation, retirement, disqualification or removal from office of any Director shall be filled by the affirmative vote of a majority of the remaining Directors at any meeting thereof. Any Director elected or appointed to fill a vacancy shall hold office until the next annual business meeting and until such Director's successor is chosen and qualified, or until such Director's earlier death, resignation, retirement, disqualification or removal from office.

**Section 3.5 Removal.** Any Director may be removed, either for or without cause, by the affirmative vote of a majority of the Directors present at any meeting of the Directors at which a quorum is present, if notice of the intention to act upon such matter shall have been given in the notice of such meeting and if such notice is provided to the Director proposed to be removed.

**Section 3.6 Place of Meetings.** Meetings of the Directors shall be held at such places, within or without the State of Arizona, as may from time to time be fixed by the Directors or shall be specified or fixed in the respective notices or waivers of notice thereof.

**Section 3.7 Annual Meetings.** Meetings of Directors shall be held annually at the time of the AVHTM SIG annual meeting of the ACVIM Forum to transact any and all business as may properly come before the meeting. Written, electronic or printed notice stating the place, day and hour of each annual meeting of the Directors shall be delivered not less than thirty (30) days before the date of such meeting, either personally, by mail, electronically or by facsimile transmission, by or at the direction of the President or the Secretary, to each Director.

**Section 3.8 Regular Meetings.** A regular meeting of the Directors shall be held approximately midway between the Annual Meetings at such times and places as determined by the Directors, to transact any and all business as may properly come before the meeting. Notice of such meetings shall be given as described in Section 3.7.

**Section 3.9 Special Meetings.** Special meetings of the Directors may be called by the President upon not less than three (3) nor no more than fifty (50) days notice to each Director, either personally, by hand delivery, by mail, electronically or by facsimile transmission. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written instruction of two (2) or more Directors. Except as otherwise provided by statute, by the Articles of Incorporation or by these Bylaws, neither the business to be transacted at, nor the purpose of, any Special Meeting shall include business that normally would be conducted at Annual or Regular meetings.

**Section 3.10 Quorum and Manner of Acting.** At all meetings of the Directors the presence of a majority of the number of Directors then in office shall be necessary and sufficient to constitute a quorum for the transaction of business, except as otherwise provided by statute, by the Articles of Incorporation or by these Bylaws. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Directors unless the act of a greater number is required by statute, by the Articles of Incorporation or by these Bylaws, in which case the act of

such greater number shall be requisite to constitute the act of the Directors. A Director may vote only in person or by proxy. If a quorum shall not be present at any meeting of the Directors, the Directors present there may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At such adjourned meeting at which a quorum shall later be present, any business may be transacted which might have been transacted at the meeting as originally convened.

**Section 3.11 Quorum and Manner of Acting: Vote by Proxy.** The following provisions apply to voting by proxy:

(a) A Director may appoint a proxy to vote or otherwise act for the Director by signing an appointment form, either personally or by the Director's attorney-in-fact. The appointment does not relieve the Director of liability for acts or omissions imposed by law on Directors.

(b) An appointment of a proxy is effective when received by the Secretary. An appointment is valid for one Board meeting.

(c) An appointment of a proxy is revocable by the Director.

(d) The death or incapacity of the Director appointing a proxy does not affect the right of AVHTM to accept the proxy's authority unless written notice of the death or incapacity is received by the Secretary before the proxy exercises its authority under the appointment.

(e) Subject to any express limitation on the proxy's authority appearing on the face of the appointment form, AVHTM is entitled to accept the proxy's vote making the appointment.

**Section 3.12 Directors' Compensation.** Directors may not receive compensation of any kind for their services as Directors or as members of a standing or special committee of the Directors. Directors may receive reimbursement for reasonable expenses incurred on behalf of AVHTM, upon the approval of the Board of Directors.

**Section 3.13 Consent of Directors.** Any action required or permitted to be taken at any meeting of the Directors or any committee may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all of the Directors or all of the members of the committee, as the case may be, by paper document, facsimile or e-mail. Such consent shall have the same force and effect as a unanimous vote, and may be stated as such in any document.

