

VVA Board of Directors' Policies Reference Guide



May 19, 2012

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ANC formerly ANAC
(Definition thereof)
(Approved Motion # 4, April 22, 2006)

BACKGROUND

The term ANAC (At No Additional Cost) has been used for several years and has been used primarily, but not exclusively, when approving members to committees and task forces. The popular understanding of this term is that any member approved for a committee or task force would be attending meetings etc., on their own funding and at NO cost to VVA National. It has occasionally been used with other motions again with the intent of “no cost to VVA”.

Recently, a new definition appears to have developed wherein ANAC would mean that approval of committee / task force members ANAC would mean that these members could be funded by the committee / task force as long as the cost would not be in “addition” to the established budget.

POLICY

It appears obvious that the above situation needs to be clarified and that is the intent of this policy. The term ANAC will no longer be used. In its place will be ANC – At No Cost. This is intended to be very specific – any motion ANC will mean NO cost to VVA.

This policy becomes effective immediately upon approval.

At Large Membership Policy 08/10/10

The VVA Membership Affairs Committee has concerns that there is currently no written guideline or policy pertaining to at large members which would clarify procedure for the VVA Membership Department staff to properly record the membership in the VVA database.

The relevant parts of the VVA Constitution state: **Article I National Provisions, Section 3 – Membership, paragraph B and Article I, Section 6 – National Conventions, Paragraph C, item number 2:**

B. The Board of Directors shall have the authority to designate classes of members, and the dues, entitlements, eligibility requirements, and available services concerning such members, and shall have the authority to restrict from membership a person or group of persons when, in their judgment, admission of such person or persons would be inconsistent with, or detrimental to, the purposes, principles, objectives, or goals of the Corporation or otherwise.

2) "Each State Council President shall be entitled to one (1) vote at the National Convention. In addition, each State Council shall be entitled to one (1) vote for each full block of one-hundred (100) members of Vietnam Veterans of America, who are either not affiliated with a Chapter or who are members of a Chapter whose membership is less than twenty-five (25) as set forth above."

Background: the committee has not previously recommended to the VVA National Board of Directors that a defined policy be in place to guide the VVA Membership Department staff in dealing with at large membership. Developing such a policy includes: 1) defining the opportunities available to new or current VVA At Large members; 2) inclusion for delegate representation; 3) dues rebates; 4) transfer of membership; and 5) disaffiliation upon chapter charter revocation.

The VVA Membership Affairs Committee recommends that the VVA National Board of Directors approve the VVA At Large Membership Policy:

Opportunities Available to New or Current VVA At Large Members:

Any new VVA member who requests to be in an At Large status will be offered the opportunity to be affiliated with any Chapter/State of his/her choosing by letter from VVA National.

Current At Large members shall remain at their present status in the VVA database unless they request a transfer which is covered under "Transfer To or From Chapter" section of this policy.

Delegate Representation: an At Large member will be credited to a state roster of his/her choice and this is for proper representation at VVA conventions.

Dues Rebates: an At Large member will be credited to a state roster of his/her choice and this allows a dues rebate to be sent to the State Council.

Transfer To or From Chapter: all At Large members whether new or current VVA members must submit signed membership transfer form before the transfer will be recorded in the VVA database. The only exception would be no member transfers prior to VVA Convention as per approved policy.

Disaffiliation Upon Chapter or State Council Charter Revocation: upon Chapter charter revocation, a former chapter member will be offered to affiliate with another chapter/State of his/her choice or if no choice is made, the member will be recorded as At Large status in the State of the chapter revocation.

Upon State Council charter revocation, an At Large member will be credited to a state roster **or affiliate with the chapter** of his/her choice. This allows a dues rebate to be sent to a State Council **or a chapter** per **the current** VVA BOD approved policy (**Dues and Rebates**) and proper representation at VVA conventions by a state council as per the VVA Constitution.

BOARD CONFIDENTIALITY POLICY

This policy is designed to address the need to keep certain items, considered by the Board of Directors, as well as the report out of such items, confidential so that the best interests of Vietnam Veterans of America, Inc. will be protected. The intent of this policy is that most items should be unrestricted so that the outcome of the Board's deliberations will be as visible as possible to the membership. The need for confidentiality may arise from many different circumstances, such as:

- ❖ Confidential attorney-client communications, which are privileged because in order to get the best advice, clients must be able to be completely candid with their legal counsel;
- ❖ Personnel and disciplinary matters, where an individual's privacy rights are involved. Also, the corporation may risk a defamation suit if negative information about a person is publicized and turns out to be false;
- ❖ Board Executive Session meetings.

On the other hand, in a membership organization accountable to its membership, openness is an important value. For instance, members will have more trust in their elected leaders if they are able to hear about and understand the decisions made by those in leadership.

In other situations, where rumors or misinformation may be circulating within the organization, it may be necessary for the Directors, to write and speak openly in order to set the record straight.

Legal Principles

A confidentiality policy must be based on the following legal principles:

1. Directors, Officers, employees, agents and members of the corporation, authorized by the Board of Directors to receive information, have fiduciary duties of care and loyalty, to protect the best interests of the corporation. These duties arise when they enter into a fiduciary relationship with the corporation, and may even continue after the relationship has ended.
2. Part of the fiduciary duty of care is the duty to protect the confidences of the corporation. After a person ceases to be a Director, Officer, employee, agent or members of the corporation authorized by the Board of Directors to receive the information, he or she may possess information received while in a capacity of a fiduciary. If the person uses or reveals such information in a manner damaging to the corporation, the corporation may take legal action.

3. The decision as to when and to whom confidential information, received in a fiduciary relationship with a corporation, is disclosed to others belongs to the corporation, not the individual. Only those Officers, Directors, employees, agents, or members of the corporation authorized by the Board of Directors to disclose confidential information may do so.
4. Corporate Law does not require that meetings of a nonprofit corporation Board of Directors be open to the public or even to voting members of the corporation. Board material properly classified as confidential may be withheld from the public and from members.

Procedures

Considering these principles, the following procedures shall be used to protect the confidences of the Board of Directors of Vietnam Veterans of America Inc.:

1. Each document provided to Officers, Directors, employees, agents, or members of the Corporation, in connection with Board business (an “item”) shall be classified under one of these two categories:

- a. Confidential

Items classified as “Confidential” shall not be photocopied for, shown to, or discussed with anyone except members of the Board of Directors and/or those employees, agents, or members of the corporation authorized by the Board of Directors to receive the information.

Examples include materials containing attorney-client communications, personnel and disciplinary matters, background/position/problem documents, draft policies, draft procedures, and other reports, plans, budgets, and commentaries prepared for Committee and Board deliberations, Board of Directors Executive Session minutes.

- b. Non-Confidential

Items classified as “Non-Confidential” have no limitation on distribution or discussion. Officers, Directors, employees, agents and members of the corporation must use good judgment and discretion when handling such information, keeping the best interest of the organization uppermost.

Examples include Board approved policies and procedures (though they may have been classified as “Confidential” at an earlier stage), Board Meeting minutes (except executive sessions). Some matters contained in Board minutes might remain “Confidential”.

2. When items are prepared for distribution by Vietnam Veterans of America Inc. staff, the Staff Director shall tentatively classify each item. In some instances, a particular page or attachment may be classified differently from the rest of the item.
3. An item may be classified as “Confidential” until a specific time, after which the item becomes “Non-Confidential” and may be openly discussed. All those receiving such an item in confidence shall observe the restriction until the prescribed time.
4. If someone receiving “Confidential” information believes it would serve the best interests of the corporation to disclose the matter to, or discuss it with, someone outside of the restricted group, he or she may request approval from the Board of Directors to do so.
5. After consultation with the Staff Director, the President may change the tentative classification on an item. The Board of Directors may change a classification made by the Staff Director or the President. In all cases, the Board has the ultimate responsibility for establishing the level of confidentiality to be maintained, observing the requirements of applicable law.
6. The distribution of Board agendas and materials, Committee agendas and materials and the minutes (with attachments) of Board and Committee meetings each document may indicate that its contents are “Non-Confidential”, except for those items classified as “Confidential”.
7. At Board of Director’s meetings which are open to members of the corporation, any mention of “Confidential” items shall be made in a manner which does not compromise the confidentiality of those items.
8. In addition to a “Confidential” classification, an item or a portion of an item may be marked “Confidential Attorney-Client Privilege” where the material contains or reflects a matter communicated between the corporation and legal counsel in confidence. Disclosing such matters to others may result in a waiver of privilege, causing the corporation to lose the protection of the privilege in the event of litigation.
9. Any breach of the confidentiality policy set forth shall be immediately reported to the President.
10. The Board minutes and other corporate records of Vietnam Veterans of America Inc. open to inspection by VVA membership under Corporate Law shall be limited to “Non-Confidential” materials, and only those “Confidential” materials that the Board of Directors determines may be inspected for a purpose reasonably related to such person’s interests as a member.

11. Any violation of this policy by any Director, Officer, employee, agent, or member of this organization shall subject the violator to removal from elected position, suspension or revocation of membership, or employment, or other action as may be appropriate under the Code of Disciplinary Policy & Procedures.
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Vietnam Veterans of America

BOARD OF DIRECTORS MEETING POLICIES

The below motions set forth policy for meetings of the National Board of Directors.

1. To allow Secretary to record meetings, for purposes of generating minutes, with condition that tapes are to be possessed and secured by Secretary and not available for dissemination.
(April 1984 – BOD)
2. Agenda to be a structured format.
Debate on each issue of committee reports limited to 2 board members for and 2 against.
(July 1984 – BOD)
3. That the draft minutes of each Board meeting be distributed to the Board Members within a reasonable time following the conclusion of each meeting not to exceed 30 days.
(June 1990 BOD Motion 5)
4. That a standard agenda item be a report from the Chairman of the Council of Council Presidents or his/her designated representative and that the minutes of the meeting of State Council Presidents are distributed by National to Board Members, State Council Presidents and other as requested by Chair of State Council President.
(September 1990 BOD Motion 39)
5. That in all facets of VVA, under no circumstances, will any form of sexual harassment be tolerated, whether serious or in jest. Any such action will be subject to action under the Code of Disciplinary Procedure.
(September 1992 BOD Motion 36)
6. To print and attach the ground rules that were adopted at the training session to the agenda for each future meeting.
(October 1995 BOD Motion 20)

7. That it shall be the practice of the Board of Directors that motions brought to Floor by committees shall be considered as moved and seconded at time of presentation.
(October 1995 BOD Motion 20)
8. To begin board meetings on Fridays at 9 AM and ending on Saturday evening.
(January 1996 BOD Motion 53)
9. Substance abuse will not be tolerated during board meetings. The defined times were from the beginning of the board meeting until it adjourns.
(October 1997 BOD)
10. To adopt the dress code policy that requires shirts with collars and excludes shorts. This policy applies to the Board of Directors, Task Force and Committee Chairs.
(August 1999 BOD Motion 3)
11. That the national office of Vietnam Veterans of America has a portable first aid kit and that it be present and available at all board meetings, national conferences and conventions. The contents of which will be reviewed by Marsha Four, Mary Ellen White and Sandie Wilson.
(January 26, 2002 BOD Motion 37)
12. That regularly scheduled VVA Board of Directors meetings, with the exception of board meetings held at the national convention and leadership conference, include an hour to an hour and a half of board training. The subject(s) of the training is/are agreed to before hand by the members of the board. The training will be on the agenda and considered as an integral part of the meeting.
(November 14, 2003 BOD Motion 21)
13. That all committee reports for which there are no motions to come before the Board be filed as part of the consent agenda. All committee and/or task force reports will be limited, to motions out of committee or pertinent and/or important information for this Board, to two minutes.
(January 2005 BOD Motion 1, 8)
14. That members of the VVA National Board of Directors be allowed to ask questions regarding the report being given, regardless if the reporter of the committee has run out of official time allocated or not.
(January 2005 BOD Motion 11)
15. That the National Secretary following a national board of directors meeting

Send out in appropriate format, prior to each Board of Directors meeting, an interim synopsis progress report of all motions passed, to include action required, responsible party and date to be completed. All motions will be considered incomplete until the Secretary receives the documentation from the responsible party.

(January 2005 BOD Motion)

16. That board packets (to include the meeting agenda) be available at the hotel (upon check-in) on Wednesday for all board members and committee chairs.

(April 23, 2005 BOD Motion 35)

BUDGET OVERSIGHT POLICY

(Approved Motion #9, 4-21-01)

PURPOSE

Concerns about cost overruns in the past have led the VVA National Finance Committee, with the approval of the VVA Board of Directors, to create a Budget Oversight Sub-Committee, which will be responsible for monitoring and, when necessary, taking action concerning actual or potential cost overruns.

BUDGET OVERSIGHT SUB-COMMITTEE STRUCTURE

The Budget Oversight Sub-Committee will be a sub-committee of the Finance Committee; will consist of three voting persons, the VVA Treasurer and two members of the Finance Committee; and will have the VVA Chief Financial Officer (CFO) as a non-voting ex-officio member.

BUDGET to ACTUAL REPORT

The Budget to Actual report will be the primary financial report used in this oversight process. The Budget to Actual Report is a financial report comparing the actual expenses of a Cost Center with its budget as of a specific end of month period. This report will consist of two percentages:

- * percentage of the fiscal year to date (i.e. # of months divided by 12); and
- * the actual expenses to date compared to the total budget (i.e. \$x spent divided by \$yy allocated in the budget for the year).

Ideally, these two percentages should be equal. For example, in the sixth month (50% of the fiscal year) a Cost Center would be expected to have expended 50% of its yearly budget. Less than 50% would be under-budget and more than 50% would be over-budget. The Budget Oversight Process will be implemented when a Cost Center is over-budget in any given reporting period.

Any Cost Center which is over-budget in one month will automatically produce a Budget to Actual report for the subsequent month for review by the Sub-Committee.

MONTHLY REVIEW

On a monthly basis the VVA CFO will review the Budget to Actual reports for all Cost Centers. If the percentage comparisons indicate that a Cost Center is over-budget (as defined above), then the CFO along with the Controller and the Cost Center manager, if necessary, will analyze the report to determine why there are cost overruns. One-time expenses, seasonal fluctuations or other situations can often account for overruns at certain times of the year. These Budget to Actual reports, along with these analyses, explanations and the CFO's recommendations, will then be sent to the Oversight Subcommittee members for review and further action.

BUDGET OVERSIGHT SUB-COMMITTEE ACTION

The Budget Oversight Sub-Committee members will communicate via fax, e-mail and/or phone on a monthly basis as needed to review the reports, analyses and the CFO's recommendations to determine whether further action is necessary with respect to each Cost Center. They may:

- * accept the analysis and explanation and take no action.
- * issue a caution letter to the Cost Center manager placing the manager on notice of the need to monitor future Cost Center expenditures and to take necessary steps to bring the center's costs within budget. See sample letter A below.
- * require the Cost Center manager to submit a Corrective Action Plan (see below) prior to the Subcommittee taking further action, if any. See sample letter B below.
- * suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, etc.) as provided for in this policy. See sample letter C below.
- * suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, etc.) as provided for in this policy and require the Cost Center manager to submit a Corrective Action Plan (see below). See sample letter D below.

APPEAL

Any action taken by the Budget Oversight Sub-committee may be appealed to the full VVA Finance Committee at its next meeting.

CORRECTIVE ACTION PLAN (CAP).

A Corrective Action Plan or CAP is simply a written explanation by the Cost Center manager detailing what action the manager will take through the remainder of the fiscal year to bring the Cost Center spending in line with the approved budget.

SAMPLE LETTER A
(Option 2)

Implementation of the Budget Oversight Policy occurs when the monthly Budget to Actual report for a Cost Center indicates that the percent of actual expenses to budget exceeds (“overspent”) the percent determined by the number of months reported divided by twelve. As you will see from the attached Budget to Actual report for XXXXX, your Cost Center qualified for review, 76.93% vs. 66.67%.

