

**BYLAWS OF THE BKS IYENGAR YOGA ASSOCIATION OF THE
SOUTHEAST UNITED STATES, INC.**

Revised March 2021

PLEDGE, MISSION, VISION, & VALUES	3
Mission.....	3
Vision.....	3
Values	3
ARTICLE I: NAME	4
ARTICLE II: PRINCIPAL OFFICE	4
ARTICLE III: SCOPE AND REGIONAL FUNCTION.....	4
ARTICLE IV: MEMBERSHIP	4
ARTICLE V: MEETING OF MEMBERS.....	5
ARTICLE VI: BOARD OF DIRECTORS.....	5
Section 1: Number	5
Section 2: Qualification	5
Section 3: Composition.....	5
Section 4: Term of Office and Election.....	5
Section 5: Election of New Board Members	5
Section 6: Regular Meetings and Place of Meetings	6
Section 7: Special Meetings.....	6
Section 8: Action without Meeting.....	6
Section 9: Quorum	6
Section 10: Vacancies	6
Section 11: Annual Report.....	6
Section 12: Service Mark Guidelines	6
ARTICLE VII: BOARD COMPOSITION.....	7
Section 1: Officers	7
Section 2: Removal.....	7
Section 3: Vacancies	7
Section 4: President.....	7
Section 5: Vice-President.....	7
Section 6: Secretary	8
Section 7: Treasurer	8
ARTICLE VIII: COMMITTEES.....	8
Section 1: Standing Committees.....	8
Section 2: Membership Committee	8

Section 3: Newsletter Committee	9
Section 4: Continuing Education Committee	9
Section 5: Scholarship Committee.....	9
Section 6: Website Committee.....	9
Section 7: PR/Communications Committee	9
Section 8: Social Media Committee	9
Section 9: Ad Hoc Nominating Committees	10
Section 10: Chairpersons	10
ARTICLE IX: TRANSACTIONAL BUSINESS.....	10
Section 1: Contracts.....	10
Section 2: Checks, Drafts, Notes, and other official accounting	10
Section 3: Deposits	10
Section 4: Contributions, Gifts, Donations and Grants.....	10
ARTICLE X: BOOKS AND RECORDS	10
ARTICLE XI: FISCAL YEAR.....	11
ARTICLE XII: AMENDMENT OF BYLAWS	11
ARTICLE XIII: CONFLICT OF INTEREST AND COMPENSTATION APPROVAL POLICIES	11
Section 1. Purpose of Conflict-of-Interest Policy	11
Section 2. Definitions.....	11
Section 3. Conflict of Interest Avoidance Procedures	12
Section 4. Records of Board and Board Committee Proceedings	13
Section 5. Compensation Approval Policies.....	13
Section 6. Annual Statements	15
Section 7. Periodic Reviews	15
Section 8. Use of Outside Experts	15

PLEDGE, MISSION, VISION, & VALUES

Board Pledge

We agree to abide by all of the bylaws of the BKS Iyengar National Association of the United States, incorporated and referred to below as IYNAUS. The bylaws established below are supplementary to the IYNAUS bylaws and relate to the specific mode of operation of our regional organization. The “Southeast” shall refer to Alabama, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia, and Washington, D.C.

Mission

The Iyengar Yoga Association of the Southeast (IYASE) builds community and facilitates the study of yoga based on the teachings and philosophy of B.K.S. Iyengar and in support of the Iyengar Yoga National Association of the United States (IYNAUS).

We achieve our mission through four focal activities.

1. Information dissemination: Newsletters distributed two or more times a year to members and maintenance of internet presence via both a web site (iyase.org), e-bulletins (e-mails to members and others who opt in), and other social media.
2. One to two Continuing Education Workshops per year hosted within our region. Workshops may be delivered via electronic means to better serve more members.
3. A Scholarship program that includes awards for (1) participation in IYASE continuing education workshops, regional conferences and the national convention sponsored by IYNAUS, (2) expenses associated with going through the Iyengar yoga teacher certification process, and (3) studying at the Ramamani Iyengar Memorial Yoga Institute (RIMYI).
4. Maintaining the Lotus Fellowship Fund, created in the aftermath of Hurricane Katrina, that now provides IYASE a discretionary means by which to contribute immediate financial assistance to members in times of serious need.

Vision

IYASE spreads the teachings of Iyengar Yoga throughout the Southeast Region while increasing and diversifying its membership.

Values

We value the legacy of BKS Iyengar and take responsibility for sharing his teachings throughout the Southeast. We value communication, team work, diversity, and inclusion within our community as we strive toward our vision.