**Section 3.14 Telephone Meetings.** Subject to the provisions of applicable law and these Bylaws regarding notice of meetings, Directors or members of any committee designated by the Directors may, unless otherwise restricted by statute, or by the Articles of Incorporation or by these Bylaws, participate in and hold a meeting of such Directors or committee by using conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 3.13 shall constitute presence in person at such meeting for purposes of determining a quorum hereunder as well as for taking action.

**Section 3.15 Eligibility for Board Membership.** A Director shall be an affiliate member in good standing. Full-time employees of any for-profit commercial or industrial company that conducts business of any kind in veterinary medicine, hematology, transfusion medicine, or blood banking shall be eligible to serve as a Director with approval from the Board of Directors and a completed disclosure of any Conflicts of Interest. A Director who consults for any company, or who receives honoraria directly from a company, shall also submit a completed disclosure of any Conflicts of Interest prior to an annual election for a Director at Large position and at least annually thereafter.

**Section 3.16 Councilors to the Board.** The Board may appoint Councilors to the Board to represent specific regions of the world or for any other special purpose. These appointments will be for up to a three year term, renewable once. The appointments are made by a majority vote of the Directors at a duly constituted Board meeting. Councilors may participate in discussions at Board meetings without a vote in decisions of the Directors.

**Section 3.17 Ex-Officio Non-voting Directors.** The Editor(s) of the AVHTM newsletter, the Webmaster of AVHTM's website, and other individuals selected from time to time by the Directors, may be invited to attend and participate in Directors meetings, without a vote in decisions of the Directors.

## ARTICLE FOUR

### COMMITTEES

**Section 4.1 Committees of Directors.** The Directors by resolution adopted by a majority of the Directors in office may designate one or more committees which to the extent provided in said resolution, shall have and exercise the authority of the Directors in the management of AVHTM. Each such committee shall consist of two (2) or more persons, a majority of whom are Directors. The designation of such committees and the delegation thereto of authority shall not operate to relieve the Directors, or any individual Director, or any responsibility imposed on the Directors or such Director by law.

**Section 4.1.1 Executive Committee.** The Executive Committee of AVHTM shall include the President, Vice President, Secretary, Treasurer, and Executive Director. The Executive Committee shall have and exercise the authority of the Directors in the management of AVHTM. The President shall serve as the chair of the Executive Committee. Interim vacancies occurring on the Executive Committee shall be filled by the Executive Committee on the recommendation of the President. The appointee shall serve until the next annual business meeting of AVHTM.

**Section 4.2 Advisory Boards or Committees.** Advisory boards or committees, including a Scientific and Research Board, a Fundraising and Grants Committee, and a Guidelines Committee, Bylaws Committee, Elections Committee, and Finance Committee, not having and exercising the authority, responsibility or duties of the Directors in the management of AVHTM may be designated by a resolution adopted by the Directors, except as otherwise provided in such resolution, members of each such advisory board or committee need not be Directors. The President shall appoint the members of such advisory boards or committees. Any member

thereof may be removed by the President, on the recommendation of the Directors, whenever the best interests of AVHTM shall be served by such removal.

**Section 4.2.1 The Scientific and Research Board.** The Scientific and Research Board of AVHTM shall consist of the President of AVHTM, the Editor(s) of AVHTM's newsletter (if applicable), and members appointed by the Board of Directors. The President will chair the Scientific and Research Board. The purpose of the Scientific and Research Board is to advise and direct the scientific endeavors of AVHTM, such as the educational meetings, research projects and scholarly publications.

**Section 4.2.2 The Fundraising, Sponsorship and Grants Committee.** The Fundraising and Grants Committee shall consist of the members of the Executive Committee and others as appointed by the Executive Committee. The purpose of the Fundraising and Grants Committee is raise money through charitable fundraising events and secure grant money to fund research. This committee will also seek to secure a broad-base of support from potential sponsors to underwrite AVHTM meetings, publications or other such functions which promote safe and effective veterinary transfusion practice.

