

BYLAWS OF A VETERAN'S BEST FRIEND 2017
EIN 90-0874432

ARTICLE I

Name, Office, Duration.

1.1. The name of this Nonprofit Organization (hereafter referred to as Organization) is a Veteran's Best Friend.

1.2 The principal place of business and administrative office shall be located at 116 N. First Street, Ste. C, Cabot, Arkansas.

1.3. The Organization shall have perpetual existence.

ARTICLE II

Purpose. The Organization is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, 1986, or the corresponding provision of any future federal law. Such purposes include but are not limited to:

- A. a Christian ministry that provides restoration and healing for PTSD Veterans and their families utilizing a team approach which includes physical, spiritual, emotional and community support at no cost to the Veteran;
- B. spiritual growth and encouragement provided by a Chaplain to transition the Veteran from military service to his/her family, community and church;
- C. a PTSD service dog provided at no cost to the Veteran by absorbing the cost of adoption, training and veterinarian fees until the veteran takes ownership of the dog;
- D. emotional support from other military Veterans utilizing a PTSD support group;
- E. emotional support for the Veterans' families.

ARTICLE III

Membership. The Organization shall have no paying members.

ARTICLE IV

Election, Number, Qualification, Powers, Meetings (Regular, Special, and Annual), Notice and Waiver, Quorum, Vacancy, Removal, Compensation.

4.1. Election. The Organization shall designate a Board of Directors who shall initially be appointed by the Executive Director to serve as Directors until Director's death, resignation, or removal as provided by these Bylaws.

4.2. Number. The initial number of Directors shall be three (3) and may be increased or decreased without further amendment of these Bylaws.

4.3. Qualifications. To serve as Director, an individual shall have prior experience serving on a Nonprofit board, general business or entrepreneurial experience, and shall have a desire to pay it forward with what they have, know, or have access to; in addition, it is preferred that each prospective Director shall have two (2) years" experience in working with Veterans or service dogs.

4.4. Powers. The Board of Directors shall have all corporate authority, except such powers as are otherwise provided in these Bylaws and the laws of the State of Arkansas, to conduct the affairs of the Organization in accordance with these Bylaws. The Board of Directors may by general resolution delegate to committees of their own number, or to the Officers of the Organization such powers as they deem appropriate.

4.5. Meetings. Regular meetings of the Board of Directors shall be held at the place and time designated by the Board of Directors including conference calls, monthly, quarterly or annual meetings, or otherwise called by a majority of the Board of Directors.

4.6. Special Meetings. Special meetings may be called by the Chairman of the Board or a majority of the Board of Directors. Persons authorized to call special meetings shall provide notice of the time and location of such meetings and state the purpose thereof, and no matter shall be considered by the Board of Directors at such special meetings except upon unanimous vote of all Directors present.

4.7. Annual Meetings. Directors may meet each year for the purpose of the Organization, the election of officers, and transaction of other business. The time and location of such meeting shall be noticed in writing.

4.8. Notice and Waiver. Notice of regular meetings and special meetings need not be in writing. Attendance at any meeting shall be considered waiver of the notice requirement thereof.

4.9. Quorum. A majority of the number of Directors fixed by Section 2 of this Article IV shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. A quorum shall not be established if more than 50 percent of such quorum is related by blood or marriage or otherwise have joint financial interests, such as business partnerships, etc. If less than a majority is present in a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

4.10. Vacancy. Any vacancy occurring in the Board of Directors shall be filled by majority vote of the remaining Directors, though less than a quorum. Each person so elected shall serve initial terms of two (2) years unless otherwise asked and agreed upon by a majority of the Board of Directors.

4.11. Removal. Any Director may be removed by majority vote of the remaining Directors for failure to act in the best interests of the Organization, or lack of sympathy with the stated purpose of the Organization.

4.12. Compensation. Directors shall receive no compensation for their service except the Executive Director. The Executive Director shall be excluded from voting on any compensation issues related to his/her compensation to protect the Organization from a conflict of interest.

ARTICLE V

5.1. Officers.

5.1.1. Designation of Officers. The Officers of the Organization shall be the Chairman, Secretary, and Treasurer, and they have authority to carry out the duties prescribed by these Bylaws. The initial Officers of the Organization shall be designated by the Executive Director, and shall serve for two (2) years. One person may hold more than one office, except no person may hold the office of the Chairman of the Board and Secretary.

5.1.2. Election and Term. Officers of the Organization shall be reelected at the annual meeting of the Board of Directors, and shall serve for one (1) year or until their replacements are elected and qualified.

5.1.3. Removal. At any regular or special meeting, any Officer may be removed by majority vote of the Board of Directors for failure to carry out the duties of the office as prescribed by these Bylaws, conduct detrimental to the Organization, or for lack of sympathy with the stated purpose of the Organization. Any Officer proposed to be removed is entitled to five (5) business days' notice of the meeting at which the removal shall be considered and may address the Board of Directors at such meeting.

