

# AMAA

Arkansas Marching Arts Association

## 2023-2024

## Bylaws

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## **ARTICLE I. NAME OF ORGANIZATION**

The name of the organization is the Arkansas Marching Arts Association (AMAA). It is an Arkansas nonprofit public benefit organization with principal offices yet to be determined.

## **ARTICLE II. PURPOSE**

### **Section 1. Nonprofit Purpose**

This organization is not organized for the private gain of any one person. The mission of the Arkansas Marching Arts Association is to provide an avenue for music and visual education through performance and competition, in order to enhance the growth of performers, instructors, designers, and adjudicators within the AMAA community.

### **Section 2. Specific Purpose**

The specific objectives and purpose of this organization shall be:

1. To provide indoor winds, percussion, and guard contests for all those groups registered with AMAA.
2. To sponsor, host and/or participate in events and activities that promote indoor percussion, winds, and guard groups.
3. To provide opportunities for participants to engage in educational and competitive music events.

## **ARTICLE III. MEMBERSHIP & FEES**

### **Section 1. Membership Requirements**

Application for membership shall be open to any director of an ensemble that is competitive within the organization, can be placed within one of the circuit classifications and supports the purpose statement in Article II. All memberships shall be granted upon a majority vote of the Executive Board.

Membership requirements include membership registration, fees, and eligibility certification. Registration for each season will occur through the AMAA website by the director of the unit. The AMAA board will set deadlines for registration and membership fee payments.

### **Section 2. Membership Eligibility**

AMAA follows the WGI age and eligibility rules. Members must adhere to the eligibility rules as stated in the WGI Adjudication Manual and Rulebook except as specifically stated in this Section:

1. All performers of any unit competing in any scholastic AMAA class must be approved for participation by the principal of the sponsoring school. Each unit shall submit the AMAA Scholastic Eligibility Certification form signed by the authorizing school principal, listing all approved participants of that school's unit.

***It is the responsibility of unit directors to ensure compliance with all school, district, and state academic and athletic eligibility regulations including AAA (Arkansas Activities Association) requirements.***

2. Each competitive unit must compete in a minimum of two (2) AMAA contests to be eligible to compete in the AMAA Championships. One of these may be a WGI Regional Event held prior to AMAA Championships. Exceptions shall be made at the discretion of the AMAA Board.

***Penalty: Violation of any requirement in the eligibility section will result in disqualification and the unit's position and standing in the contest shall be forfeited.***

### **Section 3. Cancellation and Addition Policy**

The AMAA board will enforce this policy in conjunction with the contest hosts.

1. You may cancel from any competition up to four (4) weeks prior to the competition date with no financial penalty.
2. Cancellations within four (4) weeks of a competition are subject to a \$150 penalty payable to AMAA, who will then reimburse the competition host.
  - a. Payment will be required before you may attend your next AMAA Contest.
3. Competitions canceled due to inclement weather will not incur financial penalties.
4. Should your unit be required to withdraw from a competition on a day with inclement weather in your area or due to the policy of a school administrator, or other extreme circumstances (i.e. acts of God or nature, theft, fire, etc.) financial penalties will not be incurred.
  - a. Pending Executive Board approval, the event may still count to qualify for Championships.
5. Should a unit be required to withdraw from a competition on a day with inclement weather due to the policy or direction of a school administrator, the unit will have three (3) calendar days from the date of the withdrawal to request admittance to another competition.
  - a. Proof of required event cancellation may be requested by the Executive Board.
6. To request a schedule change, units must send an email to the AMAA board of directors within 5 days of the requested contest that you'd like to attend.

### **Section 4. Seasonal Dues & Registration Fees**

The amount required for seasonal circuit dues shall be \$600 each season unless changed by a majority vote of the members at an annual meeting of the full membership. Continued membership is contingent upon being up to date on membership dues.

The seasonal dues grants the member unit access to all AMAA competitions.

Discounts will be given for additional groups within the same division (For instance, multiple guards or multiple percussion groups from the same school. Not a guard and a percussion group from the same school).

- \$50 discount for the second group within the same division.

- \$100 discount for the third group within the same division.

The registration fee for attending a single competition shall be \$300.

### **Section 5. Contest Host Application and Fee**

Any member that wishes to host a contest must be in “good standing.” For a member to be in good standing, a unit must have competed in the previous season of competition and have a zero balance with AMAA following the competitive season.