**Section 4.2.3 The Guidelines Committee.** The Guidelines Committee shall consist of the President, who shall serve as the chair, two Directors and up to four (4) general members appointed by the President. The purpose of the Guidelines Committee is to develop, evaluate, and promote guidelines for safe and effective veterinary transfusion practice.

**Section 4.2.4 The Bylaws Committee.** The Bylaws Committee shall consist of three Directors, at least one of whom shall be a member of the Executive Committee, to review and maintain these Bylaws in good order and compliance with applicable statutes; and to receive and consider proposals for amendments to these Bylaws from affiliate members of AVHTM.

**Section 4.2.5 The Membership and Elections Committees.** The Membership and Elections Committees shall consist of three Directors, chaired by the Vice President, who will develop and implement strategic campaigns to recruit new affiliates and will review nominees running for a position on the AVHTM Board of Directors while ensuring a Conflicts of Interest disclosure has been submitted for all nominees.

**Section 4.2.6 The Finance Committee.** The Treasurer is the chair of the Finance Committee, which includes three other Board members. The Finance Committee is responsible for developing and reviewing fiscal procedures, fundraising plans, grants, and annual budget with any staff and other Board members. The Board must approve the budget and all expenditures must be within budget. Any major change in the budget must be approved by the Board or the Executive Committee. Annual reports are required to be submitted to the Board showing income, expenditures, and pending income. The financial records of the organization are public information and shall be made available to Board members and to the public.

**Section 4.2.7 Audit Committee.** The Board shall appoint an Audit Committee. Notwithstanding Article 9, Section 1, which shall otherwise govern the committee's operations, the committee may be composed of one or more persons and may include persons other than the Directors of

AVHTM. The membership of the Audit Committee shall not include the President, Treasurer, any employee, or any person with a material financial interest in any entity doing business with AVHTM. Members of the Finance Committee must constitute less than one-half of the membership of the Audit Committee. The Audit Committee shall make recommendations to the Board of Directors regarding the hiring and termination of an auditor, who shall be an independent certified public accountant, and may be authorized by the Board to negotiate the auditor's salary. The Audit Committee shall confer with the auditor to satisfy its members that the Corporation's financial affairs are in order, and shall review and determine whether to accept the audit. In the event that the auditor's firm provides non-audit services to AVHTM, the Audit Committee shall ensure that the auditor's firm adheres to the standards for auditor independence set forth in the latest revision of the Government Auditing Standards published by the Comptroller General of the United States, or any standards promulgated by the Attorney General of Arizona.

**Section 4.3 Term of Office.** Except as otherwise designated by these Bylaws, each member of a committee of Directors or advisory board or committee shall continue as such until the next annual meeting of the Directors of AVHTM and until such person's successor is appointed, unless the Board or committee is sooner terminated, or unless such person is removed from such Board or committee or shall cease to qualify as a member thereof.

**Section 4.4 Chair.** Unless otherwise designated by these Bylaws, one or more members of each Director's committee or advisory board or committee shall be appointed chairman, or co-chairman, by the President of AVHTM.

**Section 4.5 Vacancies.** Vacancies in the membership of any committee of Directors or advisory board or committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

**Section 4.6 Quorum: Manner of Acting.** Unless otherwise provided in the resolution of the Directors designating a committee of Directors or advisory board or committee, a majority of the whole Board or committee shall constitute a quorum, and the act of the majority of the members present at a meeting at which a quorum is present shall be the act of the Board or committee.

**Section 4.7 New committees.** The Executive Board may create new standing or ad hoc committees as deemed necessary, appoint chairs, Board members, Directors, or affiliates to meet the growing needs of AVHTM.

**Section 4.8 Rules.** Each committee of Directors or advisory board or committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

## ARTICLE FIVE

### **Compensation.**

**Section 5.1 Definitions.** Unless otherwise defined, the terms below have the following meanings:



(a) “Highest Compensated Employee” - Any employee of the Corporation, whose total compensation would require the employee to be listed in Part I of Schedule A of IRS Form 990, or in response to an equivalent question on any successor exempt organization annual return.