When Cost Centers qualify for review, the CFO analyzes the reports for reasons. Then the CFO sends a summary to the Budget Oversight Subcommittee indicating what Cost Centers were “overspent”, what appears to be the reasons, and recommending one of five action options. The subcommittee, along with the CFO then meet via teleconference, discuss the various analyses and concur on a course of action. The CFO does not vote on the final determination.

The five choices of action options are:

- 1) accept the analysis and explanation of the CFO and take no action.
- 2) issue a caution letter to the Cost Center manager placing the manager on notice of the need to monitor future Cost Center expenditures and to take the necessary steps to bring the center’s costs within budget.
- 3) require the Cost Center manager to submit a Corrective Action Plan prior to the Subcommittee taking further action, if any. (A Corrective Action Plan or CAP is simply a written explanation by the Cost Center manager detailing what action the manager will take through the remainder of the fiscal year to bring the Cost Center spending in line with the approved budget.)
- 4) suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy.
- 5) suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy and require the Cost Center manager to submit a Corrective Action Plan.

The Subcommittee’s determination on the XXXXX Cost Center is option 2. We urge you to review your Cost Center’s expenses closely and make every effort to bring your Cost Center in line with your budget by the end of the year.

We understand there may be various reasons to be “overspent” and every effort has been made to consider these facts in our deliberations. Additionally, this action taken by the Budget Oversight Subcommittee may be appealed to the full VVA Finance Committee at its next meeting.”

We trust you understand that we do not take this action lightly and ask your cooperation in this process since we all share in maintaining the fiscal integrity of Vietnam Veterans of America.

SAMPLE LETTER B

(Option 3)

Implementation of the Budget Oversight Policy occurs when the monthly Budget to Actual report for a Cost Center indicates that the percent of actual expenses to budget exceeds (“overspent”) the percent determined by the number of months reported divided by twelve. As you will see from the attached Budget to Actual report for the XXXXX Director, your Cost Center qualified for review, 75.57% vs. 66.67%.

When Cost Centers qualify for review, the CFO analyzes the reports for reasons. Then the CFO sends a summary to the Budget Oversight Subcommittee indicating what Cost Centers were “overspent”, what appears to be the reasons, and recommending one of five action options. The subcommittee, along with the CFO then meet via teleconference, discuss the various analyses and concur on a course of action. The CFO does not vote on the final determination.

The five choices of action options are:

- 1) accept the analysis and explanation of the CFO and take no action.
- 2) issue a caution letter to the Cost Center manager placing the manager on notice of the need to monitor future Cost Center expenditures and to take the necessary steps to bring the center’s costs within budget.
- 3) require the Cost Center manager to submit a Corrective Action Plan prior to the Subcommittee taking further action, if any. (A Corrective Action Plan or CAP is simply a written explanation by the Cost Center manager detailing what action the manager will take through the remainder of the fiscal year to bring the Cost Center spending in line with the approved budget.)

- 4) suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy.
- 5) suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy and require the Cost Center manager to submit a Corrective Action Plan.

The Subcommittee's determination on your Regional Director Cost Center is option 3. Please provide a Corrective Action Plan to the VVA CFO no later than close of business Friday, December 27, 2000. We urge you to review your Cost Center's expenses closely and make every effort to bring your Cost Center in line with your budget by the end of the year.

We understand there may be various reasons to be "overspent" and every effort has been made to consider these facts in our deliberations. Additionally, this action taken by the Budget Oversight Subcommittee may be appealed to the full VVA Finance Committee at its next meeting."

We trust you understand that we do not take this action lightly and ask your cooperation in this process since we all share in maintaining the fiscal integrity of Vietnam Veterans of America.

SAMPLE LETTER C

(Option 4)

Implementation of the Budget Oversight Policy occurs when the monthly Budget to Actual report for a Cost Center indicates that the percent of actual expenses to budget exceeds ("overspent") the percent determined by the number of months reported divided by twelve. As you will see from the attached Budget to Actual report for your XXXX Committee budget, your Cost Center qualified for review, 102.65% vs 66.67%.

When Cost Centers qualify for review, the CFO analyzes the reports for reasons. Then the CFO sends a summary to the Budget Oversight Subcommittee indicating what Cost Centers were "overspent", what appears to be the reasons, and recommending one of five action options. The subcommittee, along with the CFO then meet via teleconference, discuss the various analyses and concur on a course of action. The CFO does not vote on the final determination.

The five choices of action options are:

- 1) accept the analysis and explanation of the CFO and take no action.

- 2) issue a caution letter to the Cost Center manager placing the manager on notice of the need to monitor future Cost Center expenditures and to take the necessary steps to bring the center's costs within budget.
- 3) require the Cost Center manager to submit a Corrective Action Plan prior to the Subcommittee taking further action, if any. (A Corrective Action Plan or CAP is simply a written explanation by the Cost Center manager detailing what action the manager will take through the remainder of the fiscal year to bring the Cost Center spending in line with the approved budget.)
- 4) suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy.
- 5) suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy and require the Cost Center manager to submit a Corrective Action Plan.

The Subcommittee's determination on your XXXXX Committee Cost Center is option 4. Your spending authority is hereby suspended for all expenditures other than those required to attend the January 2001 Board of Directors meeting.

We understand there may be various reasons to be "overspent" and every effort has been made to consider these facts in our deliberations. Additionally, this action taken by the Budget Oversight Subcommittee may be appealed to the full VVA Finance Committee at its next meeting."

We trust you understand that we do not take this action lightly and ask your cooperation in this process since we all share in maintaining the fiscal integrity of Vietnam Veterans of America.

SAMPLE LETTER D

(Option 5)

Implementation of the Budget Oversight Policy occurs when the monthly Budget to Actual report for a Cost Center indicates that the percent of actual expenses to budget exceeds ("overspent") the percent determined by the number of months reported divided

by twelve. As you will see from the attached Budget to Actual report for your XXXXX budget, your Cost Center qualified for review, 80.25% vs. 66.67%.

When Cost Centers qualify for review, the CFO analyzes the reports for reasons. Then the CFO sends a summary to the Budget Oversight Subcommittee indicating what Cost Centers were “overspent”, what appears to be the reasons, and recommending one of five action options. The subcommittee, along with the CFO then meet via teleconference, discuss the various analyses and concur on a course of action. The CFO does not vote on the final determination.

The five choices of action options are:

- 1) accept the analysis and explanation of the CFO and take no action.
- 2) issue a caution letter to the Cost Center manager placing the manager on notice of the need to monitor future Cost Center expenditures and to take the necessary steps to bring the center’s costs within budget.
- 3) require the Cost Center manager to submit a Corrective Action Plan prior to the Subcommittee taking further action, if any. (A Corrective Action Plan or CAP is simply a written explanation by the Cost Center manager detailing what action the manager will take through the remainder of the fiscal year to bring the Cost Center spending in line with the approved budget.)
- 4) suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy.
- 5) suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy and require the Cost Center manager to submit a Corrective Action Plan.

The Subcommittee’s determination on your Treasurer Cost Center is option 5. Your spending authority is hereby suspended for all expenditures other than those required to attend the Presidential Inaugural and the January 2001 Board of Directors meeting. In addition, please provide a Corrective Action Plan to the VVA CFO no later than close of business Friday, December 15, 2000.

We understand there may be various reasons to be “overspent” and every effort has been made to consider these facts in our deliberations. Additionally, this action taken by the Budget Oversight Subcommittee may be appealed to the full VVAF Finance Committee at its next meeting.”

We trust you understand that we do not take this action lightly and ask your cooperation in this process since we all share in maintaining the fiscal integrity of Vietnam Veterans of America. **(SEE APPENDIX)**

CASH – RESERVE FUND POLICY

(Approved Motion #9, 4-29-00)

BACKGROUND

Motion 18 of the January 21 and 22, 2000 Vietnam Veterans of America (VVA) Board of Directors (BOD) meeting approved the VVA FY '01 budget. Within that budget was the establishment of a VVA Cash – Reserve Fund. It should be noted that this Cash – Reserve Fund is in **addition** to the Household Goods Donation Program (HGDP) Cash – Reserve Fund. The following policies and procedures apply to the VVA Cash – Reserve Fund only.

PURPOSE

The VVA Cash – Reserve Fund is intended to be a fund ultimately equal to 90 days worth of VVA operating expenditures. This fund is intended to provide a cash security blanket to cover unexpected and unbudgeted items such as an upgrading of the computer system at the national office, potential down payment on a VVA office, unforeseen shortfall in annual revenue, etc.

This fund will be a separate fund, not part of any other cash equivalent, carried separately on the Statement of Financial Position. Responsibility of this fund will fall under the Finance Committee and the Investment sub – committee, with ultimate responsibility in the hands of the VVA Board of Directors.

FUNDING

This fund is initially funded through the VVA budget process and will continue to be funded through the annual budget process. On an annual basis VVA will designate a minimum of 2% of expected Revenue to be transferred to the Cash – Reserve Fund. This transfer or transfers may be done at any time during the fiscal year and may be some or the entire designated amount.

Additionally, Motion #8 of the January 25 – 27, 2001 VVA Board of Directors meeting directed that any funds received from the calendar end of year Household Goods Donation Program (HGDP) revenue and expense reconciliation (“true-up”) be disbursed in a specific manner, one of which was disbursement to the Cash Reserve fund

Earnings generated on this fund will remain with the fund and will not be

considered as part of Revenue during the budget process. This fund will comply with the VVA Investment policy and guidelines.

USE

This fund is to be used only in unique circumstances and use of the fund must be approved by a 2/3 vote of the VVA Board of Directors.

ADDITIONAL FUNDS

Funds in addition to those budgeted through this directive may be deposited at any time with the approval of the VVA BOD.

VVA Membership Policy on VVA Chapters that are Suspended, but Active or Suspended, but Failed (10/07/06)

The VVA Membership Affairs Committee has been working to draft a membership policy pertaining to troubled VVA chapters that are: (1) suspended for two or more years, but active or (2) suspended for two or more years, but failed. In almost every case, these chapters were suspended after they did not file the annual financial report required by the VVA Constitution.

There are several issues that make this a complex matter for the committee and for State Councils: a) The VVA chapters are separate corporations within their state; b) The corporation laws in every state vary to an extent and in some states, the state fees for filing corporate reports or maintaining corporate status present a monetary expense for the failed chapters; c) State Councils have encountered problems recovering chapter funds (treasury) or chapter property (records, flags, equipment, etc.) from failed chapters; and d) State Councils in some cases have been uncertain about how to use the VVA Constitution and charges under the VVA Code of Disciplinary Policy and Procedures (the Code) to revoke the charter of a suspended chapter.

Article IV, Section 1.A. of the VVA Constitution requires that a chapter be suspended when it does not file an annual financial report. That same section provides three ways that such a suspension can be ended: "such suspension shall continue until (1) the Chapter or State Council shall file its financial report for the year which caused the suspension; or (2) the Board of Directors of the Corporation

shall relieve the Chapter or State Council of the responsibility for the filing of such report for the year in question; or (3) the Charter of such Chapter or State Council shall be thereafter revoked upon the filing of charges under the National Disciplinary Policy."

It is the VVA Membership Affairs Committee's view: 1) that VVA chapters are members of the VVA State Councils within their prospective state and the chapters are under the guidance of state councils and 2) that VVA Regional Directors work with state councils and chapters in their region to facilitate the implementation of VVA policy.

Even though VVA chapters are separate corporations and are members of VVA State Councils, which are also separate corporations, chapters and state councils must comply with the VVA Constitution if they wish to retain their charter. Chapters and state councils are recognized as tax exempt organizations because they are covered by the group exemption letter the IRS has granted VVA. A uniform national policy is needed to address the problem of chapters under VVA suspension for two or more years because VVA has to tell the IRS annually which chapters and state councils are covered by the group exemption letter the IRS granted VVA. Consequently, the VVA Membership Affairs Committee recommends the following VVA membership policy to the VVA National Board of Directors:

**Proposed Membership Policy on VVA Chapters that are
Suspended, but Active or Suspended, but Failed
(10/07/06)**

(1) By November 15, 2006, each State Council President shall provide the Chair of the Conference of State Council Presidents (CSCP) and the appropriate VVA Regional Director with a list for his/her state of:

(a) the suspended, but active chapters (defined as chapters on VVA suspension for two years or more because of no financial reporting, but these chapters still conduct business within their community regardless of the fact that the chapter is on VVA suspension), and/or

(b) the suspended, but failed chapters (defined as chapters on VVA suspension for two years or more which no longer meet, have no elected leadership, and have no desire to operate as a chapter anymore).

(2) By June 15, 2007, each State Council President who has a suspended, but active chapter or a suspended, but failed chapter shall:

(a) seek to restore the suspended, but active chapters by having them file all outstanding VVA reports (financial & election) that are due, and/or

(b) proceed to close any suspended, but failed chapter by either:

(i) filing charges under the Code to revoke the chapter's charter under Article IV, Section 1.A. of the VVA Constitution, or

(ii) requesting that the appropriate Regional Director or the National Secretary file charges under the Code to revoke the chapter's charter under Article IV, Section 1.A. of the VVA Constitution.

The VVA Membership Department will make the necessary corrections in the VVA database either: (a) to indicate that a suspended, but active chapter has been restored after filing all outstanding VVA reports (financial & election) or (b) to indicate that the charter of a suspended, but failed chapter was revoked upon the filing of charges under Article IV, Section 1.A. of the VVA Constitution.

(3) By June 30, 2007, each State Council President who has a suspended, but active chapter and/or a suspended, but failed chapter shall provide the Chair of the CSCP and the appropriate Regional Director with an updated list of chapters that shows which suspended, but active chapters have been restored by filing all outstanding VVA report and/or which suspended, but failed chapters have been closed (charter revoked).

(4) By July 15, 2007, the Chair of the CSCP and/or each appropriate Regional Director shall report the status of all suspended, but active and/or suspended, but failed VVA chapters to the VVA Board of Directors. The report shall indicate which suspended, but active chapters have been restored by filing all outstanding VVA reports and/or which suspended, but failed chapters have been closed (charter revoked).