Any member that wishes to host a contest must first submit an application for consideration. Upon approval by the Executive Board, approved applicants will be required to pay a \$750 hosting fee. This fee will help cover (but is not limited to) expenses such as judges, competition suite, and other necessary costs. Hosts will retain 80% of the profits from the door and all of the profits from concessions.

The Executive Board will set event dates and parameters for the AMAA season. See AMAA Contest Host Manual for further details.

### **Section 6. Resignation and Termination**

Any member may resign by filing a written resignation with the secretary. Resignation shall not relieve a member of unpaid dues, or other charges previously accrued. A member can have their membership terminated by a majority vote of the membership.

## **ARTICLE IV. MEETINGS & VOTING**

Starting with the 2024 season, all AMAA Executive Board Meetings or AMAA General Meetings will utilize Robert’s Rules of Order.

### **Section 1. Regular Meetings**

Regular meetings of the members shall be held quarterly, at a time and place designated by the Executive Committee.

## **Section 2. Annual Meetings**

An annual membership meeting shall take place each year; the specific date, time, and location for which will be designated by the President. At the annual meeting, the members shall elect directors and officers, receive reports on the activities of the association, and determine the direction of the association for the coming year.

## **Section 3. Special Meetings**

Special meetings may be called by the President, the Executive Committee, or a simple majority of the Executive Board.

## **Section 4. Notice of Meetings**

Printed notice of each meeting shall be given to each voting member, by email, no less than two weeks prior to the meeting.

## **Section 5. Quorum**

A quorum for a meeting of the members shall consist of at least fifty percent (50%) of the active membership.

## **Section 6. Voting**

A unit is entitled to one voting representative at AMAA General Meetings after meeting the following criteria:

1. Be in good financial standing with the circuit.
2. Perform in 2 regular season events, or 1 regular season event and a WGI Regional.
3. Perform in Circuit Championships.

All member units will retain their voting rights for the following competitive season provided they remain a member in “good standing.” Any member whose membership has lapsed will be considered for future membership as a new member.

All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place. In the event of a tie, the final decision will fall on the Executive Board.

## **Section 7. Proposals**

The annual membership meeting serves for organizations to bring up points of change they wish to see in AMAA. Prior to the annual membership meeting, a call for proposals will be issued. All member units in “good standing” can submit proposals as they see fit that can enhance AMAA as a whole.

1. Proposals submitted by member units shall focus on improving the overall performance of AMAA; to include but not limited to adjustments to policies and procedures,

improvements of operations, and how AMAA can better promote learning. Submissions must also note whether or not there will be any impact on the budget.

2. All proposals shall be typed and submitted via online form. Each proposal will be presented by the member organization who submitted the proposal, or their appointee, in person. Following the presentation, discussion will commence solely focused on the proposal at hand.
3. Declined proposals will have no further action.
4. Approved proposals will be noted and presented for voting.
5. All proposals approved by the membership will go to the Executive Board for ratification.

### **Section 8. Rights of Members**

Each unit shall be eligible to appoint one voting representative to cast the member's vote in association elections. Units who are not present may select a member to serve as the proxy for their vote.

### **Section 9. Non-voting Membership**

The Executive board shall have the authority to establish and define non-voting categories of membership.

## **ARTICLE V. EXECUTIVE BOARD**

### **Section 1. General Powers**

The affairs of the organization shall be managed by its Executive Board. The AMAA Executive Board shall have control of and be responsible for the management of the affairs and property of the AMAA organization.

### **Section 2. Number, Tenure, Requirements, and Qualifications**

The number of Directors shall be fixed from time-to-time by the Directors but shall consist of no less than three (3) nor more than fifteen (15) including the following officers: the President, Vice-President, Secretary, Treasurer, Judge's Coordinator, Winds Coordinator, Winds Member At-Large, Percussion Coordinator, Percussion Member At-Large, Color Guard Coordinator, Color Guard Member At-Large, Media Specialist, and Parliamentarian (ex officio). All officers must have the status of active members of the Executive Board.

1. The members of the Executive Board shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified.
2. All members of the Executive Board must be approved by a majority vote of the members present and voting. No vote on new members of the Executive Board shall be held unless a quorum of the Executive Board is present as provided in Section 6 of this Article.