(b) “Highest Compensated Independent Contractor” - Any independent contractor engaged by the Corporation, whose total compensation would require the contractor to be listed in Part II of Schedule A of IRS Form 990, or in response to an equivalent question on any successor exempt organization annual return.

**Section 5.2 Compensation Policy.** No Director, Officer, Highest Compensated Employee or Highest Compensated Independent Contractor may receive compensation, directly or indirectly, from the Corporation unless such compensation is first determined by the disinterested Directors, or an authorized committee thereof, to be just and reasonable to the Corporation. The names of the persons who were present for discussions and votes relating to the compensation arrangement, the content of the discussion, including any the information used to determine the reasonableness of the compensation, and a record of any votes taken in connection with the proceedings shall be maintained in the minutes of the Corporation.

The determination of reasonableness shall be based upon information about compensation paid by similarly situated organizations for similar services, current compensation surveys compiled by independent firms or actual written offers from similarly situated organizations. Similarly situated organizations may include both taxable and tax-exempt organizations. No Director, principal Officer, Highest Compensated Employee or Highest Compensated Independent Contractor, shall participate in the discussion and approval of his or her compensation, except that such persons may provide information to the disinterested Directors as described in the Conflict of Interest policy.

**Section 5.3 Compensation Review.** The Board shall review the fairness of compensation, including benefits, paid to any Director, Officer, or Independent Contractor upon the occurrence of the following events:

(a) The individual is hired;

(b) The individual’s term of employment is extended or renewed; or

(c) The individual’s compensation is modified, unless such modification occurs pursuant to a general modification of compensation that extends to all employees.

**Section 5.4 Periodic Reviews.** Periodic reviews shall be conducted to ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of “arm’s length” bargaining; and

(b) Whether partnerships, joint ventures, and arrangements with management corporations conform to the Corporation'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. When conducting the periodic reviews as provided for above, the Corporation may, but need not, use outside advisors. If outside experts are used their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

**Section 5.5 Mutual Directors.** No contract or transaction between the Corporation and any nonprofit corporation, of which one or more of its Directors are Directors of this Corporation, is void or voidable because such Director(s) are present at a meeting of the Board which authorizes, approves, or ratifies the contract or transaction if the material facts as to the transaction and as to such Director's other directorship are fully disclosed or known to the Board and the Board authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director(s), or if the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified.

**Section 5.6 Restriction on Interested Directors.** Not more than forty-nine percent (49%) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any person currently being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the Corporation.

## ARTICLE SIX

### CONFLICT OF INTEREST POLICY

#### **Purpose**

The purpose of the conflict of interest policy is to protect the interest of this tax-exempt organization when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

#### **Definitions**

##### **Section 6.1 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, is an interested person.

##### **Section 6.2. 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 AVHTM has a transaction or arrangement,
- (b) A compensation arrangement with AVHTM or with any entity or individual with which AVHTM has a transaction or arrangement, or
- (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which AVHTM is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration, royalties, as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. 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.

## **Procedures**

### **Section 6.3 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.

### **Section 6.4 Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she 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.

### **Section 6.5 Procedures for Addressing the Conflict of Interest**

- (a). An interested person may make a presentation at the governing Board or committee meeting, 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 AVHTM can 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 AVHTM'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.

### **Section 6.6 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 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 SEVEN**

### **FISCAL YEAR**

The fiscal year of AVHTM shall be the twelve (12) month period beginning each January 1, unless another fiscal year is adopted by the Directors.

## **ARTICLE EIGHT**

### **FINANCIAL OBLIGATIONS**

**Section 8.1 Budget.** Prior to the close of each fiscal year, the Board of Directors shall adopt a budget of income and expenses for the ensuing fiscal year.

**Section 8.2 Checks.** All checks, drafts, bills or exchange, notes, or other obligations or order for the payment of money shall be signed in the name of AVHTM by the Treasurer or his/her designee or by facsimile.