**Vietnam Veterans of America
Conference of State Council Presidents
Schedule for SC Presidents to Address Problems of VVA Chapters that are
Suspended, but Active and Suspended, but Failed
2006-2007**

(Reminder: VVA has to give the IRS an annual list of chapters and state councils to be covered by VVA's group exemption letter so that chapters and state councils can still be tax-exempt under VVA's tax exemption)

Date	Action
Oct. 5, 2006	CSCP meets before joint meeting with VVA BOD
Oct. 6-7, 2006	Joint meeting of CSCP and VVA BOD. Adoption of policy on suspended, but active or suspended, but failed chapters (restored or close)
Nov. 11, 2006	Veterans Day
Nov. 15, 2006	<i>Each SCP provides the Chair of the CSCP and appropriate Regional Director with a list for his/her state of: (i) the <u>suspended, but active chapters</u> (defined as chapters on VVA suspension for two years or more which still conduct business within their community and/or (ii) the <u>suspended, but failed chapters</u> (defined as chapters on VVA suspension for two years or more which no longer meet, have no elected leadership, and have no desire to operate as a chapter anymore).</i>

[Ongoing]	With a June 15, 2007 deadline in mind, SCPs seek restoration and filing of all outstanding VVA reports (financial & election) that are due and the VVA Membership Department will make the necessary corrections in the VVA database either: (a) to indicate that a suspended, but active chapter has been restored after filing all outstanding VVA reports (financial & election) or (b) to indicate that the charter of a suspended, but failed chapter was revoked upon the filing of charges under Article IV, Section 1.A. of the VVA Constitution.
Around Dec. 2006	VVA's CFO updates annual list for IRS of VVA chapters to be covered by the group exemption letter the IRS has granted VVA so chapters and SCs can be tax-exempt
Jan. 4-7, 2007	CSCP meets in Albuquerque, NM
Jan 19-20, 2007	VVA BOD meeting
Apr. 19, 2007	CSCP meets before joint meeting with VVA BOD
Apr.20-21, 2007	Joint meeting of CSCP and VVA BOD. Verbal progress report by CSCP and/or the appropriate VVA Regional Director.
May 28, 2007	Memorial Day
June 15, 2007	By this date, SCPs should have sought restoration and filing of all outstanding VVA reports (financial & election) that are due and the VVA Membership Department will make the necessary corrections in the VVA database either: (a) to indicate that a suspended, but active chapter has been restored after filing all outstanding VVA reports (financial & election) or (b) to indicate that the charter of a suspended, but failed chapter was revoked upon the filing of charges under Article IV, Section 1.A. of the VVA Constitution.
June 30, 2007	By June 30, 2007, each State Council President who has a suspended, but active chapter and/or a suspended, but failed chapter shall provide the Chair of the CSCP and the appropriate Regional Director with an updated list of chapters that shows which suspended, but active chapters have been restored by filing all outstanding VVA report and/or which suspended, but failed chapters have been closed (charter revoked).
July 15, 2007	By July 15, 2007, the Chair of the CSCP and/or each appropriate Regional Director shall report the status of all suspended, but active and/or suspended, but failed VVA chapters to the VVA Board of Directors. The report shall indicate which suspended, but active chapters have been restored by filing all outstanding VVA reports and/or which suspended, but failed chapters have been closed (charter revoked).
July 15, 2007	Annual financial reports from chapters and state councils due at VVA
July 17-22, 2007	VVA Convention in Springfield, IL
Oct. 4, 2007	CSCP meets before joint meeting with VVA BOD
Oct. 5-6, 2007	Joint meeting of CSCP and VVA BOD. [One year since adoption of the policy on suspended, but active or suspended, but failed chapters (restored or close): Has the policy worked? Is the problem solved?]
Around Dec. 2007	VVA's CFO updates the annual list for the IRS of VVA chapters to be covered as tax-exempt under the group exemption letter the IRS has granted VVA so chapters and SCs can be tax-exempt

VVA Chapter Charter Revocation Membership Policy (10/10/09 amended 4/21/12)

The purpose of this VVA Membership policy is to provide and establish a consistent process by which State Councils may address the possible revocation of a Chapter Charter and this policy must be in the best interest of the VVA members involved: 1) A Chapter is placed in a suspended status by the National Corporation for failure to submit an annual Chapter financial report and a annual or biannual Chapter election report; 2) A Chapter has become inactive; and 3) A Chapter has decided to voluntarily dissolve.

A. Chapters Suspended for Failure to Submit Required Reports to the VVA

Financial Report: A Chapter is placed in a suspended status by the National Corporation for failure to submit an annual Chapter financial report by **July 15 of each year** with its State Council and with the VVA Membership Department as required in **Article IV, Section 1.A of the VVA Constitution**.

Election Report: A Chapter is placed in a suspended status by the National Corporation for failure to submit an annual or biannual Chapter election report. The Chapter shall submit the election results to both the State Council and National Membership Department not later than July 15 of the year in which the elections take place as required in **Article III, Section 9 of the VVA Constitution**. Chapter elections are to be held in April, chapters have the option of electing officers for 1-year or 2-year terms and the chapters may choose to stagger terms of office for continuity purposes.

1. When a Chapter does not file an election or financial report by the deadline, the National Corporation will notify the Chapter of this suspension and inform them that charges will be filed to revoke the Chapter's charter under provisions of VVA Code of Disciplinary Policy & Procedures (the Code) if the delinquent reports are not filed with its State Council and the VVA Membership Department. The appropriate State Council President and Regional Director will receive copies of this notice.
2. While suspended, a Chapter may continue to use the VVA name and logo and continue to receive unsolicited tax-deductible contributions. The Chapter may not engage in fund-raising activities, regardless of contractual arrangements; receive revenues generated by VVA, to include member dues rebates or Household Goods Solicitation Program funds; send delegates to the National Convention; or send delegates to State Council Conventions. (VVA Code of Disciplinary Policy and Procedure, Section II.B.) State Council bylaws may also restrict suspended Chapters from participating in certain State Council activities.

While suspended under the provisions of this policy, Chapters may conduct Chapter business only for the purposes of calling meetings for disbursing funds previously raised in VVA's name to pay Chapter obligations unless specifically exempt from this restriction by the National Board of Directors. Such exemptions shall not be granted

when suspensions are due to filing of charges or imposition of sanctions under the VVA Code of Disciplinary Policy & Procedures. When such exemptions are granted by the National Board of Directors, Chapters may hold business and informational meetings, hold elections, and otherwise engage in organized Chapter activities.

3. Within seven (7) days of notification by the National Corporation that a Chapter has been suspended, the State Council is responsible for contacting the Chapter Officers/Board of Directors for the purpose of determining the reason the report(s) was not filed as required, and to assist the Chapter in meeting any delinquent reporting requirements.
4. If the State Council believes circumstances justify it, he/she may petition the National Board of Directors to relieve the Chapter of the responsibility for filing the report(s) in question for a period not to exceed three (3) months.
5. If the State Council determines that the Chapter has become inactive (no longer holds meetings, is unable to establish a quorum to conduct business, the terms of elected officers have expired, etc.), he/she will initiate the procedures in Section B of this policy.
6. If the Chapter fails to provide the delinquent report(s) after being suspended, the State Council and the Regional Director will be notified by the VVA Membership Department, and the State Council will file charges under the provisions of VVA Code of Disciplinary Policy and Procedure in Section 1.C.7.d. which addresses the process to be used.

The charge would be GROSS NEGLIGENCE under the Code:

- a. The chapter failed to comply with the duty to submit annual financial report or election report.
 - b. The charge(s) are sustained by the evidence consisting of a copy of the VVA Membership Department notice of non-compliance and suspension which has been verified to be true and accurate and any correspondence between the State Council and the Chapter (including e-mails).
7. If the State Council fails to act within thirty (30) days of the deadline specified in this policy, the Regional Director will file the charges against the Chapter. If the Regional Director fails to act, the National Secretary will file the charges against the Chapter.

B. Chapters that have become inactive

If the State Council determines that a Chapter has become inactive (no longer holds

meetings, unable to establish a quorum to conduct business, the terms of elected officers have expired, etc.), the State Council will:

1. Send a letter to all members of the Chapter calling a special meeting to determine if the membership of the Chapter wishes to continue as a Chapter or decide to dissolve. In accordance with the VVA Constitution, Article III, Section 4.E, notice to the members will be at least ten (10) days prior to the meeting date.
2. If the Chapter members decide to reactivate the Chapter, the State Council will assist the Chapter in meeting any delinquent reporting requirements (VVA; State, Commonwealth, or Territory, hereafter referred to as "State"; or "Federal"), and in completing any other activities required to resume functioning as a Chapter. This assistance may involve assigning a duly elected or appointed member of the State Council as a temporary mentor, obtaining Chapter records and/or Chapter property from previous Chapter officers, or other assistance warranted by the situation.
3. If the Chapter members decide to disband, the State Council will initiate the procedures in Sections D and E of this policy to dissolve the Chapter, to revoke the Chapter's VVA Charter, and to dissolve the Chapter's incorporation within the State.

C. Chapters That Decide to Voluntarily Dissolve

1. A Chapter may initiate voluntary dissolution by a majority vote of members at any regular, annual, or special meeting where a quorum is present.

Although not required by the VVA Constitution, if the decision is to be made at a regularly scheduled meeting, the Chapter Board of Directors should consider sending a notice at least ten (10) days of advance of the meeting to inform all members that such action is being considered and will be voted on.

If the decision is to be made at an annual or special meeting, notice of the meeting, specifying the purposes for which such meeting is called, the date, time, and place it is to be held, shall be delivered either personally or by mail to each member entitled to vote at such meeting, at least ten (10) days before any special meeting, and not less than thirty (30) days nor more than fifty (50) days before any annual meeting.

If after proper notification has been made by the Chapter for a regularly scheduled, annual or special meeting to discuss voluntarily dissolving the Chapter and the actual meeting fails to obtain a quorum, the Chapter will inform the State Council immediately of the problem.

2. The Chapter will notify the State Council by letter of the action determined by the Chapter or the fact the meeting failed to obtain a quorum and additional

documentation may be requested by the State Council to determine inactive status of the chapter.

3. If the Chapter has voted to dissolve or the State Council has determined the Chapter to be inactive, the State Council will assist the Chapter officers in following the procedures in Sections D and E of this policy to dissolve the Chapter, to revoke the Chapter's VVA Charter, and to dissolve the Chapter's incorporation within the State.

D. Revocation of a VVA Chapter Charter

The National Corporation can revoke only a Chapter's VVA Charter. Because each Chapter is an independently incorporated entity, un-incorporation is under the purview of State laws and regulations. Chapters voluntarily dissolving and State Councils needing to dissolve inactive Chapters or Chapters whose Charter has been revoked must consult with the State office which issues incorporations, and any other State offices which govern non-profit organizations or charitable fund-raising.

The following applies to all Chapters being dissolved, whether as a result of disciplinary action, voluntary action by the Chapter, or when a Chapter is determined by the State Council to be inactive.

1. Revocation of VVA Chapter Charter

- a. Article IV, Section 1, paragraph A of the VVA Constitution allows the revocation of a Chapter Charter upon filing of the charges under the National Disciplinary Policy for failure to file required election or financial reports. In accordance with this provision, the Chair of the National Disciplinary Committee will take action immediately upon receiving charges to determine if the charges are justified under the VVA Constitution and the "Code". See Section 1.C.7.d. of the VVA Code of Disciplinary Policy and Procedure for procedure.
- b. When a Chapter has decided to voluntarily dissolve, the State Council will forward the notification from the Chapter to the VVA National Secretary requesting revocation of the Chapter's Charter.
- c. When a Chapter is determined to be inactive, the State Council will request in writing that the VVA National Secretary revoke the Chapter's Charter. The letter of request should include the circumstances (period of time during which no meetings have been held, date of expiration of the terms of the last elected officers, etc.) and efforts the State Council has made to contact the Chapter, and whether Chapter property/records/etc. were located and secured.
- d. The VVA National Secretary will notify the State Council and the VVA National Membership Director of the revocation. The National Membership Director will

include all documentation in the Chapter file and annotate the file and the database to indicate the date of Charter revocation.

- e. The State Council will notify all Chapter members of their status as VVA members, that the Chapter has been dissolved, and that all members will revert to at-large status unless they wish to transfer to another Chapter.

E. Dissolution of a Chapter

The dissolution of a Chapter should contain several areas of importance that must be taken under consideration in order to prepare for Chapter Charter revocation and the State Council will address these issues prior to revocation: 1) any state law/regulation pertaining to Chapter dissolution; 2) notification to the Federal Internal Revenue Service and notification to the VVA Finance Department of Chapter dissolution; 3) the actual disposition of Chapter assets and records; and 4) disposition of Chapter financial accounts.

1. Chapter Dissolution With the State

As State laws vary, the State office which incorporated the Chapter must be contacted to determine what steps must be taken. If the Chapter is voluntarily dissolving, the Chapter officers should complete this process. If the Chapter is inactive or non-functional, the State Council is responsible for completing the process.

a. Answers to the following questions should be obtained:

- What is the process to un-incorporate?
- What forms/ documents must be filed?
- Are there fees?
- Does state law/regulation dictate disposition of property/assets and records?
- Does the State dictate a process that must be followed (e.g., if monetary assets must be donated to a charitable organization, does state law/regulation dictate how that charity is chosen?
- For Chapters numbered 1 through 799, could the assets be donated to the parent organization (i.e., the State Council or VVA National)?
- What final reports (annual report, tax returns, etc) need to be filed?

2. Chapter Dissolution With the Federal Internal Revenue Service

- a. File final return. Forms 990/990E-Z/990PF include a Termination box in the header area on page 1 which should be selected to indicate the organization is ceasing to exist. Form 990 and Form 990-EZ filers must also attach Schedule N, *Liquidation, Termination, Dissolution or Significant Disposition of Assets*. See www.irs.gov; search “termination of an exempt organization”
- b. Notify the IRS so that it will no longer expect the chapter to file annual returns. To do this, send a letter to:

EO Determinations

Internal Revenue Service
Exempt Organizations Determinations
P.O. Box 2508
Cincinnati, OH 45201

The following items must be submitted with the request:

- 1) A list of the last set of officers or trustees and their daytime telephone numbers
- 2) One of the following:
 - a) Articles of Dissolution filed with state officials
 - b) Minutes of the meeting where the vote was taken to dissolve (signed and dated by an officer)
- c. The VVA Finance Department will be notified so that the Chapter will not be included on the annual list sent to the IRS of which Chapters and State Councils are covered by VVA’s group exemption letter.

3. Disposition of Chapter Assets and Records

- a. For Chapters numbered 800 and above, the Articles of Incorporation contain verbiage stating that upon dissolution all assets are distributed among the State Council. Any such distribution of Chapter assets will be determined by the State Council and/or members and this decision should be recorded in the State Council meeting minutes.
- b. For Chapters numbered 1 through 799, disposition of Chapter assets is by State law/regulation. If not specified by State law/regulation, Chapter assets and records will revert to the State Council.
- c. Disposition of assets should be documented in the Chapter records.

d. Disposition of Chapter records is up to the State Council unless otherwise prescribed by State law or regulation.

4. Disposition of Chapter Financial Accounts

To determine disposition of Chapter financial accounts for Chapters numbered 1 through 799 and Chapters numbered 800 and above, the State Council will initiate the procedures in Section E of this policy.

- a. All financial assets remaining after paying expenses associated with dissolution (e.g., fees to un-incorporate, legal or accountant fees if incurred) of the Chapter is by State law/regulation.
- b. When all obligations have been settled, all financial accounts must be closed and the final statements included in the Chapter financial records.

Example Letter

_____, 20XX

(name) Chair, National Disciplinary Committee

8719 Colesville Rd., Suite 100

Silver Spring, MD 20910

Re: Charges of Gross Neglect Under the VVA Code Against a Suspended VVA Chapter to Revoke the Chapter's Charter Pursuant to [Article IV, Section 1.A. if financial report or Article III, Section 9 if election report or both] of the VVA Constitution Vietnam Veterans of America (VVA) Chapter ____, last known to be located in [**Town, City, State**], was suspended ____ (date) _____ for failing to file the [annual financial report(s) required by Article IV, Section 1.A. of the VVA Constitution, the election report required by Article III, Section 9, or both]. I have determined either: (1) that this Chapter is no longer functioning as a VVA Chapter or (2) that, if this Chapter is still active as a VVA Chapter, and does not intend to file the missing annual report(s) to allow the suspension can be lifted.

Consequently, in my capacity as the ____ (state) _____ VVA State Council President [or the VVA Regional Director for Region ____], I am filing charges of Gross Neglect against suspended VVA Chapter ____ to revoke the Chapter's Charter in accordance with Article IV, Section 1.A. of the VVA Constitution, and with Section I.C.7. of the VVA Code of Disciplinary Policy & Procedures. The Statement of Charges is attached along with written evidence from VVA that this Chapter was suspended for failing to file

required reports for the year indicated. A summary of the actions the State Council has taken to resolve this issue and the factors that led to my determination that the Chapter is no longer functioning or that the Chapter does not intend to file the missing reports is also attached.

I understand: (1) that the charges will be processed by the National Disciplinary Committee which is responsible for determining whether the charges comply with the Code and are deemed filed; (2) that Article IV, Section 1.A. of the VVA Constitution authorizes VVA to revoke the Charter of such a Chapter "upon the filing of charges", which means no disciplinary hearing is necessary; and (3) that the actual revocation of the Charter will be done by VVA, not the National Disciplinary Committee.

Sincerely,

[State Council President] or [Regional Director]

cc: Regional Director [or State Council President if Regional Director sends letter]

National Secretary

COMPUTER SYSTEM BACKUP POLICY

(Approved Motion #9, 3-23-02)

BACKGROUND

The VVA computer system consists of approximately forty Personal Computers (desk top PC's) and fifteen printers in an Ethernet network system. There are four system file servers providing data storage for documents, email, database and accounting data, along with other network services.