3. Newly elected members of the Executive Board who have not served before shall serve initial one-year terms. At the conclusion of the initial one-year term, members of the Executive Board may serve an additional two-year term. Their terms shall be staggered so that at the time of each annual meeting, the terms of approximately one-third (1/3) of all members of the Executive Board shall expire.
4. Each member of the Executive Board shall attend at least nine (9) monthly meetings of the Board per year.
5. Board members may not have more than 4 absences from meetings in a calendar year. Exceeding 4 absences may result in removal from the Executive Board. If extenuating circumstances exist, the Executive Board may vote to excuse excessive absences.

### **Section 3. Election Schedule**

Beginning at the 2024 spring meeting, Executive Board members shall be elected in rounds with approximately 1/3 board turn-over annually. By the third election cycle (2026), we will no longer have Executive Board Members that are not Officers.

Round 1:

1. Secretary
2. Winds Coordinator
3. Color Guard Member At-Large
4. Parliamentarian

Round 2:

1. Vice-President
2. Media Specialist
3. Guard Coordinator
4. Percussion Member At-Large

Round 3:

1. President
2. Percussion Coordinator
3. Winds Member At-Large

Board positions that are not on the election schedule:

1. Treasurer- appointed by the Executive Board.
2. Chief Judge- appointed by the Executive Board.

### **Section 4. Regular and Annual Meetings**

An annual meeting of the Executive Board shall be held each calendar year at a location designated by the Executive Committee of the Executive Board. The Executive Board may provide by resolution the time and place, for the holding of regular meetings of the Executive Board. Notice of these meetings shall be sent to all members of the Executive Board no less than ten (10) days, prior to the meeting date.

## **Section 5. Special Meetings**

Special meetings of the Executive Board may be called by or at the request of the President or any two members of the Executive Board. The person or persons authorized to call special meetings of the Executive Board may fix any location, as the place for holding any special meetings of the Board called by them.

## **Section 6. Notice**

Notice of any special meeting of the Executive Board shall be given at least two (2) days in advance of the meeting by telephone, facsimile, or electronic methods or by written notice. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular meeting of the Executive Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

## **Section 7. Quorum**

The presence, in person of a majority of current members of the Executive Board, shall be necessary at any meeting to constitute a quorum to transact business, but a lesser number shall have power to adjourn to a specified later date without notice. The act of a majority of the members of the Executive Board present at a meeting at which a quorum is present shall be the act of the Executive Board, unless the act of a greater number is required by law or by these bylaws.

## **Section 8. Forfeiture**

Any member of the Executive Board who fails to fulfill any of his or her requirements as set forth in Section 2 of this Article shall automatically forfeit his or her seat on the Executive Board. The Secretary shall notify the Director in writing that his or her seat has been declared vacant, and the Executive Board may forthwith immediately proceed to fill the vacancy. Members of the Executive Board who are removed for failure to meet any or all of the requirements of Section 2 of this Article are not entitled to vote at the annual meeting and are not entitled to the procedure outlined in Section 13 of this Article in these bylaws.

## **Section 9. Vacancies**

Whenever any vacancy occurs in the Executive Board it shall be filled without undue delay by a majority vote of the remaining members of the Executive Board at a regular meeting. Vacancies may be created and filled according to specific methods approved by the Executive Board.

## **Section 10. Compensation**

Members of the Executive Board and the Board of Directors shall not receive any compensation for their services as Directors.



### **Section 11. Informal Action by Directors**

Any action required by law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of all of the Directors following notice of the intended action to all members of the Executive Board.

### **Section 12. Confidentiality**

Directors shall not discuss or disclose information about the organization or its activities to any person or entity unless such information is already a matter of public knowledge, such person or entity has a need to know, or the disclosure of such information is in furtherance of the organization's purposes or can reasonably be expected to benefit the organization. Directors shall use discretion and good business judgment in discussing the affairs of the organization with third parties. Without limiting the foregoing, Directors may discuss upcoming fundraisers and the purposes and functions of the organization, including but not limited to accounts on deposit in financial institutions.

Each Director shall execute a confidentiality agreement consistent herewith upon being voted onto and accepting an appointment to the Executive Board.

### **Section 13. Parliamentary Procedure**

Any question concerning parliamentary procedure at meetings shall be determined by the President by reference to Robert's Rules of Order.

### **Section 14. Removal**

Any member of the Executive Board or members of the Advisory Council may be removed with or without cause, at any time, by a vote of three-quarters (3/4) of the members of the Executive Board if in their judgment the best interest of the organization would be served thereby. Each member of the Executive Board must receive written notice of the proposed removal at least ten (10) days in advance of the proposed action. An officer who has been removed as a member of the Executive Board shall automatically be removed from office.