## **ARTICLE NINE**

### **MISCELLANEOUS**

**Section 9.1 Nondiscrimination Policy.** The Officers, Directors, committee members, employees, independent contractors, and persons served by AVHTM shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of AVHTM not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

**Section 9.2 Books and Records.** AVHTM shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its Board of Directors, a record of all actions taken by Board of Directors without a meeting, and a record of all actions

taken by committees of the Board. In addition, AVHTM shall keep a copy of AVHTM's Articles of Incorporation and Bylaws as amended to date.

## **ARTICLE TEN**

### **INDEMNIFICATION**

To the fullest extent permitted by law, this Corporation shall indemnify its "agents", as described in Title 10, Chapter 31 of the Arizona Revised Statutes, including its Directors, Officers, employees, and volunteers, and including persons formerly occupying any such position, and their heirs, executors, and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in said Title 10, Chapter 31 of the Arizona Revised Statutes, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that Section. "Expenses" shall have the same meaning as in said Section. Such right of indemnification shall not be deemed exclusive of any other rights to which such persons may be entitled apart from this Article 9. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification in defending any "proceeding" shall be advanced by the Corporation before final disposition of the proceeding upon receipt by the Corporation of an undertaking by or on behalf of that person to repay such amount unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

The Corporation shall have power to purchase and maintain insurance to the fullest extent permitted by law on behalf of any agent of the Corporation, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

## **ARTICLE ELEVEN**

### **AMENDMENTS**

AVHTM's Bylaws may be amended or repealed at any meeting of the Directors at which a quorum is present by the affirmative vote of at least a 2/3 majority of the Directors present at the meeting, provided notice of the proposed amendment, repeal or adoption be contained in the notice of such meeting; and provided further, that the foregoing notice requirement shall not prohibit the Directors from adopting the proposed amendment, effecting the proposed repeal or adopting the proposed new Bylaws, as the case may be, in a modified form which is not identical to that described or set forth in the notice of such meeting. Each person who becomes an affiliate of AVHTM hereby expressly acknowledges and agrees that the power to alter, amend or repeal these Bylaws, or to adopt new Bylaws, has been delegated to the Directors by the affiliates.

## **ARTICLE TWELVE**

### **COUNTERTERRORISM AND DUE DILIGENCE POLICY**

In furtherance of its exemption by contributions to other organizations, domestic or foreign, AVHTM shall stipulate how the funds will be used and shall require the recipient to provide the Corporation with detailed records and financial proof of how the funds were utilized. Although adherence and compliance with the US Department of the Treasury's publication the "Voluntary Best Practice for US. Based Charities" is not mandatory, AVHTM willfully and voluntarily recognizes and puts to practice these guidelines and suggestions to reduce, develop, reevaluate and strengthen a risk-based approach to guard against the threat of diversion of charitable funds or exploitation of charitable activity by terrorist organizations and their support networks. AVHTM shall also comply and put into practice the federal guidelines, suggestion, laws and limitation set forth by preexisting U.S. legal requirements related to combating terrorist financing, which include, but are not limited to, various sanctions programs administered by the Office of Foreign Assets Control (OFAC) in regard to its foreign activities.

## ARTICLE THIRTEEN

### DOCUMENT RETENTION POLICY

#### 13.1 Purpose

The purpose of this document retention policy is establishing standards for document integrity, retention, and destruction and to promote the proper treatment of AVHTM records.

#### 13.2 Policy

**Section 13.2.1. General Guidelines.** Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

From time to time, AVHTM may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

**Section 13.2.2. Exception for Litigation Relevant Documents.** AVHTM expects all Officers, Directors, and Employees and independent contractors to comply fully with any published records retention or destruction policies and schedules, provided that all Officers, Directors, and Employees should note the following general exception to any stated destruction schedule: If you believe, or the AVHTM informs you, that corporate records are relevant to litigation, or potential litigation (i.e. a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

### **Section 13.2.3. Minimum Retention Periods for Specific Categories**

**(a) Corporate Documents.** Corporate records include the Corporation's Articles of Incorporation, Bylaws and IRS Form 1023 and Application for Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.

**(b) Tax Records.** Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the Corporation's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.