5.1.4. Compensation. Officers of the Organization shall receive no compensation. The fact that any Officer is also an Executive Director shall not preclude receipt of reasonable compensation for services provided under V of these Bylaws.

5.1.5. Vacancy. Vacancies, in office for any reason, shall be filled by the Board of Directors for the unexpired term of office.

5.2. Duties of Officers.

5.2.1. Chairman. The Chairman is the Chief Executive Officer of the Organization and will, subject to the control of the Board of Directors or any committees, supervise and control the affairs of the Organization. The Chairman of the Board will perform all duties incident to the office of the Chairman and any other duties that may be required by these Bylaws or prescribed by the Board of Directors.

5.2.2. Secretary. The Secretary will keep minutes of all meetings of the staff and the Board of Directors, be the custodian of the Organization's records, give all notices as are required by law or by these Bylaws, and generally perform all duties incident to the office of Secretary and any other duties as may be required by law, by these Bylaws, or which may be assigned by the Board of Directors.

5.2.3. Treasurer. The Treasurer will have charge and custody of all funds of the Organization, and will deposit the funds as required by the Board of Directors, keep and

maintain adequate and correct accounts of the Organization's properties and business transactions, and render reports and accountancy to the Directors. The Treasurer will perform all duties incident to the office of Treasurer, and any other duties that may be required by law, by these Bylaws, or as prescribed by the Board of Directors.

5.3. Other Members of the Board of Directors.

5.3.1. General Members. General Members shall be nominated by the existing Board of Directors, and a vote will be cast by the majority of all Board members to add said person. The term shall be three (3) years.

5.3.2. Veteran Members. At least one seat of the General Members on the Board of Directors shall be filled by a Veteran.

ARTICLE VI

Restrictions on Actions

6.1. All the assets and earnings of the Organization shall be used exclusively for its exempt purposes, including payment of expenses incidental thereto. No part of any net earnings shall inure (take effect) to the benefit of any employee of the Organization or be distributed to the Directors, Officers, or any private person, except that the Organization shall be empowered to pay reasonable compensation for services rendered and make payments and distributions in furtherance of the purposes set forth in Article II of these Bylaws.

6.2. Notwithstanding any other provision of these Bylaws, the Organization will not carry on any activities not permitted by an organization exempt under Section 501(c)(3), Internal Revenue Code, 1986, or the corresponding provision of any future federal law, or organizations whose contributions which are exempt under Section 170(c)(2), Internal Revenue, 1986, or the corresponding provision of any future federal law. The Organization shall have no capital stock, pay no dividends, distribute no part of its net income or assets to any Directors, Officers, and private property of the subscribers. Directors or Officers shall not be liable for the debts of the Organization.

6.2.1. No substantial part of the Organization's activity shall be for the carrying on of a campaign of propaganda or otherwise attempting to influence legislation. The Organization shall not participate in any political campaign, will not engage in political campaigns or attempt to influence legislation or interfere with any political campaign on behalf or in opposition to any candidate for public office.

6.2.2. In particular, but not without limitation of the generality of the foregoing paragraph, during such time as the Organization may be considered a private foundation as defined by Section 509(a), Internal Revenue Code, 1986, or the corresponding provision of any future federal law, it shall not:

- a. fail to distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942, Internal Revenue Code, 1986, or the corresponding provision of any future federal law.

- b. engage in any act of self-dealing as defined in Section 4941(d), Internal Revenue Code, 1986, or the corresponding provision of any future federal law.
- a. retain any excess business holdings as defined in Section 4943(c), Internal Revenue Code, 1986, or the corresponding provision of any future federal law.
- b. make any investment in such manner as to subject it to tax under Section 4944, Internal Revenue Code, 1986, or the corresponding provision of any future federal law.
- c. make any taxable expenditures as defined in Section 4945(d), Internal Revenue Code, 1986, or the corresponding provision of any future federal law.

ARTICLE VII

Contracts, Checks, Deposits, Gifts, and Loans

7.1. Contracts. The Board of Directors may authorize, by general resolution, a Director or Directors, an agent or agents, in addition to persons authorized by these Bylaws to enter into any contract on behalf of the Organization.

7.2. Checks, Drafts, and Orders of Payment. All checks, drafts, notes, or orders of payment or other evidence of indebtedness issued in the name of the Organization shall be signed by the Officer or Board agent such as the Board of Directors may from time to time designate by general resolution of the Board of Directors.

7.3. Deposits. All funds of the Organization shall be deposited from time to time to the credit of the Organization in such banks, trust companies, or other depositories as the Board of Directors may designate.

7.4. Gifts. The Directors, collectively or individually, any Officer or designated agent may accept gifts, contributions, bequests, or device of any property on behalf of the Organization.

7.5. Loans. No Director, Officer, or agent shall have the authority on behalf of the Organization to enter into any loan or other contract of indebtedness except by unanimous vote in a specific resolution of the Board of Directors. The authority designated by this provision shall be limited to a single and specific instance.