ARTICLE I: NAME

The name of this organization shall be the B.K.S. Iyengar Yoga Association of the Southeast United States, Inc., also named and referred to below as IYASE. IYASE was begun as a regional branch of IYNAUS, and now exists as a separate but related non-profit corporation, registered in the State of Florida (5.23.2011).

ARTICLE II: PRINCIPAL OFFICE

The place of business of IYASE must be in the state of Florida. Currently, the principal office of IYASE for billing, accounts and domicile is

c/o Laura Plofchan
40 Bimini Cove Drive
Ocean Ridge, FL 33435

In order to maintain a Florida address, we must have someone on the board who resides in the state of Florida. Could consider hiring an attorney to be the registered agent.

The location of the principal office may be changed at any time by a majority vote of the board of directors.

1. IYASE will file all tax forms under the IYASE taxpayer identification number 27- 2417038.

ARTICLE III: SCOPE AND REGIONAL FUNCTION

1. To facilitate and expedite communication between IYNAUS and the students and teachers of Iyengar Yoga residing in Alabama, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, Washington, DC and West Virginia.
2. To publish an IYASE regional newsletter periodically and distribute it to the members.
3. To maintain an IYASE website and periodically send e-bulletins to members who opt-in.
4. To implement IYNAUS decisions at the regional level and to disseminate policies of IYNAUS and its committees.
5. To help promote well informed and educated Iyengar Yoga teachers within the southeast region.

ARTICLE IV: MEMBERSHIP

Individual membership is open to all persons interested in being a part of and in

furthering the purposes and goals of IYNAUS in the IYASE region. All members of IYASE are simultaneously enrolled as members of IYNAUS. The board of directors shall set a nominal annual membership fee, which is inclusive of the IYNAUS membership fee. Members of IYNAUS may elect to be enrolled as members of IYASE.

ARTICLE V: MEETING OF MEMBERS

Membership meetings may be called by the board of directors or by a majority of members through a petition. The board of directors shall set the specific time and place of membership meetings.

ARTICLE VI: BOARD OF DIRECTORS

Section 1: Number

The board of directors shall consist of at least ten (10), and up to fourteen (14), members. In accordance with Article II, we must have someone on the board who resides in the state of Florida in order for IYASE to maintain a Florida address as its central place of business. A Florida resident must act as a registered agent of IYASE.

Section 2: Qualification

All members of the board of directors shall have completed at least two years of study of Iyengar Yoga. At least seven (7) members shall be certified teachers, at least one (1) of whom should be certified at Level 2 or above. Board members may be absent from one meeting per year without being subject to dismissal.

Section 3: Composition

The composition of the Board will reflect the geographical makeup of the region.

Section 4: Term of Office and Election

The term of office for each member of the board of directors is three years, followed by a 6-month period in which the retired member should be available for training new board members if needed. Board members may elect to serve an additional term if elected by the remainder of the board. After a two-year absence from the board, members who served two consecutive terms shall again be eligible for election.

Section 5: Election of New Board Members

The standing board of directors shall announce the fall elections by eBulletin and/or newsletter and request nominations from the membership. Nominees must confirm in writing their willingness to serve on the board in order to be included on the ballot. Biographical information from nominees is to be collected by October 1. Ballots shall be electronically distributed by November 1. Ballots shall be counted by November 15. New members shall be notified by December 1 and will take office in January. The last newsletter of the year shall announce incoming board members as well as identifying

those who have served.

Section 6: Regular Meetings and Place of Meetings

The board of directors shall meet at least three times per year. The meetings may be held in person or by teleconference. If the board meets in person, the place of the meetings shall be determined by a consensus of the board of directors.

Section 7: Special Meetings

Special meetings of the board of directors, for any purpose, may be called at any time by the president, the vice-president, or the secretary, and any two board members. Notice of the time and place of the meeting shall be delivered by telephone or by e-mail.

Section 8: Action without Meeting

Any action required or permitted to be taken by the board of directors may be taken without a meeting if a quorum of members of the board consent in writing (including e-mail or by electronic survey) to that action. Such action shall be filed with the minutes of the board.

Section 9: Quorum

Fifty percent (50%) of the board members to the highest whole number shall constitute a quorum for the transaction of business.

Section 10: Vacancies

Vacancies on the board of directors may be filled by a vote of the majority of the remaining board members. Any board member elected by the board to fill a vacancy shall hold office until that original term expires. At the end of that term, if it is two years or less, this member may be re-elected to a regular term of office if a quorum of the board votes to do so.

Section 11: Annual Report

The IYASE board shall provide a brief annual report describing significant activities of IYASE during the year, together with a brief statement of financial position and source and uses of funds. This shall be published in the first newsletter of each year.