**(c) Employment Records/Personnel Records.** State and federal statutes require the Corporation to keep certain recruitment, employment and personnel information. The Corporation should also keep personnel files that reflect performance reviews and any complaints brought against the Corporation or individual employees under applicable state and federal statutes. The Corporation should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven years.

**(d) Board and Board Committee Materials.** Meeting minutes should be retained in perpetuity in the Corporation's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three years by AVHTM.

**(e) Press Releases/Public Filings.** AVHTM should retain permanent copies of all press releases and publicly filed documents under the theory that the Corporation should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the Corporation.

**(f) Legal Files.** Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

**(g) Marketing and Sales Documents.** AVHTM should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.

**(h) Development/Intellectual Property and Trade Secrets.** Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the Corporation and are protected as a trade secret where the Corporation:

**(i)** derives independent economic value from the secrecy of the information; and

(ii) has taken affirmative steps to keep the information confidential.

AVHTM should keep all documents designated as containing trade secret information for at least the life of the trade secret.

(i) **Contracts.** Final, execution copies of all contracts entered into by the Corporation should be retained. AVHTM should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

(j) **Correspondence.** Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for two years.

(k) **Banking and Accounting.** Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for three years. Any inventories of products, materials, and supplies and any invoices should be kept for seven years.

(l) **Insurance.** Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.

(m) **Audit Records.** External audit reports should be kept permanently. Internal audit reports should be kept for three years.

**Section 13.2.4. Electronic Mail.** E-mail that needs to be saved should be either:

(i) printed in hard copy and kept in the appropriate file; or

(ii) downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

## ARTICLE FOURTEEN

### Transparency and Accountability

#### Disclosure of Financial Information with the General Public

##### 14.1 Purpose

By making full and accurate information about its mission, activities, finances, and governance publicly available, AVHTM practices and encourages transparency and accountability to the general public. This policy will:

(a) indicate which documents and materials produced by the Corporation are presumptively open to staff and/or the public

(b) indicate which documents and materials produced by the Corporation are presumptively closed to staff and/or the public



(c) specify the procedures whereby the open/closed status of documents and materials can be altered.

The details of this policy are as follow:

#### **14.2 Financial and IRS documents (The Form 1023 and the Form 990)**

AVHTM shall provide its Internal Revenue forms 990, 990-EZ, 990-PF, 990-N, 990-T (whichever is applicable), 1023 and 5227, Bylaws, Conflict of Interest policy, and financial statements to the general public for inspection free of charge.

#### **14.3 Means and Conditions of Disclosure**

AVHTM shall make “Widely Available” the aforementioned documents on its internet website: [www.avhtm.org](http://www.avhtm.org) to be viewed and inspected by the general public.

(a) The documents shall be posted in a format that allows an individual using the Internet to access, download, view and print them in a manner that exactly reproduces the image of the original document filed with the IRS (except information exempt from public disclosure requirements, such as contributor lists).

(b) The website shall clearly inform readers that the document is available and provide instructions for downloading it.

(c) AVHTM shall not charge a fee for downloading the information. Documents shall not be posted in a format that would require special computer hardware or software (other than software readily available to the public free of charge).

(d) AVHTM shall inform anyone requesting the information where this information can be found, including the web address. This information must be provided immediately for in-person requests and within 7 days for mailed requests.

#### **14.4 IRS Annual Information Returns (Forms 990)**

AVHTM shall submit the Form 990, 990-EZ, 990-PF, 990-T, or 990-N (whichever is applicable) to its Board of Directors prior to the filing of the respective 990 form. While neither the approval of the applicable Form 990 or a review of the applicable 990 is required under Federal law, the Corporation’s applicable Form 990 shall be submitted to each member of the Board of Director’s via (hard copy or e-mail) at least 10 days before the applicable Form 990 is filed with the IRS.

#### **14.5 Board**

(a) All Board deliberations shall be open to the public except where the Board passes a motion to make any specific portion confidential.

(b) All Board minutes shall be open to the public once accepted by the Board, except where the Board passes a motion to make any specific portion confidential.