Members of the Executive Board who are removed for failure to meet the minimum requirements in Section 2 of this Article in these bylaws automatically forfeit their positions on the Executive Board pursuant to Section 7 of this Article and are not entitled to the removal procedure outlined in this Article.

## **ARTICLE VI. OFFICERS & DUTIES**

The officers of this Executive Board shall be the President, Vice-President, Secretary, Treasurer, Winds Coordinator, Winds Member At-Large, Percussion Coordinator, Percussion Member

At-Large, Color Guard Coordinator, Color Guard Member At-Large, Media Specialist, and Parliamentarian (ex officio).

### **Section 1. President**

The President shall:

- a. Coordinate, attend and preside at all Executive Board meetings.
- b. Supervise and control all business affairs of AMAA and be empowered to sign any contracts or instruments which the membership or Executive Board has authorized to be executed.
- c. Initiate and maintain liaison with similar and interested parties and circuits.
- d. Appoint such committees as may be deemed necessary and be Ex-officio member of all standing committees.
- e. Have general superintendence and direction of all other officers of this organization and see that their duties are properly performed.
- f. Maintain full knowledge of current AMAA and WGI rules and enforce AMAA ruling documents as well as official Policy and Procedures.
- g. Be an authorized signatory on bank accounts of the organization.
- h. Provide an accounting statement and proposed budget at the annual meeting.
- i. Provide all IRS and State Income tax statements and any other necessary filings to the Treasurer.
- j. Be responsible for yearly filings to obtain or maintain nonprofit status.
- k. Submit a report of the operations of the program for the fiscal year to the Executive Board and members at the annual meeting, and from time-to-time, shall report to the Executive Board all matters that may affect this program.
- l. Perform other such duties as deemed necessary and have the power and duties usually vested in the office of the President.

### **Section 2. Vice-President**

The Vice-President shall:

- a. Be vested with all the powers and shall perform all the duties of the President during the absence of the latter.
- b. Attend and participate in all Executive Board meetings.
- c. Serve as custodian of records such as, but not limited to membership certification, insurance verification, etc.
- d. Be an authorized signatory on the bank accounts of the organization.
- e. Have the duty of chairing their respective committee.
- f. Perform such other duties as may be determined by the Executive Board or the President.

### **Section 3. Secretary**

The Secretary shall:

- a. Attend and participate in all Executive Board meetings and act as a clerk thereof by recording minutes of all proceedings and votes.
- b. In concert with the President, make the arrangements for all meeting of the Executive Board, including the annual meeting of the organization.
- c. Assisted by a staff member, send notices of all meetings to the members of the Executive Board, and take reservations for the meetings.
- d. Update documents to be posted on the webpage and distributed to membership (i.e., membership application, show host application, etc.)
- e. Perform all tasks related to updating all social media sites.
- f. Create and maintain a point of contact roster for all of the directors to include the director's name, email address and cell phone number.
- g. Perform such other duties as may be prescribed by the Executive Board or the President.

#### **Section 4. Treasurer**

The role of the Treasurer shall be filled by an appropriate financial professional as determined by the Executive Board. The Executive Board may vote by  $\frac{3}{4}$  majority to remove or replace a Treasurer at any time.

The Treasurer shall:

- a. Attend and participate in all Executive Board meetings.
- b. Be responsible for all funds of AMAA including balancing all accounts receivable and payable.
- c. Assist the President in the creation of the annual budget and have the right of inspection of the funds including budgets and subsequent audit reports.
- d. Receive funds and distribute receipts for all monies due and payable to AMAA and deposit all such monies in the name of AMAA in such banks as may be selected by the Executive Board.
- e. Submit for AMAA the approval of all expenditures of funds raised by the Executive Board, proposed capital expenditures (equipment and furniture), by the staff of the agency.
- f. Present a complete and accurate report of the finances raised by this Executive Board at each meeting of the members, or at any other time upon request to the Executive Board.
- g. Assist in direct audits of the funds of the program according to funding source guidelines and generally accepted accounting principles.
- h. Not be an authorized signatory of the bank accounts of the organization.
- i. Perform such other duties as may be prescribed by the Executive Board or the President.

#### **Section 5. Winds/Percussion/Guard Coordinators**

The coordinator role is three separate entities and for the purpose of the duties it is to be understood that the winds/percussion/guard coordinators will answer to their area of responsibility.