Section 12: Service Mark Guidelines

Use of the service mark is contingent upon meeting the following requirements:

1. At least three members of the Board must be certified Iyengar Yoga teachers (CIYTs).
2. Elections will be held to fill the positions of retiring Board members.
3. Payment for the service mark will be made as directed and communicated to

IYNAUS by the Iyengar family, and by IYNAUS to IYASE.

ARTICLE VII: BOARD COMPOSITION

Section 1: Officers

The board shall designate members to carry out the official functions of the president, vice-president, treasurer and secretary. The same person, except president and secretary, may hold any two or more offices. The board of directors, at its discretion, may designate other official functions.

Section 2: Removal

Any officer may be removed by a vote of two-thirds (2/3) of the board of directors, whenever in its judgment, the best interests of IYASE would be thereby served.

Section 3: Vacancies

The board of directors shall fill a vacancy in any office. In the event of the resignation of the president or an extended leave of absence e.g. study in India, the vice president will assume the responsibilities of the president. In the event of an extended absence of the treasurer, he or she will forward the deposit book and stamp to the membership chair and make checks available to the president.

Section 4: President

In order to be eligible to serve as president, a board member needs to be a certified teacher and needs to have served as a committee chair, vice president, secretary, or treasurer for at least one year. On assuming the presidency, the board member shall resign his/her committee chair. The president shall be elected to serve a one-year term and is eligible to serve a second one-year term at the discretion of, and if elected by, the board. The president shall set an overall agenda for the regional organization with appropriate goals and objectives for her/his term of office; convene and preside over all board meetings; coordinate the activities of the standing committees; assure that any committee, committee chair, board vacancies are filled promptly; facilitate all decision making by the board of directors; and update plans for future board leadership. The president, along with the vice-president and treasurer shall have check signing authority on any bank accounts IYASE maintains.

Section 5: Vice-President

In order to be eligible to serve as vice-president, a board member should be a certified teacher and have served on the board for at least one year and be the chairperson of a standing committee. The vice-president shall be elected to a one-year term . The role of vice-president shall be to assume the responsibilities of president should the president be unable to do so. The vice-president, along with the president and treasurer, shall have check signing authority on any bank accounts IYASE may maintain.

Section 6: Secretary

The secretary shall be responsible for keeping a full and complete records of the proceedings of the board of directors and will provide the president with minutes of each board meeting within four weeks following the meeting. The secretary is elected for a one-year term.

Section 7: Treasurer

If required by the board of directors, the treasurer shall give a bond, paid for by IYASE, for the faithful discharge of her/his duties in such sum and with such surety, as the board of directors shall determine. He/she shall report to the board about IYASE's financial status and map strategies for maintaining financial well-being. He/she shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for money due and payable to IYASE, and deposit all such monies in the name of the corporation in such bank, trust companies or other depositories as shall be selected by the board and perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the president.

Each year, the Treasurer shall pay a service mark royalty fee of \$100.00 USD on behalf of IYASE and using funds from IYASE. Payment will be made as directed and communicated to IYNAUS by the Iyengar family, and by IYNAUS to IYASE. The service mark royalty fee for the year is due by January 31 of that year. If amended by IYNAUS or RIMYI, the date stated here may be amended by the board by vote of a quorum without a two-month hiatus in order to comply with IYNAUS requirements.

The treasurer will serve on the Scholarship Committee and shall have check signing authority, along with the president and one other officer. The treasurer is elected for a one-year term.

ARTICLE VIII: COMMITTEES

The board of directors may designate any committees it deems appropriate, each of which shall consist of one or more board members. These committees may be created or terminated by the president with the approval of the board of directors. All major decisions of any committee shall be guided by existing board policy, and new policy will be subject to approval by the board of directors.

Section 1: Standing Committees

Standing committees are those that represent continuing activities of IYASE. They shall include, but not be limited to, membership, newsletter, website, PR/communications, continuing education, scholarship, and social media.

Section 2: Membership Committee

The membership committee shall be responsible for accessing up- to- date membership lists through IYNAUS, reporting and analyzing membership data for the

board, providing membership mailing labels and/or electronic lists to board committees as needed, and supporting efforts to retain and expand membership, for example by organizing membership drives. The board of directors, at its discretion, may designate other official functions.

Section 3: Newsletter Committee

The newsletter committee is responsible for the creation, publication and distribution of the IYASE newsletter to the membership. There will be two or more newsletters each year; they will be mailed electronically to the membership.

Section 4: Continuing Education Committee

The continuing education committee shall be responsible for organizing, publicizing and producing any continuing education workshops or related events that the IYASE board of directors decides to produce.

Section 5: Scholarship Committee

The scholarship committee is responsible for awarding scholarships based on the annual budget approved by the board at the beginning of the year. This committee will also ensure that whatever guidelines the board sets regarding the receipt of these funds are strictly followed. The treasurer shall always be one of the members of this committee.