PURPOSE

A tremendous amount of information, vital to the operation of VVA, is input daily to the VVA computer system. This information includes membership information, donor information, the VVA accounting system, administrative information such as Board of Director names and phone numbers, etc. It is extremely important that this information is accurate, updated and accessible at all times. To ensure that important information is not lost, the following policy will be implemented.

IMPLEMENTATION

On a daily basis, Monday through Friday, the VVA computer system automatically backs itself up. This process begins at approximately 11:30 pm and lasts approximately four hours. Should someone be working during these hours, the work done by that individual will not be backed up until the following evening. In addition, any files left open by a user will not be backed up until the file is closed in time for the next backup cycle. To ensure a proper backup of all files, users should turn off their computers properly at the end of each work day.

Each morning a member of the Administrative staff will take the two oldest tapes and replace the back up tapes from the evening before. At all times, VVA will have ten days of back up tapes on hand. Eight days worth of tapes will be maintained on site, days 1, 2 and 5 through 10 will be maintained in a fire resistant box maintained by the VVA receptionist, while two days of tapes, days 3 and 4, will be given to the VVA Executive Director/Staff Director to be maintained off site. Off site may be the individual's home and is considered an acceptable location. Daily the "new" tape 3 will replace the "old" tape 4.

Tapes 1 and 2 are always retained on site for convenience in case they are needed for a restoration of lost or damaged files. This has been required a couple of times.

The current VVA back up system does not produce a double set of back up tapes. To produce a double set of tapes would require eight hours of computer time, potentially running into VVA's operating hours or the expenditure of several thousand dollars to purchase the necessary duplicating equipment.

VVA's computer advisor has stated that he feels the current system is satisfactory.

Conflict of Interest (Board) Policy (July 24, 2003)

Purpose and Rationale

One of the hallmarks of good governance of a nonprofit corporation is the existence of formal policy on actual or potential conflicts of interest that may directly or indirectly influence organizational decision-making. Broad examples of when a conflict of interest may arise include the following:

- When a board member, committee or task force chair, or officer able to influence a decision, whether by vote or persuasion, may (a) gain some personal or professional advantage from the outcome of the decision or (b) gain some advantage for an organization or interest with which the person or a member of his or her family is directly involved; or

- When a board member, committee or task force chair, or officer accepts a gift or gratuity from a vendor or contractor and then participates in a decision concerning the vendor or contractor; or
- When a board member, committee or task force chair, or officer uses his or her access to corporate information to advance his or her personal or professional interests in a manner that conflicts with the corporation's interests.

The mere existence of a conflict of interest is neither inherently illegal nor necessarily a reflection on integrity of the director or officer. In a situation involving corporate decision-making, it is the manner in which the director, committee or task force chair, or officer and the board deals with a disclosed conflict that determines the propriety of a transaction. Since board members, committee and task force chairs, and officers owe the corporation a duty of loyalty, actual or potential conflicts of interest are best addressed by prior disclosure and abstention from decision-making in the area in which a conflict exists.

VVA Policy on Conflicts of Interest and Disclosure

1. A VVA board member, committee or task force chair, or officer must be sensitive to any interest he or she may have in a decision to be made by the board of directors and, as far as possible, recognize and disclose such interest prior to the discussion or presentation of the matter to the board.
2. To facilitate VVA board members' and, committee and task force chairs' and officers' recognition of any actual or potential conflicts of interest or breaches of the duty of loyalty, each VVA board member, committee or task force chair, and officer shall biennially complete, sign, and submit to the National Office to the attention of the President the attached disclosure form.
3. When a director, committee or task force chair, or officer has a conflict of interest about a transaction or matter being considered by the board of directors, the director, committee or task force chair, or officer should disclose the conflict to the board before the board of directors takes action on the matter.
4. Board members, committee or task force chairs, or officers who have an actual or potential conflict of interest should not participate in discussions or vote on matters affecting transactions between the corporation and the other person or organization.
5. Upon disclosure of the conflict of interest and abstention from discussion or decision-making, the board of directors should render a disinterested decision on the transaction or matter.

6. In any situation involving disclosure of a conflict of interest and abstention from discussion or decision-making, the minutes of the board meeting shall record the disclosure of a conflict of interest and the abstention from discussion or decision-making on the transaction or matter.

7. If a board member, committee or task force chair, or officer fails to disclose a conflict of interest or otherwise breaches his or her duty of loyalty to the corporation, the board of directors may take such disciplinary action as is appropriate, including removal from the board.

Conflicts of Interest (Staff) Policy August 23, 2005

Purpose and Rationale

One of the hallmarks of good governance of a nonprofit corporation is the existence of formal policy on actual or potential conflicts of interest that may directly or indirectly influence organizational decision-making. Broad examples of when a conflict of interest may arise include the following:

- When a senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer able to influence a decision, whether by vote or persuasion, may (a) gain some personal or professional advantage from the outcome of the decision or (b) gain some advantage for an organization or interest with which the person or a member of his or her family is directly involved; or
- When a senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer accepts a gift or gratuity from a vendor or contractor and then participates in a decision concerning the vendor or contractor; or
- When a senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer uses his or her access to corporate information to advance his or her personal or professional interests in a manner that conflicts with the corporation's interests.

The mere existence of a conflict of interest is neither inherently illegal nor necessarily a reflection on integrity of the staff member. In a situation involving corporate decision-making, it is the manner in which the senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer deals with a disclosed conflict that determines the propriety of a

transaction. Since senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer owe the corporation a duty of loyalty, actual or potential conflicts of interest are best addressed by prior disclosure and abstention from decision-making in the area in which a conflict exists.

VVA Policy on Conflicts of Interest and Disclosure

1. A senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer must be sensitive to any interest he or she may have in a decision to be made by the board of directors and, as far as possible, recognize and disclose such interest prior to the discussion or presentation of the matter to the board.
2. To facilitate VVA senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer recognition of any actual or potential conflicts of interest or breaches of the duty of loyalty, each VVA senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer shall biennially complete, sign, and submit to the National Office to the attention of the President the attached disclosure form.
3. When a senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer has a conflict of interest about a transaction or matter being considered by the board of directors, the senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer disclose the conflict to the board before the board of directors takes action on the matter.
4. Senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer who have an actual or potential conflict of interest should not participate in discussions on matters affecting transactions between the corporation and the other person or organization.
5. Upon disclosure of the conflict of interest and abstention from discussion or decision-making, the senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer should render a disinterested decision on the transaction or matter.
6. In any situation involving disclosure of a conflict of interest and abstention from discussion or decision-making, the minutes of the board meeting shall record the disclosure of a conflict of interest and the abstention from discussion or decision-making on the transaction or matter.

7. If a senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer fails to disclose a conflict of interest or otherwise breaches his or her duty of loyalty to the corporation, appropriate disciplinary action may be taken, including termination of employment.

Annual Conflict of Interest Disclosure Report for senior staff, executive director, chief financial officer, contractors, general counsel or others that may be deemed appropriate by the executive officer.

1. Name: _____

2. Home Address: _____

3. Name of Employer: _____

4. Address of Employer: _____

5. Is Employer a VVA Vendor or VVA Contractor? _____ Yes _____ No

6. Business and professional activities in which you or an immediate family member have had an interest (including a financial interest) as owner, officer, board member, partner, employee, or other beneficiary position as of August 2003.

Name of Business or Professional Organizations With Which You Are Associated or In Which You Have an Interest	Nature of Business or Professional Organization	Position Held and Person Who Holds Position

<u>Name of Business or Professional Organizations With Which You Are Associated or In Which You Have an Interest</u>	Nature of Business or Professional Organization	Position Held and Person Who Holds Position

7. Are any of these business or professional organizations a VVA vendor, or VVA contractor? _____ Yes _____ No

8. Are any of these business or professional organizations engaged in activities that might conflict with VVA's mission, programs, or interest? _____ Yes
No

Affirmation

I have read the VVA Policy on Conflicts of Interest dated July 24, 2003. I understand its provisions and I hereby affirm that, during the period covered by this report, I have not, to the best of my knowledge and belief, been in a position of possible conflict of interest, except as indicated below:

I. Employment

Describe real or potential conflicts of interest, if any:

II. Business and Professional Interests

Describe real or potential conflicts of interest, if any:

Date: _____

Signature: _____

CONTINGENCY FUND POLICY

(Approved Motion #8, 1-27-01)

PURPOSE

During the VVA budget development process, there are meaningful proposed expenditures, which cannot be funded due to revenue constraints. Additionally, during every fiscal year, unexpected situations and events arise which could not have been anticipated during the budget process, but which are critical to the mission and operations of VVA. The establishment of the VVA Contingency Fund and Policy is to provide a funding mechanism with an established set of rules and procedures to address these situations and provide funding when possible and merited.

FUNDING

This fund will be funded annually to a balance of \$50,000 as of the first day of the fiscal year.

ACCOUNTING

The Contingency Fund will not be a separate cash account but will be maintained as a separate accounting identification.

PROCEDURE for REQUESTING CONTINGENCY FUND MONIES

The VVA Finance Committee shall have the primary responsibility for the administration of the Contingency Fund. If a Cost Center manager needs additional funding due to an unexpected situation or event, which could not have been anticipated during the budget process, the manager must submit a written request and justification statement to the Finance Committee, through the VVA Chief Financial Officer, for

consideration. Only those Contingency Fund requests, which are critical to the mission and operations of VVA, will be considered. All such requests shall be addressed and acted upon at the next regularly scheduled Finance Committee meeting or, in the discretion of the President, Treasurer or Finance Committee chair, by conference call, e-mail and/or fax. The Finance Committee shall respond and either approve or disapprove any request, or ask for additional information, within a reasonable amount of time.

APPEAL

Any action taken by the Finance Committee on a Contingency Fund request may be appealed to the Board of Directors at its next meeting or, in the discretion of the President, to the Board of Directors by conference call, e-mail and/or fax.

PERIODIC REPORTS to the BOARD of DIRECTORS

The Finance Committee shall include a “Use of Contingency Funds” report to the Board of Directors as part of the Finance Committee’s regular report.

CONTRACTING POLICY **(Approved Motion # 5, April 22, 2006)** **(Amended Motion 13, April 21, 2012)**

I. Introduction and Purpose.

The purpose of this policy is to establish guidelines and procedures for the approval, management and administration of contracts (defined as any agreements whereby VVA commits funds for the exchange of services, Memos of Understanding (MOU), Memos of Agreement, etc.). For purposes of this policy, all of the aforementioned will be referred to as “contracts”. This policy is necessary because contracts may be the source of substantial economic obligations for VVA; contracts need to be monitored; and contracts need to be enforced if goods or services are not being provided in accordance with contractual terms.

Contracts/agreements that do not require funding by VVA (e.g., Household Goods Donation Program, Car Donation Program, etc.) are excluded from this policy.

II. Contracting Policy.

A. Contracts may be executed only after necessary funding has been identified and approved by the VVA Board of Directors through the annual budget process or other Board action.

B. Renewals of existing contracts will be reviewed by the General Counsel when requested by the President or Treasurer/Compliance Officer. No new contracts may be signed without review by the General Counsel. The General Counsel will provide a written statement verifying the review and specifying any concerns about the contract.

C. Both the President and the Treasurer/Compliance Officer must provide written approval before any contract, including renewals of existing agreements, can be executed.

III. General Guidelines:

A. If the President determines that a contract is necessary but funding has not been identified and approved, the President will consult with the Finance Committee to determine if funds are available for the contract. If the Finance Committee determines that funds for the contract are available, the issue will then be brought to the VVA Board of Directors for approval of funding after review by the General Counsel has been completed.

B. All proposed contracts for new services will be provided to the VVA Board of Directors for review prior to any vote on funding.

C. Contracts, including routine administrative/maintenance contracts for such items as telephone maintenance; copy machine maintenance; accounting software support; delivery service, VVA Veteran writers; etc. are to be reviewed by the Compliance Officer prior to renewal or if the vendor changes.

D. Existing contracts without end dates will be reviewed by the Compliance Officer at least annually on or near the anniversary date.

IV. Staff - Duties and Responsibilities.

A. Contracting Officer

1. The Chief Financial Officer is designated as the Contracting Officer for VVA. The Contracting Officer is directly responsible to the President and to the Treasurer/Compliance Officer to assure that this policy is followed.
2. The Contracting Officer:
 - a. Prepares proposed contracts for approval.
 - b. Manages the contract approval process and ensures that the General Counsel reviews proposed contracts
 - c. Must receive the written consent of the President and Treasurer before proceeding with any contract execution activity.
 - d. Signs and executes contracts for VVA, when authorized by the

President and Treasurer/Compliance Officer. The President may also sign and execute contracts for VVA after receiving written concurrence from the Treasurer.

- e. Maintains and secures the original copy, with all signatures, of all contracts; maintains and updates a list of all contracts; and periodically provides the list of contracts to the President, the Treasurer/Compliance Officer, office staff as appropriate, the Finance Committee, the General Counsel, and the VVA Board of Directors.
- f. Maintains current, accurate records/notebooks of all contracts and related documents including the approval of funding and annual expenses.
- g. Coordinates with the Compliance Officer to facilitate review of all active contracts at least annually.
- h. Manages the Request For Proposal (RFP) process for VVA when the Board of Directors decides that use of a RFP is appropriate.

B. The National Secretary will ensure all current contracts are posted to the VVA Board discussion site.

C. Cost Center Manager Responsible for Managing the Contract

1. Acts as the Contracting Officer's Technical Representative (COTR) and provides oversight of the vendor delivering the service.
2. Establishes a schedule and reporting format for monitoring performance criteria and standards as contained in the contract, the vendor's compliance with the contract, and expenditures for the contract. Notifies the VVA Compliance Officer of any issues that arise regarding compliance with the contract.
3. Maintains the contract records and, when appropriate, works with the Contracting Officer to establish adequate supporting schedules which will be kept in the financial records of VVA. These schedules must track with each and every entry in the financial records and be auditable by independent auditors.

V. Requests for Proposals or Requests for Capability to Respond.

A. VVA may periodically want to conduct new work, or to change a vendor, or to seek information from the field as to capabilities and costs of various vendors to provide goods and services to VVA. When appropriate, this may be accomplished through a Request for Proposal (RFP) or a Request for Capability to Respond.

B. The General Counsel must review any proposed RFP before it is sent to potential contractors.

C. Request for Proposals (RFP).

The Contracting Officer establishes a format to seek proposals from various vendors to provide goods and services. If time permits, it may be appropriate to advertise the existence of the RFP process in *The VVA Veteran* and to invite interested firms or individuals to compete through the RFP process. An RFP from VVA to a vendor will include:

1. A cover letter to a prospective vendor seeking their Response to Proposal.
2. A Statement of Work to be performed, usually written by the VVA Department or VVA Committee seeking the proposal and approved by the Contracting Officer. When appropriate, the Statement of Work should address tasks, deliverables, and deadlines.
3. A statement that proposals are to be written in the following format:
 - a. Cover letter. This transmits the proposal to VVA.
 - b. Annex A: Technical Proposal. This is the technical response to the Statement of Work.
 - c. Annex B: Corporate Qualifications or Capability of Vendor. This describes the vendor's capabilities, resumes, other clients, any "sales pitch" which vendor wishes to use.
 - d. Annex C: Price Proposal. This describes all the costs associated with the anticipated contract.
4. Proposals are evaluated by an approval team consisting of the VVA Contracting Officer, the VVA Department Director or Committee Chair involved, and one other management level person designated by the President. Proposals will be evaluated using a criteria mutually agreed upon. One of the criteria will be compliance with the letter mailed as the RFP. The Department or Committee accepting a specific proposal will do so in writing to the Contracting Officer. This letter, and the evaluation ratings of all proposals will become part of the permanent record of the final approved contract. The Contracting Officer will prepare a proposed contract that includes tasks, deliverables, and deadlines.
5. Contract approval will be conducted in accordance with the above policy.

D. Request for Capabilities

The Contracting Officer establishes a format to seek information from various vendors as to their capability to provide goods and services to VVA at some future time. At this time, a complete Statement of Work may not be clear to the VVA Department or Committee and there may be no intention to conduct a formal Request for Proposal process in the future. A Request for Capability to Respond only establishes a file from which further Requests for Proposals may begin.