The coordinators shall:

- a. Attend and participate in all Executive Board meetings.
- b. Provide support to their respective member units and act as a liaison between units and the Executive Board.
- c. Communicate with member units via email or phone on any questions that arise relating to their area of responsibility.
- d. Maintain full knowledge of AMAA and WGI rules related to winds, percussion, or guard including informing units of any rule changes or updates.
- e. Communicate any classification changes to the Unit Director.
- f. Work with the judge's coordinator and the respective committees to establish prospective educational seminars and clinics.
- g. Perform such other duties as may be prescribed by the Executive Board or the President.

### **Section 6. Winds/Percussion/Guard Member At-Large**

The member at-large role is three separate entities and for the purpose of the duties it is to be understood that the winds/percussion/guard members at-large will answer to their area of responsibility.

The members at-large shall:

- a. Attend and participate in all Executive Board meetings.
- b. Assist the Coordinator in fulfilling the duties required in their area of responsibility.
- c. Be vested with all the powers and shall perform all the duties of the Coordinator during the absence of the Coordinator.
- d. Provide support to their respective member units and act as a liaison between units and the Executive Board.
- e. Communicate with member units via email or phone on any questions that arise relating to their area of responsibility.
- f. Maintain full knowledge of AMAA and WGI rules related to winds, percussion, or guard including informing units of any rule changes or updates.
- g. Work with the judge's coordinator and the respective committees to establish prospective educational seminars and clinics.
- h. Perform such other duties as may be prescribed by the Executive Board or the President.

### **Section 6. Judge's Coordinator**

The Judge's Coordinator shall:

- a. Attend and participate in all Executive Board meetings.
- b. Confer with the Executive Board to secure qualified judges for AMAA contests.
- c. Work with the coordinators to establish prospective training sessions for both instructors and judges.

- d. Provide input on contest venues.
- e. Work with the judges, travel agent, and treasurer to arrange judge's travel (i.e., flight and hotel bookings, etc.)
- f. Coordinate with the show hosts to arrange judges' travel to and from show sites.

The Judge's Coordinator can receive compensation as approved by the Executive Board in the annual budget.

The Judge's Coordinator shall ensure that all potential AMAA judges report any primary or secondary affiliations with any AMAA member units.

- a. A primary affiliation within the past two (2) years would prohibit a judge from adjudicating for that AMAA season.
- b. A current secondary affiliation may or may not, at the discretion of the Executive Board, prohibit a judge from adjudicating for that AMAA season.

Affiliation definitions:

- a. A **primary affiliation** is a designer, instructor, consultant, or management of any competing groups.
- b. A **secondary affiliation** is any judge who receives compensation from the school and/or sponsoring organization and any related organization that sponsors or supports the competing unit.

### **Section 7. Board of Directors**

A Board of Directors shall be elected (minimum 3) to preside at meetings and act in the best interest of the circuit's members. These positions shall be elected by the membership on an annual basis.

### **Section 8. Election of Officers**

The Nominating Committee shall submit at the meeting prior to the annual meeting the names of those persons for the respective offices of the Executive Board. Nominations shall also be received from the floor after the report of the Nominating Committee. The election shall be held at the annual meeting of the Executive Board. Those officers elected shall serve a term of one (1) year, commencing at the next meeting following the annual meeting.

STRIKE "Officers of the Executive Committee shall be eligible to succeed themselves in their respective offices for two (2) terms only."

### **Section 9. Removal of Officer**

The Executive Board with the concurrence of three-fourths (3/4) of the members voting at the meeting may remove any officer of the Executive Board and elect a successor for the unexpired term. No officer of the Executive Board shall be expelled without an opportunity to be heard and notice of such motion of expulsion shall be given to the member in writing twenty (20) days

prior to the meeting at which motion shall be presented, setting forth the reasons of the Executive Board for such expulsion.

### **Section 10. Vacancies**

The Nominating Committee shall also be responsible for nominating persons to fill vacancies that occur between annual meetings, including those of officers. Nominations shall be sent in writing to members of the Executive Board at least two (2) weeks prior to the next meeting at which the election will be held. The persons so elected shall hold membership or office for the unexpired term in respect of which such vacancy occurred.

## **ARTICLE VII. COMMITTEES**

### **Section 1. Committee Formation**

The Executive Board may create committees as needed, such as fundraising, housing, public relations, data collection, etc. The President appoints all committee chairs.