(c) All papers and materials considered by the Board shall be open to the public following the meeting at which they are considered, except where the Board passes a motion to make any specific paper or material confidential.

#### **14.6 Staff Records**

(a) All staff records shall be available for consultation by the staff member concerned or by their legal representatives.

(b) No staff records shall be made available to any person outside the Corporation except the authorized governmental agencies.

(c) Within the Corporation, staff records shall be made available only to those persons with managerial or personnel responsibilities for that staff member, except that

(d) Staff records shall be made available to the Board when requested.

#### **14.7 Donor Records**

(a) All donor records shall be available for consultation by the members and donors concerned or by their legal representatives.

(b) No donor records shall be made available to any other person outside the Corporation except the authorized governmental agencies.

(c) Within the Corporation, donor records shall be made available only to those persons with managerial or personnel responsibilities for dealing with those donors, except that;

(d) donor records shall be made available to the Board when requested.

## **ARTICLE FIFTEEN**

### **CODES OF ETHICS AND WHISTLEBLOWER POLICY**

#### **15.1 Purpose**

AVHTM requires and encourages Directors, Officers and Employees to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. The employees and representatives of the Corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of AVHTM to adhere to all laws and regulations that apply to the Corporation and the underlying purpose of this policy is to support AVHTM's goal of legal compliance. The support of all corporate staff is necessary to achieving compliance with various laws and regulations.

#### **15.2 Reporting Violations**

If any Director, Officer, Staff or Employee reasonably believes that some policy, practice, or activity of AVHTM is in violation of law, a written complaint must be filed by that person with the Board President or Vice President.

### **15.3 Acting in Good Faith**

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be viewed as a serious disciplinary offense.

### **15.4 Retaliation**

Said person is protected from retaliation only if she/he brings the alleged unlawful activity, policy, or practice to the attention of AVHTM and provides the AVHTM with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to individuals that comply with this requirement.

AVHTM shall not retaliate against any Director, Officer, Staff or Employee who in good faith, has made a protest or raised a complaint against some practice of AVHTM or of another individual or entity with whom AVHTM has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

AVHTM shall not retaliate against any Director, Officer, Staff or Employee who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of AVHTM that the individual reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

### **15.5 Confidentiality**

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 shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

### **15.6 Handling of Reported Violations**

The Board President or Vice President shall notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports shall be promptly investigated by the Board and its appointed committee and appropriate corrective action shall be taken if warranted by the investigation.

This policy shall be made available to all Directors, Officers, Staff or Employees and they shall have the opportunity to ask questions about the policy.

## **ARTICLE SIXTEEN**

### **DISSOLUTION**

Upon the dissolution of AVHTM and after the payment or the provision for the payment of all the liabilities of AVHTM, the Board of Directors will dispose of all of the assets of AVHTM exclusively for the purposes of the Corporation or to the organizations that are then qualified as tax-exempt organizations under section 501(c)(3) of the Internal Revenue code. Any assets not

so disposed of will be disposed of by a court of jurisdiction in the county in which the principal office of the Corporation is located.

**ARTICLE SEVENTEEN**

**AMENDMENT OF ARTICLES OF INCORPORATION**

**17.1 Amendment**

Any amendment to the Articles of Incorporation may be adopted by approval of two-thirds (2/3) of the Board of Directors.

**CERTIFICATE OF SECRETARY**

I, the undersigned, certify that I am the currently elected and acting Secretary of the Association of Veterinary Hematology and Transfusion Medicine, Inc. (AVHTM), an Arizona nonprofit corporation, and the above Bylaws, consisting of 20 pages, are the Bylaws of this Corporation as adopted by the Board of Directors on \_\_\_\_\_, 20\_\_, and that they have not been amended or modified since that date.

Executed on \_\_\_\_\_, 20\_\_, at \_\_\_\_\_, Arizona.

\_\_\_\_\_  
Secretary

**CHANGES, ADDITIONS OR DELETIONS TO THE BYLAWS**

Bylaws	(Created 10/2013)
Bylaws	(Adopted 03/2014)
Amendment, Section 3.2, 3.3	(Approved 06/2016)