A Request for Capability to Respond will include a discussion of the work to be performed, a request for resumes and client list, and other information deemed appropriate at the time.

Vietnam Veterans of America Corporate Printing Policy – 4/2011

Background

Historically, Vietnam Veterans of America (VVA) has spent a significant amount of money printing brochures and similar items. In the course of the VVA office move in December 2009, VVA was offered and took the opportunity to upgrade its copying capability by leasing a machine with added copying capabilities as well as a significant print capability. The Xerox 700 Digital Color Press (700) is just that machine and was obtained at no additional cost. Members of the VVA IT department have been trained on the print capabilities of this machine enabling them to produce proposed brochures in a quality to meet VVA standards. This policy is intended to clarify procedures for printing VVA brochures et al in the future.

It is herein noted that there may be some VVA print jobs that do not lend themselves to being printed on this machine and these will be addressed separately.

Budgeting for Printing:

During the VVA budget process, Cost Centers (CC) have historically budgeted for their own printing requirements. The “print” line as presented was for printing only and did not include authorship, formatting, design, etc. as these costs were charged under Consultants or Professional Fees or some other budget line. This division of funding thus did not allow for the calculation of the true cost of printed items.

Effective with the budget process for VVA FYE 2-29-12 there will be a change in how Printing is budgeted. Now ALL costs associated with the printed item, to include authorship, formatting, design, etc, and finally actually printing will be included in the “Printing” line of a Cost Center. These figures will go through the budget process and may or not be approved. If approved, the following actions will take place.

Approval Process:

Once the VVA budget is approved, printing projects included in the approved budget are also considered approved and it is now up to the Cost Center manager to proceed with his printing project. However, upon budget approval the VVA Treasurer, in consultation with the IT department, will designate which print projects will be required to be printed in house.

In House Printing:

As previously implied, all in house printing projects will be done by members of the IT department and occasionally, but rarely, assisted by outside help. We are intentionally restricting who can do printing in an effort to refine the process and to protect the machine (700) from abuse. The machine stores and retains the info necessary to print a document. We are also able to tweak the information to produce the best product possible.

You will be asked to provide document information in a specific format if new and to allow a minimum of 48 hours for production. See attached cover sheet. As we have the ability to print when required we are asking that you print no more then what you will need on any give occasion.

Costs:

The cost of paper and machine copy costs will be charged to your Cost Center. You will not be charged for personnel time. Machine costs for black and white printing are \$0.0129 per page and for color is \$0.049 per page.

VVA CREDIT CARD POLICY*BACKGROUND*

The Vietnam Veterans of American has authorized VVA credit cards to be used by VVA officers as well as selected staff, generally managers. Card recipients are those personnel whose duties are expected to take them on the road frequently or who are expected to have ready credit available in the performance of their duties and have been approved by the VVA President. Holders of VVA credit cards have special responsibilities to assure cards are used for VVA business, only. At no time may a cardholder use a VVA credit card for non-VVA business or personal use.

IMPLEMENTATION

On a monthly basis, the VVA Accounting Department receives credit card bills for the past month. The Accounting Department will pay these bills in accordance with normal invoice processing, thus eliminating the possibility of "late charges". At the same time

two processes take place. A copy of the credit card bill is sent to all cardholders for expense identification and reconciliation AND an Account Receivable is established in the Accounting System to ensure that all card holders have responded with their credit card expense report.

CREDIT CARD EXPENSE REPORT

Credit card holders are to fill out the standard VVA Expense Reimbursement form attaching the copy of their credit card bill along with receipts for all purchases, identifying all purchases and indicating either verbally or numerically which accounts in their respective Cost Center should be charged for the various expenses. The Expense Reimbursement form must be used exclusively for the monthly credit card bill with no other reimbursements included on the form and must be turned in within **ten (10) days** of receiving the bill.

It is herein emphasized that there must be receipts attached for all charges and all charges must be identified as to purpose.

DELIQUENCY of SUBMISSION of the CREDIT CARD EXPENSE REPORT

The VVA Accounting Department will advise the VVA Treasurer, through VVA’s President and Chief Financial Officer, on a monthly basis as to whether all cardholders have submitted their credit card expense reports. Failure to submit a timely report will result in a warning for the first occasion; revocation for three months of the offending individuals credit card privileges for a second occasion; and permanent revocation for a third failure.

I have read and understand my responsibilities as a VVA Credit Card holder.

Signature

Date

DECEASED MEMBER PROTOCOL
Approved Motion # April 21, 07

Background

It is becoming painfully obvious that our VVA members are reaching the fall of their lives as daily we are notified of a member’s passing. While it would be wonderful if all the VVA officers and Board of Director members could attend the various wakes and funerals of all the deceased, the VVA budget and prudent fiscal responsibility preclude attendance by so many. It has become time to put a policy in place to address this issue.

It is very difficult to address such an issue without some form of discrimination OR the perception of discrimination. Having said that, this policy is to address the passing of current and former VVA National Officers, National Board of Director members and State Council Presidents.

Implementation

Upon approval of this protocol the following policies or procedures will take effect:

Upon notification of the death of (a) a current or past National Officer, (b) a current or past National Board member, or (c) a current or past State Council President, the VVA President may designate one person to attend the services at VVA expense.

No other person will attend at VVA expense.

Flowers or donations on behalf of the deceased will not exceed \$100 to be paid from VVA funds.

VVA DISASTER RELIEF FUND POLICY

BACKGROUND

Hurricane Katrina in September 2005 devastated the southeastern United States. In addition to the federal government, many organizations jumped in to help the victims of this disaster. VVA initially established the Hurricane Katrina Relief Fund to provide much needed relief supplies to those in desperate need. Then Hurricane Rita hit and a new set of disaster relief efforts had to be dealt with to help those in need and members of VVA and AVVA affected by these disasters.

On September 23, 2005, the name, "Hurricane Katrina Relief Fund", was changed to the VVA Disaster Relief Fund (VVADRF) in order for VVA to assist in relief operations due to any disaster rather than just a specific one. IRS rules state that the funds raised for a specific purpose must be spent on that purpose. Thus, funds raised for the Hurricane Katrina Relief Fund could be spent only for efforts dealing strictly with Hurricane Katrina and could not be used to assist the victims of Hurricane Rita. Now VVA had the ability to address relief efforts for any disaster in any location.

DISASTER RELIEF COMMITTEE

The VVADRF will be managed/overseen by a VVA committee specifically designated for this purpose. The VVA President, through the normal VVA process for establishing committees and task forces, will nominate a Disaster Relief Committee Chair who will in turn nominate committee members to be approved by the

VVA Board of Directors. The VVA Board of Directors will determine the life of this committee.

The Disaster Relief Fund Committee shall act as the organizing arm of VVA for dealing with disasters of any nature. It will coordinate local disaster relief operations through a network of State Disaster Coordinators and the establishment of "Collection & Distribution Centers" as designated by the Committee. The Committee shall supervise and manage the Disaster Relief Fund closely with the CFO of VVA. The Committee will develop strategies and procedures for establishing State Council and Chapter disaster preparation and relief operations within their communities and states.

STATE DISASTER COORDINATOR

State Council Presidents should expect to be the State Disaster Primary Contact or designate a State Disaster Coordinator. The suggestion that State Council Presidents be the SDC is an administrative one. Maintaining phone and e-mail lists is an extensive effort. Such lists already exist and are maintained. This person should have great organizational, leadership and communication skills. This person, if possible, should have some disaster experience, but not required.

The SDC will work directly with the VVA Disaster Relief Committee or its designee when Disaster Relief Operations are necessary. Coordination of resources is extremely important in order to make sure the proper resources reach a disaster area.

The State Council Disaster Coordinator is expected to maintain a Point of Contact list with all the Chapters in his/her state. Home and cell phone numbers are extremely important to have

The State Council President, State Disaster Coordinator and Region Director will work hand in hand with the Disaster Relief Committee in all relief operations.

COLLECTION & DISTRIBUTION CENTER

A Collection & Distribution Center is established by the VVA Disaster Relief Committee in coordination with the respective State Council President's advice and advice from the State Disaster Coordinator. Collection & Distribution Centers are established at VVA Chapter locations where Chapters have a good membership participation base and transport ability to get relief supplies into designated areas.

Collection & Distribution Centers should be established at locations closest to the disaster area and should be established at Chapter areas surrounding the disaster area to provide access and flexibility for the movement of supplies in a timely manner. The location of these Collection Centers will obviously not be permanent and will change

depending on the circumstances. This same method is used in the present-day transportation industry and is extremely effective and cost efficient.

WHAT is a DISASTER?

The Disaster Relief Committee members will determine "what constitutes a disaster" to be covered under this policy based upon information generated from government agencies, such as when the President of the United States declares an area a disaster area, when a governor declares his state a disaster, etc. Disasters may take any form and can range from natural disasters or disaster from terrorist attacks and may cover small areas such as a town to larger areas such as several states.

FUNDING

Funding for the VVADRF may be generated in several ways. VVA may specifically solicit donations to support this fund. Solicitations for the VVADRF will clearly indicate that all funds received will be restricted to disaster relief efforts. Unsolicited donations as well may be added to the relief funds. And finally, from time to time, VVA through its budget process and funding procedures, may provide additional funds.

All funds raised for this purpose will be spent on relief efforts only, with no administrative expenses being funded

VVA acknowledges that there may be Administrative Expenses from time to time in support of this policy. The Disaster Relief Committee will submit an annual budget for allocation of funds to support this committee. Administrative expenses will be factored into the Committees annual budget.

DISTRIBUTION OF FUNDS:

Funds from the Disaster Relief Fund may be distributed in several forms. The DRF committee may decide to transport supplies to a specific area or it may send funds (a grant) to a Collection and Distribution Center for procurement of relief supplies or it may give funds to VVA/AVVA members (a grant) that were in the affected areas.

Note: Documentation must be made available for any form of funds disbursement.

Transport Supplies to a Specific Area.

The VVADRF Committee, through its designee, working with VVA State Disaster Coordinator, Region Directors, federal and state relief agencies, religious organizations, and law enforcement are part of the process of where disaster distribution will occur. Top priority must be given to communities where VVA Chapters are located. Road accessibility also plays a key factor in determining locations. A local presence is a must.

Contact with the above individuals and agencies will allow the VVA Disaster Relief Committee to determine the resources needed.

Information about needs of resources will be posted on the VVA Disaster Relief website at the VVA National office so that donations of supplies can be solicited from the general public and what relief supplies may need to be procured.

Grants to a Collection & Distribution Center.

In order for the Collection & Distribution Center (Chapter) to receive funds, they must send an email (if possible) or some other means of communication to DisasterRelief@vva.org with the amount requested, a detailed explanation of what the funds will be used to procure, date funds are needed, where and when the relief supplies will be distributed, and finally how they would like the funds transferred – e.g. wire transfer, mail, etc. All requests from the Collection & Distribution Centers will have a suggested cap amount of \$2,500. However, the committee may choose to exceed this amount. Receipts for disbursement of funds must be sent to the WA National office for accounting purposes.

Upon receipt of the above email request, it will be forwarded to the Disaster Relief Chair and to the Committee members for their approval or rejection of the request, A simple majority of the Committee members votes is approval for issuing or denying the grant. The Committee may adjust the amount requested.

Grants to a VVA/AVVA Member. The local Chapter President or his/her designated representative, State Council President or Region Director may initiate the grant process by communicating (email is preferable) with an email to DisasterRelief@wa.org. In this communication the following information must be provided:

Member's name, address, phone numbers, membership number and social security number. (This information is required, as WA must report such information in a supplemental schedule to the VVA IRS 990. Such expenses will be categorized as "Grants" on page 2 of the 990);

Amount requested for the grant with a cap at \$500.00;

A detailed paragraph or two justifying the need for the grant and how the grant funds will be spent;

Notification of how the requested funds, if granted, should be sent to the recipient – e.g. electronic funds transfer, mail, FedEx, etc.

Once the grant request is received, the VVADRF Committee will verify with the VVA Membership Department that the grant requestor is in fact an up-to-date member of VVA/AVVA. Upon a positive identification of the grant requestor, the grant request will then be forwarded to the Committee members for approval or disapproval. Once again, in compliance with IRS rules and regulations, VVA must not give grants to non-VVA/AVVA members. The Committee has the authority to increase, decrease, or reject the amount requested keeping in mind the suggested cap of \$500.00. A simple majority of the Committee members votes is approval for issuing or denying the grant.

When issuing the grant check, the grant request and all vote entails will be attached to the Check Disbursement Form and filed so that complete documentation of each grant is all together for anyone's review.

ACCOUNTING

From an accounting standpoint, all funds received will be identified as "Temporarily Restricted" funds and disbursements will be processed in the normal VVA disbursement process..

All record of individual, chapter, foundation or corporate donations will be kept by a detailed listing in the National office and remain confidential. While all donations will be recorded in the VVA Donor Database, they will be coded as "do not solicit" in the normal VVA Fundraising efforts.

FUTURE PLANNING

The Disaster Relief Committee will plan, develop, and coordinate, in conjunction with Chapter and State input, written plans for the State Coordinators and distribute information to the Chapters on how to prepare for disaster-relief operations in their communities.

E-Rules of Order Policy - Revised 10/8/2011

National Board of Directors

Procedure for a Special Question Requiring Immediate Attention

1. The Secretary, if possible, will alert members of the BOD by e-mail (bod@vva.org) to an upcoming interval motion requiring an electronic vote. Members shall check their e-mail frequently for further posts.
2. Members shall notify the Secretary by e-mail or phone if, for some reason such as being on vacation, etc. they are not available to participate in the discussion of or vote on the special question.
3. Upon receipt of a special question from the President, the Secretary shall post the special question on the Board's Electronic Debate Site (BEDS).
4. The Secretary shall notify the members by e-mail (bod@vva.org) using the "delivery receipt requested option" that the special question is posted on the BEDS. Instructions on accessing BEDS will accompany the notice. Members agree that they will acknowledge the "delivery receipt requested."
5. The Secretary, if possible, will alert members of the BOD by e-mail (bod@vva.org) to an upcoming interval motion requiring an electronic vote. Members shall check their e-mail frequently for further posts.
6. Members shall notify the Secretary by e-mail or phone if, for some reason such as being on vacation, etc. they are not available to participate in the discussion of or vote on the special question.
7. Upon receipt of a special question from the President, the Secretary shall post the special question on the Board's Electronic Debate Site (BEDS).
8. The Secretary shall notify the members by e-mail (bod@vva.org) using the "delivery receipt requested option" that the special question is posted on the BEDS. Instructions on accessing BEDS will accompany the notice. Members agree that they will acknowledge the "delivery receipt requested."
9. The members shall sign in on BEDS and await further instructions from the Secretary.
10. When two-thirds of the members have signed in, constituting a quorum as prescribed by the VVA Constitution Article I, Section 4, paragraph D, the Secretary will post notice on BEDS and by e-mail (bod@vva.org) that discussion on the special question can begin.

11. If an E-motion is submitted by a member as noted on the chart on page 3 and seconded on BEDS, the Secretary will call for a YES or NO vote on BEDS; Notification of such a vote will be posted on BEDS and by e-mail (bod@vva.org) to the members.
12. E-motion voting will be accomplished on BEDS. The voting periods will open when the Secretary posts notification of the vote on BEDS and will continue for four (4) hours or until sufficient votes have been received to decide the E-motion. Members should monitor the BEDS or their e-mail frequently for further posts.
13. The Secretary shall cut-off the voting on the E-motion when sufficient votes (majority or two-thirds) have been received to decide the E-Motion. The Secretary will post on BEDS the results of the voting on the E-motion and notify the members by e-mail (bod@vva.org) that they should log-in to BEDS for further instructions.
14. If the E-motion fails to receive sufficient votes (majority or two-thirds) at the end of the four (4) hour voting period or is defeated, the discussion session on the special question will continue. If the E-motion is approved, further instructions will be provided by the Secretary.
15. At the end of the discussion period, the Secretary will announce the closing of BEDS: BEDS will be secured preventing entry by members, and the text of the discussion will be deleted.
16. The Secretary will announce by e-mail (bod@vva.org) when BEDS is closed and provide instructions on voting.
17. Voting will be conducted by a designated VVA staff member. The voting period will open upon transmission of voting notice by the designated VVA staff member, the time will be posted in Eastern Standard Time, and the voting period shall continue for forty-eight (48) or until the Secretary is notified that all members of the BOD have voted.
18. The Secretary will announce to the members by e-mail (bod@vva.org) that all members of the BOD have submitted their vote. The votes will be counted by the designated VVA staff member and the results announced in accordance with the VVA Constitution Article I, Section 4, paragraph G.
19. Interval motions presented and acted on between BOD meetings will be placed into the minutes of the next regularly scheduled BOD meeting. The minutes will include the motion, the results, and the tally sheets on the vote.