The Lotus Fellowship Fund is a sub-committee of scholarship. The scholarship chair or his/her designee from the board will oversee the Lotus Fellowship Fund. That person will communicate directly with the Treasurer regarding use and distribution of funds; will determine what funds are available for scholarship use in any calendar year and will assume leadership in implementing relief efforts in times of need and in fundraising at other times.

Section 6: Website Committee

The website committee is responsible for maintaining current content on and the format of the website www.iyase.org. They will collect information from each of the other standing committees for inclusion.

Section 7: PR/Communications Committee

The PR/communications committee is responsible for the creation, publication and distribution of the IYASE e-bulletin to the membership. There will be 10 to 15 e-bulletins each year distributed to the membership.

Section 8: Social Media Committee

The Social Media committee is responsible for utilizing social media such as Facebook, Twitter, or Instagram to publicize the activities and resources of IYASE and its members, and to facilitate communication amongst the members in support of their practice of

Iyengar Yoga.

Section 9: Ad Hoc Nominating Committees

The president will create an ad hoc nominating committee to oversee the nomination and election of new board members. The committee will consist of at least three members and its chair will be a certified teacher who has served on the board for at least two years.

Section 10: Chairpersons

The chairperson of each committee shall be appointed by the president, subject to the approval of the board of directors.

ARTICLE IX: TRANSACTIONAL BUSINESS

Section 1: Contracts

The board of directors may authorize any officer or officers or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and to enter into contracts to purchase or lease property, and such authority may be general or confined to specific instances.

Section 2: Checks, Drafts, Notes, and other official accounting

All checks, drafts or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president, vice-president or secretary of the corporation.

Section 3: Deposits

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the board of directors may select.

Section 4: Contributions, Gifts, Donations and Grants

The board of directors may accept, on behalf of the corporation, any contribution, gift, donation, grant, bequest or devise for the general purpose or for any special purposes of the corporation.

ARTICLE X: BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall

also keep minutes of the proceedings of its board of directors and of its committees having any authority of the board of directors. All books and records of the corporation may be inspected by any director, or his/her agent or attorney for any proper purpose at any reasonable time and place.

ARTICLE XI: FISCAL YEAR

The fiscal year of the corporation shall be from January 1 to December 31, or as the board at any time or from time to time hereafter determines.

ARTICLE XII: AMENDMENT OF BYLAWS

These bylaws may be amended or repealed and new bylaws may be adopted by a vote of a majority of the members of the board of directors, if at least two months written notice is given of intention to amend or repeal or adopt new bylaws at a board meeting. However, changing the number of members on the board of directors may be adopted, amended or repealed only by the vote or written consent of a majority of members of IYASE or the vote of a majority of a quorum at a meeting of the members of IYASE called for that purpose.

ARTICLE XIII: CONFLICT OF INTEREST AND COMPENSTATION APPROVAL POLICIES

Section 1. Purpose of Conflict-of-Interest Policy

The purpose of this conflict-of-interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. 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, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest.** A person has a 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 the corporation has a transaction or arrangement;
 2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement;
or
 3. A potential ownership or investment interest in, or compensation

arrangement with, any entity or individual with which the corporation 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. Under Section 3, paragraph B, 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. Conflict of Interest Avoidance Procedures

- a. 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.
- b. 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.
- c. Procedures for Addressing the Conflict of Interest.** 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.

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.

After exercising due diligence, the governing board or committee shall determine whether the corporation 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.

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 corporation'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.** 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.

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.

Section 4. Records of Board and Board Committee Proceedings

The minutes of meetings 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 was present, and the governing board's or committee'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. Compensation Approval Policies

A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the board or a duly constituted compensation committee of the board shall also comply with the following additional requirements and procedures:

- a. the terms of compensation shall be approved by the board or compensation committee prior to the first payment of compensation;
- b. all members of the board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):
 1. is not the person who is the subject of the compensation arrangement, or a family member of such person;
 2. is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
 3. does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement;
 4. has no material financial interest affected by the compensation arrangement; and

5. does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.
- c. The board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
1. compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
 2. the availability of similar services in the geographic area of this organization;
 3. current compensation surveys compiled by independent firms;
 4. actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

- d. The terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:
the terms of the compensation arrangement and the date it was approved;
1. the members of the board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each board or committee member;
 2. the comparability data obtained and relied upon and how the data was obtained;
 3. If the board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board or committee shall record in the minutes of the meeting the basis for its determination;
 4. If the board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the board or committee meeting;
 5. any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the

arrangement);

6. The minutes of board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board or committee meeting or 60 days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the board or committee.

Section 6. Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers 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 the corporation 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.

Section 7. Periodic Reviews

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, 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 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.

Section 8. Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, the corporation 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.