ARTICLE VIII

Voting on Compensation

8.1. Voting Members of the Board. A voting member of the governing Board who receives compensation, directly or indirectly, from the Organization is precluded from voting on matters pertaining to that member's compensation.

8.2. Voting Members of a Committee. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or

indirectly, from the Organization for services, is precluded from voting on matters pertaining to that member's compensation.

8.3. Sharing of Compensation Information. No voting member of the governing Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committees regarding compensation.

8.4. Nepotism. The majority of our Board of Directors will be non-salaried and will not be related to salaried personnel or to parties providing services. In addition, all compensation decisions will be made by the Board of Directors.

8.5. Factors for Compensation Paid. Further, all compensation paid will be reasonable and will be based on the following factors:

- a. The type and amount and the type of compensation received by others in similar positions
- b. The compensation levels paid in our particular geographic community
- c. The amount of time the individual is spending in their position
- d. The expertise and other pertinent background of the individual
- e. The size and complexity of our Organization
- f. The need of our Organization for the services of the particular individual

ARTICLE IX

Dissolution.

Upon dissolution of the Organization, the Board of Directors shall, after paying or making provision for payment of all liabilities of the Organization, including costs and expenses of such dissolution, dispose of all assets of the Organization exclusively for the exempt purposes of the Organization or distribute to an organization described in Section 501(c)(3) or 170(c)(2) of the internal Revenue Code, 1986, or the corresponding provision of any future federal law, as shall be selected by the Board of Directors. None of the assets so disposed of by, and in the same manner designated by, the state court having jurisdiction over the matter.

ARTICLE X

Statement of Nondiscrimination.

Notwithstanding any provision of these Bylaws, the Organization shall not discriminate against any qualified Director, Officer, employee, applicant, or participant on the basis of age, marital status, race, color, ethnicity or national origin, disability status, veteran status, religion or creed, gender, gender expression or sexual orientation.

ARTICLE XI

Changes to Bylaws.

The Board of Directors shall have the power to amend, alter, make and repeal the Bylaws of the Organization by majority vote.

ARTICLE XII

Periodic Reviews.

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews will 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 the Organization'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 access benefit transaction.

ARTICLE XIII

Use of Outside Experts.

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

ADOPTION OF BYLAWS

Adopted by the Board of Directors by resolution and vote of all Directors on the Date below:

Frances Kirk, Co-Executive Director 2021, Veteran Member

Date

Greg Sporer, Co-Executive Director, Veteran Member

Date

Joe McGloflin, Incoming Chairman, Board of Directors 2021, Veteran Member

Date

Ann Hooper, Treasurer, Board of Directors, Military Widow

Date

Laurie Gent Mobley, Secretary, Board of Directors, Military Widow

Date

Susie Goebel, Veteran Member, Board of Directors

Date

Bill Weaver, Veteran Member, Board of Directors

Date

APPENDIX

RESOLUTION

Conflict of Interest

SECTION 1. Purpose. The purpose of the Conflict of Interest policy is to protect this tax-exempt Organization's interest when it is contemplating entering into a transaction or arrangement that may 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 application to nonprofit and charitable organizations.

SECTION 2. Definitions.

2.1. 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.

2.2. 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 the Organization has a transaction or arrangement;
- b. a compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement;
- c. a potential ownership or investment interest in, or compensation agreement with any entity or individual with which the Organization is negotiating a transaction or arrangement.

2.3. Compensation. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 3.2, a person who has a financial interest may have a conflict of interest only if the appropriate governing Board or committee decides that a conflict of interest exists.

SECTION 3. Procedures.

3.1. Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

3.2. 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.

3.3. Procedures for Addressing the Conflict of Interest.

3.3.1. 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 then vote on, the transaction or arrangement involving the possible conflict of interest.

3.3.2. 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.

3.3.3. After exercising due diligence, the governing Board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would give rise to a conflict of interest.

3.3.4. 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 the Organization'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.

3.4. Violation of the Conflict of Interest Policy

3.4.1. If the governing Board or committee has reasonable cause to believe an individual has failed to disclose actual or possible conflicts of interest, it shall inform the individual of the basis for such belief and afford him/her an opportunity to explain the alleged failure to disclose.

3.4.2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing Board or committee determines the individual has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary action.

SECTION 4. Records of Proceedings. The minutes of the governing Board and all committees with Board delegated powers shall contain:

- a. the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest is present, and the governing Board's or committee's decision as to whether a conflict of interest in fact exists.
- 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 notes taken in connection with the proceedings.

SECTION 5. Annual Statements. Each year by January 31 each Director, principal Officer and member of a committee with governing Board delegated powers will annually sign a statement with affirms such person:

- a. has received a copy of the Conflict of Interest Policy.
- b. has read and understands the Policy.

- c. has agreed to comply with the Policy.
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

This Conflict of Interest Resolution was adopted by the Board of Directors or members of the Organization on ___/___/_____.

Laurie Mobley, Secretary, Board of Directors

Date