E-Motions		Characteristics			
		Second	Debate	Amend	Vote
1.	I move to Close Debate and End Amendments. (This requires voting on the motion immediately)	Yes	No	No	Two-thirds
2.	I move that we Request the President postpone the motion until the next board meeting.	Yes	Yes i	No	Two-thirds
3.	I move that we Request the President Refer the motion to the _____ Committee and that they report at the next board meeting.	Yes	Yes ii	No	Two-thirds
4.	I move to Amend the motion by _____.	Yes	Yes	Yes	Majority
5.	I move to Postpone the motion Indefinitely. (This kills the motion without directly voting against it)	Yes	Yes	No	Majority

i Debate is limited to the reason for postponement

ii Debate is limited to the reason for referral

ETHICS POLICY

Approved by Board of Directors' motion # _____ on April 21, 2007

It is the policy of Vietnam Veterans of America that its board members, committee and task force chairs, and committee and task force members uphold the highest standards of ethical, professional behavior. To that end, these board members, committee and task force chairs, and committee and task force members shall dedicate themselves to carrying out the mission of this organization and shall:

- Act in such a manner as to uphold and enhance personal and professional honor and the integrity of Vietnam Veterans of America.
- Treat with respect and consideration all persons, regardless of race, religion, gender, sexual orientation, maternity, marital or family status, disability, age, or national origin when engaged in the business of Vietnam Veterans of America.

- Respect the structure and responsibilities of the board of directors, provide them with facts and advice as a basis for their making policy decisions, and uphold and implement policies adopted by the board of directors.
 - Recognize and exercise only whatever discretionary authority assigned to your position under the law to carry out the mission of the organization.
 - Demonstrate the highest standards of personal integrity, truthfulness, and honesty in all Vietnam Veterans of America related activities in order to inspire confidence and trust in such activities.
-

Household Goods Solicitation Program (HGSP) Advisory Committee February 2001

1. Rationale. The thrift store operators who contract with VVA to purchase used household goods have indicated a need for a consistent interface between VVA and the buyers in the Household Goods Solicitation Program (HGSP). To respond to this need, VVA has decided to create a HGSP Advisory Committee to accomplish the purposes described below. VVA's HGSP has endured some difficult times, but the effectiveness and performance of the program have now been stabilized through sound management; the development of an operating reserve for the HGSP; and senior and established VVA leadership that understand and is sensitive to how the HGSP operates. Since VVA is structured so that 100% of its national leadership faces election every two years, it is in VVA's interest to insure that the HGSP continues to have available to it the benefit of knowledgeable VVA representatives that understand and are sensitive to how the HGSP operates.

2. Purposes. The purposes of the HGSP Advisory Committee are (1) to provide continuity in oversight of the operation of the HGSP, which is VVA's largest source of revenue; (2) to serve as an interface between the thrift store contractors and VVA; and (3) to provide guidance on the transfer of HGSP revenues to VVA after payment of HGSP operating expenses.

3. Composition. The HGSP Advisory Committee shall be composed of no less than three and no more than four members. The initial HGSP Advisory Committee, which shall come into existence effective March 1, 2001, shall consist of the current President of VVA and the current Vice President of VVA plus at least one additional VVA officer or director selected by them. The term of the additional VVA officer or

director shall expire when the VVA National Convention (from July 31-August 5, 2001) convenes. The new VVA President elected at the VVA National Convention shall become a member of the Committee.

If the new VVA President is someone other than the current President or the current Vice-President, then the three-member committee may, if it so chooses, select one additional VVA officer or director to serve on the committee.

If, however, the new VVA President is either the current President or the current Vice-President, then the new President and the remaining member of the Committee may select another VVA officer or director to serve as the third member of the Committee. The three-member committee may then, if it so chooses, select one additional VVA officer or director to serve on the committee.

If a vacancy occurs on the Committee, the remaining members of the Committee may fill the vacancy with a VVA officer or director.

4. **Subsequent Succession.** After each following VVA National Convention, the incoming VVA President shall become a member of the Committee and the outgoing VVA President who was not reelected shall leave the Committee unless **the Committee decides that the outgoing VVA President who was not reelected shall fill the vacant seat on the Committee even if this means displacing a member of the Committee.** If a vacancy occurs on the Committee, the remaining members of the Committee may fill the vacant position with a VVA officer or director.

5. **Meetings.** The Committee shall meet no less than once per year and no more than four times per year. Other than the annual HGSP fiscal performance meeting, the dates and locations of such meetings shall be scheduled in conjunction with VVA National Board meetings.

6. **Staff Relationships.** The VVA Business Manager for the HGSP shall be governed by the VVA Personnel Policies; shall report to the HGSP Advisory Committee; and shall also keep VVA fully informed of HGSP progress and performance. On an annual basis, the HGSP Advisory Committee shall review the operation of the HGSP and shall provide VVA with recommendations concerning the performance evaluation of the VVA Business Manager and the VVA Business Manager's annual salary review.

7. **Payment of Expenses.** The travel, lodging, and per diem expenses of Committee members for HGSP Advisory Committee business are a HGSP operating expense, not a VVA budget expense. Committee members shall be advanced or reimbursed their reasonable travel, lodging, and per diem expenses in accordance with VVA policies governing travel, lodging, and per diem expenses. All such travel, lodging,

and per diem expenses shall be reported on the same basis as other HGSP expenses. Since members of the VVA National Board of Directors and members of VVA Committees do not receive compensation from VVA for attending VVA board meetings, members of the HGSP Committee will not receive compensation for attending Committee meetings.

INVESTMENT POLICY

(Approved Motion #7, 6-17-00)
(Amended Motion #6, 4-23-05)

BACKGROUND

At the Vietnam Veterans of America (VVA) Board of Directors meeting in December 1992, the then VVA Board of Directors approved an Investment Policy for the investment of VVA funds. This policy involved a three-phase approach to investing VVA funds and has remained in effect to the present time. VVA has passed through these three phases and it is time for a review of the policy.

PURPOSE

This policy is a recap of the original investment policy, recognizes that changes have occurred over the years and updates the policy through the current period. The policy provides the operational procedure establishing guidelines for the investment of VVA funds. These invested funds include but are not limited to the “Cash-Life Membership”, “Investments”, and “Cash-Reserve Fund”. They do not include the operational funds of VVA. It articulates VVA's investment goals and policy, establishes an oversight Investment sub-Committee of the Finance Committee, and states the plan for the investment of VVA funds.

GOALS

The goals of VVA's investment policy are:

1. To invest VVA's non-working and reserve funds.
2. To increase the security of funds by diversifying the location of investment.
3. To retain the security of funds invested.

4. To provide for the growth of funds through investment.

INVESTMENT SUB-COMMITTEE

To oversee VVA's investments, an Investment sub-Committee has been instituted within the Finance Committee. The Investment sub-Committee reports to the VVA Board of Directors through the chair of the Finance Committee. The Chair of the Finance Committee, the Investment sub-Committee chair and the Treasurer work closely with the CFO in recommending and implementing investment policy.

The Investment sub-Committee may seek advice from outside sources such as:

Auditor - Councilor, Buchanan & Mitchell
Bank - Allfirst Bank, Washington, DC
Broker - Merrill Lynch
Broker - Smith Barney (CitiGroup)
Financial Advisor – Michael C Hearn

The Investment sub-Committee conducts the operational planning and implementation of the VVA investment policy.

OPERATIONAL PLAN

This operational plan was designed to implement an investment policy and provide order and control to the investment of VVA funds. It envisioned three phases lasting for three calendar years.

A. Phase 1. Implementation -- Preservation of Capital.

1. General. Phase 1 implements the VVA investment policy.

2. Strategy. The strategy of investment concentrated on the Life Membership accounts, investing 100 percent of those funds in treasuries and agencies. It retained liquid assets available in order to pay Life member dues to affiliates.

3. Timing. From date of implementation of this procedure and for a calendar year.

B. Phase 2. Expanding the Portfolio -- Diversification.

1. General. Phase 2 advanced VVA's investment policy and required a

vote of the Board of Directors to amend the policy. It assumed that VVA had been successful in

its investment strategy and portfolio management and envisioned that VVA would be willing to add risk to its portfolio.

2. Strategy. This phase envisioned that 50 percent (+/- 15 percent) of VVA's portfolio would be invested in treasuries and agencies and 50 percent (+/- 15 percent) would be invested in blue chip corporate bonds.

3. Timing. This phase lasts from the end of the "Phase 1" year for the following calendar year.

C. Phase 3. Maturing the Portfolio -- Growth.

1. General. Phase 3 matures VVA's investment policy and required another vote of the Board of Directors to amend the policy amended in Phase 2. It assumed VVA had experienced continued success in its investment strategy and portfolio management and envisioned that VVA was willing to undertake a posture of growth in its portfolio.

2. Strategy. This phase envisions that 33.3 percent (+/- 10 percent) of VVA's portfolio would be invested in treasuries and agencies, 33.3 percent (+/- 10 percent) invested in blue chip corporate bonds, and 33.4 percent (+/- 15 percent) invested in equity and growth funds.

3. Timing. This phase lasts from the end of the "Phase 2" year until this investment procedure is reevaluated.

D. Post – Phase 3 – Growth with Risk Management.

1. General. Recognizing the financial progress of VVA's Investment Policy, Post – Phase 3 positions the portfolio for further growth with increased risk management tools.

2. Strategy. This phase envisions that 50% (+/- 10%) of VVA's portfolio will be invested in bonds, e.g. Treasuries, Agencies, Corporate Bonds; and 50% (+/- 10%) will be invested in stocks. VVA's Financial Advisor will identify appropriate stock and bond investments for the portfolio and will be responsible for daily investment decisions. Periodic reviews of performance, as well as all other aspects of VVA's portfolio will be conducted as deemed necessary. Departure from these investment parameters for risk management purposes may be approved by the CFO/Investment sub-committee.

3. Timing. This phase will begin with the approval of VVA's Board of Directors and remain in effect until this policy is amended or rescinded.

IMPLEMENTATION

- A. VVA hereby appoints Michael C Hearn as its Financial Advisor.
- B. Selection of Portfolio. With the advice of VVA's Financial Advisor, the portfolio was selected and in place.
- C. Portfolio Management. The CFO and Treasurer interact with VVA's Financial Advisor on a regular basis and prepare and present periodic reports to the Investment Sub-Committee on the status of the portfolio. The Investment sub-Committee in turn, through the Finance Committee makes periodic reports to the Board of Directors.

USE of FUNDS

Use of funds invested or earnings on those funds will be at the discretion of the VVA Board of Directors.

VVA Membership Policy on Honorary Life Membership (08-10-10)

The VVA Membership Affairs Committee has concerns about the inconsistent issuance of an honorary life membership when the authority to designate this class of member has not been approved by the VVA National Board of Directors and there are no guidelines or policy to clarify related issues like recording this class in the VVA database, inclusion for delegate representation or not, dues rebates or not, member services or not, etc.

The relevant parts of the VVA Constitution state:

Article I National Provisions, Section 3 Membership, paragraph A & B:

A. Membership in the corporation is open to any veteran of the military service of the United States of America, who served on active duty during the dates established by federal law for the Vietnam War, paying in advance annual dues set by the Board of Directors, and conforming to, and complying with, this Constitution, bylaws, and rules of the Corporation now or hereinafter in effect. The Board of Directors shall have the right to set rules for waiver of dues in situations it deems appropriate. Members shall file with their Chapter, or with the Corporation, if they are not affiliated with a Chapter, a DD Form 214, or other proof of qualification for membership.

B. The Board of Directors shall have the authority to designate classes of members, and the dues, entitlements, eligibility requirements, and available services concerning such members, and shall have the authority to restrict from membership a person or group of persons when, in their judgment, admission of such person or persons would be inconsistent with, or detrimental to, the purposes, principles, objectives, or goals of the Corporation or otherwise.

The VVA Membership Affairs Committee has researched the history and the concerns about the issuance of an honorary life membership by VVA. We found three varieties of honorary life membership which present procedural concerns or could have impact on the Corporation in the future.

Background: Honorary Life Memberships have been awarded by the VVA National President over the years to a variety of individuals and the actual number of such honorary life memberships is limited. Concerns: 1) a honorary life membership class of member does not exist in VVA; 2) the VVA Membership Department designated the entry in the VVA database as a LMP; 3) the database entry of LMP represents a yearly dues rebate to a state council or chapter; and 4) there is currently no way to differentiate these memberships from the other database entries designated LMP.

Honorary Life Memberships have been issued to the surviving spouse of a deceased **VVA Life Member** and this practice involved sending a honorary life membership card and certificate to provide recognition to the surviving spouse. Concerns: 1) a honorary life membership class of member does not exist in VVA; 2) this practice has never been recorded in the VVA database and there is currently no way to verify the number issued; and 3) with life memberships over 31,000 currently, the influx of new opportunities and the eventual increase in the number of surviving spouses who are honorary life members might cause the IRS to question whether the composition of VVA's membership was still in compliance with IRS regulations for 501(c)(19) tax status. Those regulations don't mention honorary membership and it would be a nightmare to determine with precision what happened in the past and to monitor future developments.

An unknown number of VVA Chapters have on a continual basis paid the membership dues for some veterans designated by the Department of Defense (DoD) as Missing in Action (MIA) during the Vietnam War. The Committee recognizes that these veterans (MIA) were residents within the Chapter's community and that such memberships are meant to honor the MIA as a Chapter member in absence. Concerns: 1) a honorary life membership class of member does not exist in VVA and 2) an honorary life membership should not generate a dues rebate.

The committee has not previously recommended to the VVA National Board of Directors that an Honorary Life Membership be designated a class of member. Consequently, there is no membership policy to address previous designations or new requests for Honorary Life Membership in VVA. Developing such a policy includes: 1) defining the eligibility requirements for this class of member; 2) imposing stipulations to protect the

corporation's 501(c)(19) tax status; 3) insuring that this class of member does not impact the delegate count for a VVA Convention; and 4) insuring that this class of member does not generate a dues rebate.

The VVA Membership Affairs Committee recommends that the VVA National Board of Directors: 1) designate Honorary Life Membership (HLM) as a class of member within the Corporation and 2) adopt the following VVA membership policy for the HLM class of member.

**VVA Membership Policy on Honorary Life Membership
(08-10-10)**

Pursuant to Article I, Section 3 – Membership, paragraph A. and B. of the VVA Constitution, the VVA National Board of Directors hereby designates Honorary Life Membership (HLM) as a class of membership within the Corporation. This membership policy describes the eligibility requirements, dues, entitlements, and available services pertaining to such membership. An honorary life membership is authorized in the following two situations: 1) honorary life membership awarded by the VVA National President and 2) honorary life membership requested by a VVA Chapter or State Council for a DoD-designated MIA veteran who previously resided in the Chapter's community or area served or in the State Council's state.

Since the policy waives dues for a current or future DoD-designated MIA veteran, a chapter or a state council requesting a new honorary life membership for such a MIA veteran would not need to show that it had previously paid IND dues for the MIA veteran. IND dues that were previously paid for such a member are not eligible for a refund.