### **Section 2. Executive Committee**

The six (6) officers serve as the members of the Executive Committee. Except for the power to amend the Articles of Inorganization and Bylaws, the Executive Committee shall have all the powers and authority of the Executive Board in the intervals between meetings of the Executive Board and is subject to the direction and control of the full Executive Board.

### **Section 3. Finance Committee**

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

## **ARTICLE VIII. CONFLICT OF INTEREST POLICY**

### **Section 1. Purpose**

The purpose of the conflict-of-interest policy is to protect AMAA's interest as a 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 AMAA 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.

## **Section 2. Definitions**

- a. Interested Person – Any Director, Officer, or member of the Executive Board or Committee, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest – A person has financial interest if the person has, directly or indirectly, through business, investment, or family:
  1. An ownership or investment interest in any entity with which AMAA has a transaction or arrangement,
  2. A compensation arrangement with AMAA or with any entity or individual with which AMAA has a transaction or arrangement, or
  3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which AMAA 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. A person who has a financial interest may have a conflict of interest only if the Executive Board decides that a conflict of interest exists.

## **Section 3. Procedures**

- a. Duty to Disclose:
  1. 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 Executive Board to consider the proposed transaction or arrangement.
- b. Determining Whether a Conflict of Interest Exists:
  1. After the disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Executive Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Executive Board members shall decide if a conflict of interest exists.
- c. Procedures for Addressing the Conflict of Interest:
  1. The President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
  2. After exercising due diligence, the Executive Board shall determine whether AMAA 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.

3. If a more advantageous transaction or arrangement is not reasonable possible under circumstances not producing a conflict of interest, the Executive Board shall determine by a majority vote of the disinterested Board members whether the transaction or arrangement is in AMAA'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.
- d. Violations of the Conflicts of Interest Policy
  1. If the Executive Board 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.
  2. If, after hearing the member's response and after making a further investigation as warranted by the circumstances, the Executive Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

#### **Section 4. Records of Proceedings**

The minutes of the Executive Board shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with any 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 Executive Board's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement and a record of any votes taken in connection with the proceedings.

#### **Section 5. Annual Statements**

Each Director, Principal Officer, or member of the Executive Board or Committee shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands AMAA is charitable and in order to maintain its federal tax exemption it must engage primarily in activities in which accomplish one or more of its tax-exempt purposes.

#### **Section 6. Periodic Reviews**



To ensure AMAA 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. 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.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to AMAA's written policies, are properly recorded, reflect reasonable investment or payments or goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

### **Section 7. Use of Outside Experts**

When conducting the periodic reviews as provided for in Section 7, AMAA may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Executive Board of its responsibility for ensuring periodic reviews are conducted.

## **ARTICLE IX. INDEMNIFICATION**

### **Section 1. General**

To the full extent authorized under the laws of Arkansas, AMAA shall indemnify any director, officer, employee, or agent, or former member, director, officer, employee, or agent of the organization, or any person who may have served at the organization's request as a director or other officer of another organization against expenses actually and necessarily incurred by such indemnitee in connection with the defense of any action, suit or proceeding in which that indemnitee is made a party by reason of being or having been such member, director, officer, employee, or agent, except in relation to matters as to which that indemnitee shall have been adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. The foregoing indemnification shall not be deemed exclusive of any other rights to which and indemnitee may be entitled under any by-law, agreement, resolution of the Executive Board, or otherwise.

### **Section 2. Expenses**

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by AMAA in advance of the final disposition of such action, suit, or proceeding, if authorized by the Executive Board, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

### **Section 3. Insurance**

AMAA may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee or agent against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not AMAA would have the power or obligation to indemnify such person against such liability under this Article.

## **ARTICLE X. AMENDMENTS**

### **Section 1. Articles**

The Articles may be amended in any manner at any regular or special meeting of the Executive Board, provided that specific written notice of the proposed amendment of the Articles setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each director at least three (3) days in advance of such a meeting if delivered personally, by facsimile, or by e-mail or at least five (5) days if delivered by mail. As required by the Articles, any amendment of the Articles shall require the affirmative vote of an absolute majority of directors then in office.

### **Section 2. Bylaws**

The Executive Board may amend these Bylaws by majority vote at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be affected thereby shall be given to each director within the time and the manner provided for the giving of notice of meetings of directors.