<u>Type of HLM</u>	<u>Eligibility</u>	<u>Dues/Dues Rebate</u>	<u>Entitlements (delegate representation/voting)</u>	<u>Available Services</u>	<u>Database/ Roster</u>
Presidential	Designated by President.	Dues waived. No dues rebate.	No office. No vote. Not counted for delegate representation.	No VVA Veteran. No member services.	HLM entry. No roster.
DoD Designated MIA	Written request to Corporation.	Dues waived. No dues rebate.	No office. No vote. Not counted for delegate representation.	No VVA Veteran. No member services.	HLM entry. Yes roster.

VVA Membership Policy to Release Dues Rebates Accumulation of Revoked or Failed VVA Chapters (04/12/08)

The VVA Membership Policy on VVA Chapters that are Suspended, but Active or Suspended, but Failed was approved by the VVA National Board of Directors on November 15, 2006. The 2006 policy pertains to troubled VVA chapters that are: (1) suspended for two or more years, but active or (2) suspended for two or more years, but failed. The usual reason for the suspension was failure to file the mandatory annual financial report. Once the VVA Chapters were identified by the VVA State Councils (or sometimes a Regional Director) as failed chapters, then the next step involved filing charges against the suspended, but failed chapter so that the Chapter's charter was revoked under Article IV, Section 1.A. of the VVA Constitution.

Article IV, Section 1.A. of the VVA Constitution requires that a chapter be suspended when it does not file an annual financial report. That same section provides three ways that such a suspension can be ended: "such suspension shall continue until (1) the Chapter or State Council shall file its financial report for the year which caused the suspension; or (2) the Board of Directors of the Corporation shall relieve the Chapter or State Council of the responsibility for the filing of such report for the year in question; or (3) the Charter of such Chapter or State Council shall be thereafter revoked upon the filing of charges under the National Disciplinary Policy."

To facilitate this process, the VVA Disciplinary Code was amended so that the National Disciplinary Committee would have exclusive jurisdiction over such charter revocation cases. To simplify matters and ensure consistency in such cases, the National Secretary files the charges and the National Disciplinary Committee determines whether the charges comply with the Code, but the National Disciplinary Committee does not revoke the charter. If the charges comply with the Code, the National Disciplinary Committee notifies the chapter at its last known address and the National Secretary that the charges are deemed filed and the National Disciplinary Committee takes no further action on those charges. At the April 2008 National Board meeting, the National Secretary will report that the charges against ten suspended and failed chapters have been deemed filed by the National Disciplinary Committee and will request that the National Board revoke the charter of the ten suspended and failed chapters that have not filed annual financial reports for two or more years.

State Councils have encountered problems recovering chapter funds (treasury) or chapter property (records, flags, equipment, etc.) from failed chapters. Furthermore, failed chapters that didn't file VVA financial reports for two or more years are unlikely to have paid state fees for filing corporate reports or maintaining corporate status. The consequence, if it has not already happened, will eventually be loss of corporate status for those chapters who have their charter revoked.

VVA Chapters that have been suspended by VVA do not receive membership dues rebates until the suspension has been resolved, but in the case of chapters who have failed and had their charter revoked, the dues rebates accumulation has been retained by VVA and the membership of the failed chapters has been transferred to other chapters or at large status as desired by the members of the failed chapter. There are VVA Chapters who notify VVA National or their State Council that they are voluntarily closing the doors on operation as a chapter. Again, there may be dues rebates accumulation which has not been paid to the chapter and these dues rebates have been retained by VVA.

Consequently, the VVA Membership Affairs Committee recommends the following VVA membership policy to the VVA National Board of Directors:

1) Whenever VVA has retained and accumulated dues rebates for a chapter suspended for failing to file an annual financial or election report and whenever VVA has subsequently revoked that same chapter's VVA charter, then VVA's Chief Financial Officer (CFO) shall, within ninety (90) days of VVA revoking the chapter's VVA charter, pay to the state council in which the chapter was located, the entire amount of the dues rebate VVA retained during the period the chapter was suspended. When making such a payment to a state council, the CFO shall provide the state council with a document identifying: (a) the chapter that was suspended; (b) the date the chapter was suspended; (c) the date the chapter's charter was revoked; (d) the dates and amounts of dues rebates retained for the suspended chapter; and (e) the total amount of retained dues rebates being paid the state council.

2) Whenever a chapter notifies VVA National that the chapter is voluntarily ceasing to operate as a chapter and whenever VVA retains and accumulates dues rebates for such a chapter, then VVA's Chief Financial Officer (CFO) shall, within sixty (60) days of the date the chapter ceased to operate as a VVA chapter, pay to the state council in which the chapter was located, the entire amount of the dues rebate VVA retained after the chapter ceased to operate as a VVA chapter. When making such a payment to a state council, the CFO shall provide the state council with a document identifying: (a) the chapter that provided VVA with notice that it was ceasing to operate as a chapter; (b) the date the chapter ceased to operate as a chapter; (c) the dates and amounts of dues rebates retained for the chapter; and (d) the total amount of retained dues rebates being paid the state council.

3) On a quarterly basis, the CFO shall report to the National Board of Director, with a copy to the Chair of the Conference of State Council Presidents, (a) the state council(s) to which payments of dues rebates for suspended/revoked chapters were made and, if applicable, for voluntarily-ceased-to-operate chapters for which payments were made during the quarter; (b) the amount(s) of dues rebates paid to the state council for each such chapter; and (c) the total amount(s) of dues rebates paid to each effected state council for chapter(s) during the quarter.

4) Effective date of policy: 1) this policy applies to all dues rebates VVA retained for suspended/revoked chapters since the original date of suspension; and 2) for voluntarily-ceased-to-operate chapters from the date of approval of this policy.

OFFICERS SALARY AND BENEFITS POLICY

(Approved 4-24-04 Motion 7)

Amended Oct 6, 2007

BACKGROUND

Vietnam Veterans of America (VVA) is committed to the objective of having executive officers (President, Vice President, Secretary and Treasurer) who are as highly qualified as possible to serve in their respective positions. VVA recognizes that the financial income and resources of a VVA member should not, in effect, determine whether or not the member could afford to seek executive office. Accordingly, VVA intends to attract the best and brightest to run for executive officer positions and thus establishes this compensation and benefits policy. The compensation and benefits approved for the executive officers will be treated as a fixed cost of the Corporation akin to rent, telephone and other fixed expenses.

COMPENSATION OF EXECUTIVE OFFICERS

VVA executive officers are deemed to be elected officials of the organization, **NOT** employees.

Officers' salaries may be adjusted during any fiscal year to the extent that all VVA employees' compensation is actually adjusted. Salaries will be carried in the individual officer Cost Center budgets (Salary line).

Procedurally, compensation will be paid through VVA's payroll system with taxes and other required deductions being withheld. The income will be treated as "W-2" income and each officer shall receive a W-2 at the end of each calendar year for which he/she received compensation.

BENEFITS FOR EXECUTIVE OFFICERS

Officers shall be provided a VVA credit card to assist them in the performance of their duties. Administratively, they shall follow the VVA finance department policies regarding the proper use of their VVA credit cards. On the date an officer ceases to hold any executive officer position, the officer's credit card privileges shall be terminated.

VVA may purchase office equipment to assist officers in the performance of their duties.

Officers shall **NOT** be eligible for:

- leave, vacation time, compensatory time or sick leave;
- VVA paid health insurance;

TRANSITION COMPENSATION

For several reasons, there may and will be changes in the VVA officer positions, resignations, illness, failure to win reelection are just a few. While all officer positions are important, it is extremely important to have continuity and transition with the President position. To that end VVA hereby establishes a two-month transition period between changes in the President position. During this transition period the outgoing President will be paid compensation (transition compensation) in accordance with the then current budgeted President position. There will be NO transition compensation for the remaining officer positions.

The policy on Transition Compensation may be temporarily amended by the VVA Board of Directors upon recommendation of the Executive Committee and the VVA Finance Committee.

Orderly Transition Policy Amended 2007

1. GENERAL

a. Purpose. The National Board of Directors adopts this plan to assure an orderly transition of responsibilities from outgoing officers, directors, committee & task force chairs, and other national appointees, to incoming officials following the elections held at each national convention.

b. Period of Transition.

(1) The period of transition is defined as the time between the declaration of final election results by the Elections Committee at the national convention and 30 days following the national convention, or in the case of appointed officials, at the time of their appointment until the conclusion of the first regularly scheduled board meeting following the national convention.

(2) Newly elected officers, directors, committee & task force chairs, and other national appointees assume full responsibility for their duties immediately upon the declaration of final election results by the Elections Committee at the national convention, or in the case of appointed officials at the time of their appointment.

2. TRANSFER OF OFFICERS, DIRECTORS, AND CHAIRS RESPONSIBILITIES

a. Records. Outgoing officers, directors, committee & task force chairs, and other national appointees are responsible for briefing their successors and

transferring to them all VVA records and documents within 30 days following the national convention.

- b. Actions.** Outgoing officers, directors, committee & task force chairs, and other national appointees are responsible for briefing their successors orally or in writing on all actions and unfinished business involved in the proper execution of their respective offices. Incoming officials will follow through on all such actions and unfinished business.
- c. Information.** Outgoing officers, directors, committee & task force chairs, and other national appointees will remain available during this 30-day period to provide information, concerning ongoing actions and projects in the area of interest of their previous office, to their successors.

3. REPORTS

- a. Outgoing** officers, directors, committee & task force chairs, and other national appointees are responsible for submitting a report in writing to the board of directors at its next regularly scheduled meeting following the national convention. The report should include a statement of goals and objectives, specific information concerning the achievement of those goals and objectives, and details of ongoing and incomplete actions, projects, and programs. They should also include positive recommendation for their successors.
- b. Outgoing and incoming** officials shall submit a written report to the board of directors at its next regularly scheduled meeting, following the national convention, on the status of the transition process as it is herein prescribed, to include actions not yet completed and a projected date of such completion.
- c. Incoming** officers and directors are responsible for reporting in writing to the board of directors at its second regularly scheduled meeting, following the national convention, the state of their offices, committees, and directorships; the challenges they see for the future; and their goals and objectives for the current term of office

4. TRANSITION FUNDING

- a. Outgoing** President shall continue to be paid for two months following the national convention, provided that he/she complete the requirements of this transition policy.
- b. Outgoing** officials responsibilities during this period are limited solely to the transfer of their offices to their successors.

- c. **Outgoing** officials will receive reimbursement only for the transfer of materials and information to their successors, subsequent to the national convention at which their successors assume office. Funding is not provided for travel after return home from the national convention, or for any purpose other than authorized herein, without specific prior approval.
 - d. **Outgoing** officials must file expense vouchers not later than 30 days after the national convention at which they leave office, for reimbursement of all official expenses incurred during their tenure in office. Expense vouchers filed after that date will not be honored.
5. **IMPLEMENTATION AND LONGEVITY.** This policy amends the Transition Policy dated July 10, 1990 and is effective July 25, 2001, and will remain in effect until amended or rescinded
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Ruth Mathews Bequest Special Projects Fund Policies and Procedures
(Approved Motion 14, 4-21-12)

Background

During the VVA FYE 2-29-12, VVA received a bequest in the amount of \$452,499 from the estate of Ruth Mathews. The VVA Board of Directors determined that the size of this bequest warranted special attention and so during their April, 2012 Board of Directors meeting approved the establishment of the Ruth Mathews Bequest Special Projects Fund, otherwise known as the "The Ruth Mathews Fund" (VVA Board Motion 9, 4-21-12). The intent of this fund is to fund special projects and programs deemed appropriate in accordance with the following policies and procedures.

Project Applicants

VVA Officers, Board of Director Members, Committee Chair persons, State Council Presidents and VVA Staff Managers may apply for funding. VVA Chapters may also apply for funds with the endorsement of their State Council President.

Special Projects

Special projects must directly benefit veterans and/or their families and meet the goals and objectives of VVA. Project funds may not be used for expenses ordinarily funded by the VVA National operating budget such as National Office staff salaries, travel by National Office staff / officers, or similar expenses; memorials; and construction projects.

Project Application

There will be no specific application format. However, applicants must submit:

1. A detailed narrative describing the project. As part of the narrative, the proposed applicant should identify whether this is a one- time project, new project or a continuing project. Project narratives must also include goals of the project, how the project will benefit veterans and/or their families, and how the results will be evaluated.
2. A detailed budget to support the proposed project. If funding is requested for an existing project, the applicant must state how it has been funded in the past and if that funding will continue. If the project is expected to continue, the applicant must specify how it will be funded in the future and what will happen if no further funding is available.
3. Contact information to include:
 - Name of organization submitting the project (if applicable).
 - Name of Project Manager (PM).
 - e-mail address and phone number of PM.
4. Administrative information to include:
 - Street address of organization (if applicable).
 - Identification of who any checks should be made out (if applicable).
 - Suggested timing for receipt of any funding.
 - Timeline for project.
 - Names of any VVA National staff involved in this project.

Project applications must stand on their own and must be submitted electronically to the VVA CFO at cfo@vva.org with the subject line of Ruth Mathews Fund proposal.

Project Approval

A proposed project manager must be aware of the VVA calendar and must consider timing when submitting a proposal.

Ruth Mathews Fund projects must be received by the VVA CFO no later than 35 days prior to a regularly schedule VVA Board of Directors meeting (January, April and October). Projects totaling \$25,000 or less will be evaluated and approved / disapproved by the VVA Finance Committee. The Finance Committee will report to the VVA Board any proposals that have been approved / disapproved.

Proposals in excess of \$25,000 will be evaluated by the VVA Finance Committee and subsequently sent to the VVA Board of Directors with a recommendation for approval or disapproval.

There will be no appeal process for disapproved projects.

Project Oversight

Oversight for any projects funded under this fund will be the responsibility of the individual (Project Manager) who submitted the project request. However, this individual will be assisted by the VVA CFO. The VVA Finance Department will account for all expenditures under this project through the Great Plains Accounting System, by establishing a specific Cost Center, inputting a budget and reflecting the activity. Monthly Budget to Actual reports for all active projects will be provided to the Budget Oversight Sub-committee and will be available to the VVA Board upon request.

Any contract or agreement signed as part of the project must be provided to the VVA CFO and must include a clause holding VVA National harmless if the contractee does not meet the terms of the contract or agreement.

Progress reports are required every 90 days after funding is received. Failure to submit required reports in a timely manner will result in cessation of funding until the delinquent report is provided. A second occurrence of failure to submit the required report will result in cancellation of the remaining funding.

Project Closure

Upon completion of the project, the manager will provide a report to the VVA Board of Directors describing the project's goals, whether they were achieved, problems or successes through the life of the project, lessons learned, and recommendations for any future action. A final Budget to Actual report will be provided as well.

SPECIAL EVENTS COORDINATOR POLICY

(Approved Motion #8, 3-23-02)

BACKGROUND

Vietnam Veterans of America has long used, either as an employee or a consultant, the services of a Special Events Coordinator/Meetings Planner (Events Coordinator) whose primary functions have focused on the regular VVA Board of Director meetings, the biennial Leadership Conference and the National Convention. Over time it has become obvious that this individual is knowledgeable in the details and workings of hospitality and event services and that this individual has built up an inventory of cities and venues that would accommodate functions other than those referred to above such as Service Representative Training, Conference of State Council Presidents meetings and perhaps VVA Regional meetings as well. In addition, VVA has experienced situations where the non-use of this expertise has cost the organization money in penalties and overcharges.

PURPOSE

The purpose of this policy is to take advantage of the skill and expertise of the VVA Events Coordinator and to reduce this directive to policy format.

IMPLEMENTATION

The VVA Events Coordinator shall herewith be responsible for oversight, planning, contracting, assistance and production of all functions/events, which will be paid for by VVA (National, this does not include state council funded events) such as the Board of Director meetings, National Conventions, and Leadership Conferences.

This planning includes:

- * Selecting city and venue for event.
- * Determining VVA guaranteed block of hotel sleeping rooms.
- * Contracting for meeting/exhibit space.
- * Procuring Audio/Visual equipment.
- * Planning and determining banquet or food functions.
- * Contracting for musical entertainment.
- * Overseeing concert/sound reinforcement and production.

In addition to the preceding events, the Events Coordinator will assist in planning meetings and sites for the Conference of State Council Presidents meetings, Service Representative Training, Seminars and Symposiums. This “assistance” includes only the above areas and does not include the event agenda, training or any other such areas unless agreed to ahead of time.

Regional and State Council meetings present a special situation in planning. It is acknowledged that many directors and State Council presidents frequently have personal relationships with hotels in their areas, have been dealing with these hotels for several years and they have specific agendas for these meetings. Nothing in this policy is intended to detract or take away from these relationships. However, Regional and State Council meeting coordinators are encouraged to use the expertise of the VVA Events Coordinator to review contracts before signing with particular emphasis of “guarantees”. This review will be accomplished expeditiously.

NOTE: VVA Officers and Board of Director members, as elected officials of VVA, may NOT sign contracts for Regional or State Council meetings which in any way obligate the national organization.

Finally, by direction of the VVA President, the Events Coordinator may be directed to assist in functions not herein referred to but events to be funded by VVA.

TRAVEL POLICY

(Approved January 21/22, 2006)
(Amended Motion #14, April 27, 2007)
(Amended Motion #6, October 6, 2007)
(Amended Motion # 2, January 10, 2009)

BACKGROUND

A very significant percentage of each VVA budget consists of travel-related expenditures. It is imperative that such expenses be as cost effective as possible. Additionally, it is incumbent upon all Cost Center managers to make every effort to ensure that their travel expenses are kept within the parameters of their approved budget lines.

PURPOSE

The establishment of the VVA Travel Policy is to provide a mechanism with an established set of rules and procedures to maximize the possibility of travel-related expenditures being contained within each Cost Center's travel-related budget lines. Over time the VVA Board of Directors has passed many motions and directives relating to travel and these have been incorporated within this policy.

EXCEPTIONS

Once the VVA budget has been approved at the annual budget approval meeting, usually in April, travel within the various Cost Centers has also been approved and does not need further approval with the exception of the following:

- * All international travel funded by VVA must be approved by the Board of Directors in advance.
- * If a Cost Center manager is responsible for more than one Cost Center, the manager is prohibited from expending the resources of one Cost Center for the purpose of fulfilling the responsibilities of another Cost Center
- * Prior to committee and task force discretionary travel, the committee or task force must approve the travel in question.
- * For all VVA functions for which there is a "Master List" of individuals to be paid for by VVA, reimbursement of hotel and possible subsequent taxi expenses will not exceed one half of room cost of the VVA designated hotel should someone choose to move to another hotel for their own convenience."

IMPLEMENTATION

Cost Center managers may book transportation for scheduled Board meetings, National Conventions and Leadership Conferences that they are authorized to attend without further approval.

Airline reservations should be made through VVA's travel agent Let's Travel @ 800-659-4441. Travelers may use their own travel agents but will not be reimbursed in excess of what the fare would have been through Let's Travel.

Room reservations must be made **30** days in advance of VVA supported functions. When making your 30 day advance room reservation for a VVA supported function:

- * You **MUST** use the VVA E-reservation form available on the VVA web site.

- * VVA may pay 50% of the room rate and tax; the options available to you are:

- * You may select a roommate that is funded by VVA, **OR**
- * Accept a roommate assigned by the VVA Meeting Planner, **OR**
- * Agree to pay 50% of the total room cost and have no roommate,

OR

- * Choose to room with someone that is not funded by VVA making you responsible for 50% of the total room cost. If the non-VVA funded person does not show up you are still responsible for that person's 50% and must pay it.

- * If you miss the thirty (30) day advance rule, you will be responsible for arranging for a room directly with the hotel. You will be responsible for paying the entire bill. You will be reimbursed 50% of "VVA's negotiated rate" only and you will be responsible for the balance of any higher rate.

(The 30 day cutoff dates are determined by the first day of the block of rooms covered in the contract. What day of the week you arrive has no bearing on the 30day cutoff date set.)

- * A person that does not check in on the arrival date booked is considered a "no-show". VVA is then charged Room and Tax for one night. The remaining days reserved are automatically cancelled. The individual is then responsible for paying VVA back for the "no-show" date and for making new arrangements for any rooms needed. (same conditions as above apply)

- * **There will be NO EXCEPTIONS to this policy** unless prior written approval is provided by the President or his/her designee.

Airline reservations must be made **21** days in advance of the travel date. Individuals not adhering to this policy will be responsible for making and paying for their own travel reservations (this will not be charged to the normal VVA travel account) and will be reimbursed to the extent that they would have been had they made their travel reservations prior to the twenty one day cut off.

The VVA Treasurer will be the arbiter in any instances required under this policy.

All airlines reservations that will ultimately be paid for by VVA, either directly or by reimbursement, must be made at least 21 days prior to departure and will include a Saturday night “stay over” unless it can be proven to be cheaper to deviate from this policy. Travel reservations less than 21 days prior to departure, must be pre-approved by the VVA Chief Financial Officer or Treasurer.

ADDITIONAL CRITERIA

If a Cost Center manager incurs travel expenses while performing duties within another Cost Center’s area of responsibility, the expense shall be charged to the Cost Center in whose area of responsibility it falls, provided that if it is chargeable to another Cost Center, the manager of that Cost Center must approve the expenditure before it is incurred.

The expenditure, use, or obligation of VVA budgeted funds by incumbent VVA officers, board members and committee/task force chairs for the purpose, in whole or in part, of running for, campaigning for, or otherwise seeking an elected position within VVA is prohibited.

This prohibition includes, but is not limited to travel during any fiscal year charged to a VVA Cost Center with particular emphasis on travel to Regional and State Conferences.

This prohibition further eliminates any and all pro rata of expenses between VVA business and political. The two may not be combined in one trip.

All VVA officers, Board of Director member, and Committee and Task Force chairs are hereby limited to spending no more than 50% of their respective budgets through August 31 of odd numbered or election years; and any exceptions to this policy such as potential timing of expenditures must be approved by the VVA Budget Oversight Subcommittee.

AUTHORIZED and UNAUTHORIZED EXPENSES

Authorized expenses include travel by plane or train at economy rates;

reimbursement for mileage at the prevailing IRS rate; bus, metro or taxi fare; per diem; and purchase of supplies and equipment used in the conduct of VVA, Inc. business.

Equipment purchases should be reported to the Finance Department as quickly as possible for a determination if the equipment is expendable or needs to be capitalized.

Purchasers should provide the Finance Department with copies of all warranties and serial numbers that apply.

Unauthorized/restricted expenses include:

- * Movies in hotel rooms or other places,
- * Tickets to events unrelated to VVA activities,
- * Alcoholic beverages not consumed incident to a meal,
- * Tips in excess of 15 percent of the total bill,
- * Baggage tips in excess of \$1.00 per bag,
- * Purchases of personal items, and
- * Any other item not part of a VVA, Inc. activity or event.

The President, Treasurer, or Chief Financial Officer must approve exceptions to unauthorized/restricted expenses.

When renting an automobile, decline all insurance premiums, which the rental company offers. VVA pays insurance under arrangements with our insurance carrier.

ADMINISTRATIVE

The reimbursement rates for ground transportation will be the then prevailing IRS mileage rate.

If an expense voucher is submitted more than 45 days after the expenses are incurred, it will only be paid if approved by the President, Treasurer or Finance Chair.

The VVA Chief Financial Officer is hereby directed to bill individuals for charges incurred in changing airline reservations, “no show” on hotel room reservations, etc.

The requirement to provide receipts for reimbursement of per diem is eliminated.

Honoraria paid to VVA officers, board members or staff as a result of representing VVA or as a result of using VVA funds to make travel are the property of VVA, Inc. and should be turned in to the Finance Department as soon as paid. Honorees will receive an IRS Form 1099 in January or February of the following year. The Chief Financial Officer will provide advice to honorees as to how to make adjustments to personal income tax returns when asked.

The Chief Financial Officer administers this policy on behalf of VVA, Inc. and makes periodic reports to the President, and Treasurer.

USE of UNBUDGETED REVENUE POLICY

10/7/06

Background:

VVA Cost Center managers have been and are regularly encouraged to solicit donations to provide additional support for their Cost Centers. In addition, VVA is moving into a new era to increase revenue by way of increased advertising in the VVA Veteran and to generate revenue from the VVA web site as well as other related areas. The current VVA financial policies and procedures do not address a simplistic method of easily taking advantage of this "new" revenue. Thus, the purpose of this policy.

Procedure:

The VVA budget process encompasses the period January through April of each year with the process beginning at the VVA Board of Directors meeting in January and culminating with the VVA board meeting in April and budget approval. Beginning with the VVA budget process for FYE 2-28-09 (January 2007), Cost Center managers who expect to take advantage of additional "unbudgeted revenue" will submit an auxiliary budget along with their regularly submitted budget. This auxiliary budget will require justification, will be dependent solely upon unbudgeted revenue, will be considered secondary to the regular budget, and will go through the VVA budget process as with any other budget submission.

Implementation:

Upon the VVA Board of Directors approval of the any fiscal year budget, any "auxiliary" budgets included within that approval will be considered approved by the board and not require any further board approval however, it will need final VVA Treasurer approval. Cost Center managers who have approved auxiliary budgets may use these budgets at their discretion after their regular budget has been expensed. Cost Center managers will e-mail the VVA Treasurer for final approval. The VVA Treasurer, in turn, will check with the VVA CFO to ensure that the regular budget has been expensed and verify that "unbudgeted revenue" has in fact been received; will then notify the Cost Center manager with approval; and finally, will notify the VVA Board of Directors of such approval.

The Cost Center budget will then be amended to reflect such approval.

Veterans Initiative Task Force Confidentiality and Sensitivity Policy

January 2006

Motion #20 – That it shall be the policy of Vietnam Veterans of America, Inc. that information that comes to the attention of the Veterans Initiative Task Force through its effort to account for all Prisoners of War and Missing in Action unaccounted for in Vietnam, Laos, Cambodia, Thailand and the surrounding areas shall be considered confidential. Veterans Initiative Task Force members, the President of Vietnam Veterans of America or designee, Vietnam Veterans of America POW/MIA Chair, affected families, and appropriate government agencies as defined by the Veterans Initiative Task Force shall be the exclusive viewers of any confidential reports pertaining to this stated information. This information, with no exception, may be released only by any of the above stated members, as individuals, team members, or titled positions, and only if written permission is on file with Vietnam Veterans of America, Inc. from a representative of the service member's family.

APPENDIX – AMENDED OR ADDITIONAL BOD POLICIES

BUDGET OVERSIGHT POLICY

(Approved Motion #9, 4-21-01)

(Amended Motion #26, April 12, 2008)

(Amended Motion #8, October 18, 2008)

(Amended Motion #5, 1-16-10)

Amended Motion #30, October 8, 2011)

PURPOSE

Concerns about cost overruns in the past have led the VVA National Finance Committee, with the approval of the VVA Board of Directors, to create a Budget Oversight Sub-Committee, which will be responsible for monitoring, and, when necessary, taking action concerning actual or potential cost overruns or other financial anomalies revealed in the Budget to Actual reports for the cost centers. In 2008, the VVA Board of Directors directed that all consultant monthly reports would be reviewed by the Finance Committee's Budget Oversight Sub-Committee and reported out as part of the Finance Committee's quarterly report to the Board of Directors. The Board of Directors further directed that consultants who do not submit monthly reports to the Finance Committee's Budget Oversight Sub-Committee will have their payments suspended until the reports have been submitted.

BUDGET OVERSIGHT SUB-COMMITTEE STRUCTURE

The Budget Oversight Sub-Committee will be a sub-committee of the Finance Committee; will consist of three voting persons, the VVA Treasurer and two members of

the Finance Committee; and will have the VVA Chief Financial Officer (CFO) as a non-voting ex-officio member.

BUDGET to ACTUAL REPORT

The Budget to Actual report will be the primary financial report used in this oversight process. The Budget to Actual Report is a financial report comparing the actual expenses of a Cost Center with its budget as of a specific end of month period. This report will consist of two percentages:

- * percentage of the fiscal year to date (i.e. # of months divided by 12);
and
- * the actual expenses to date compared to the total budget (i.e. \$x spent divided by \$yy allocated in the budget for the year).

Ideally, these two percentages should be equal. For example, in the sixth month (50% of the fiscal year) a Cost Center would be expected to have expended 50% of its yearly budget. Less than 50% would be under-budget and more than 50% would be over-budget. The Budget Oversight Process will be implemented when a Cost Center is over-budget in any given reporting period.

MONTHLY REVIEW

On a monthly basis, the Oversight Sub-Committee will be provided with the Budget to Actual reports for all cost centers. The Sub-Committee will review the Budget to Actual for each cost center to determine if there is a cost overrun or other anomaly. When the Sub-Committee members have each completed their reviews, they will confer and produce an Oversight Report. This Report will then be forwarded to the Finance Committee Chair for distribution to the CFO and Controller for their review and input. If appropriate, the Oversight Report will be revised based on the input provided by the CFO and Controller. The final Oversight Report will be distributed to the Finance Committee for their review.

BUDGET OVERSIGHT SUB-COMMITTEE ACTION

The Budget Oversight Sub-Committee members will communicate via fax, e-mail and/or phone on a monthly basis as needed to review the reports, analyses and the CFO's recommendations to determine whether further action is necessary with respect to each Cost Center. They may:

- 1 accept the Budget to Actual report for the Cost Center and take no action.

- 2 issue a caution letter to the Cost Center manager placing the manager on notice of the need to monitor future Cost Center expenditures and to take necessary steps to bring the center's costs within budget. See sample letter A below.
- 3 require the Cost Center manager to submit a Corrective Action Plan (see below) prior to the Subcommittee taking further action, if any. See sample letter B below.
- 4 suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, etc.) as provided for in this policy. See sample letter C below.
- 5 suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, etc.) as provided for in this policy and require the Cost Center manager to submit a Corrective Action Plan (see below). See sample letter D below.

APPEAL

Any action taken by the Budget Oversight Sub-committee may be appealed to the full VVA Finance Committee at its next meeting.

CORRECTIVE ACTION PLAN (CAP)

A Corrective Action Plan or CAP is simply a written explanation submitted to the CFO and the Finance Committee by the Cost Center manager detailing what action the manager will take through the remainder of the fiscal year to bring the Cost Center spending in line with the approved budget.

SAMPLE LETTER A

On a monthly basis, the Oversight Sub-Committee is provided with the Budget to Actual reports for all cost centers. The Sub-Committee reviews the Budget to Actual for each cost center to determine if there is a cost overrun or other anomaly. When the Sub-Committee members have each completed their reviews, they confer and produce an Oversight Report. This Report is then forwarded to the Finance Committee Chair for distribution to the CFO and Controller for their review and input. If appropriate, the Oversight Report is revised based on the input provided by the CFO and Controller. The final Oversight Report is then distributed to the Finance Committee for their review.

A letter is sent to a Cost Center Manager when the monthly Budget to Actual report for a Cost Center indicates that the percent of actual expenses to budget exceeds

("overspent") the percent determined by the number of months reported divided by twelve and no satisfactory reason for the overspending has been provided by the CFO and/or Controller. As you will see from the attached Budget to Actual report for XXXXX, your Cost Center qualified for review, 76.93% vs. 66.67%.

The Budget Oversight Sub-Committee, with input from the CFO and/or Controller, has determined the following course of action for your cost center:

To issue this caution letter to the Cost Center Manager placing the Manager on notice of the need to monitor future Cost Center expenditures and to take necessary steps to bring the center's costs within budget.

We urge you to review your Cost Center's expenses closely and make every effort to bring your Cost Center in line with your budget by the end of the year.

We understand there may be various reasons to be "overspent" and every effort has been made to consider these facts in our deliberations. Additionally, this action taken by the Budget Oversight Subcommittee may be appealed to the full VVA Finance Committee at its next meeting."

We trust you understand that we do not take this action lightly and ask your cooperation in this process since we all share in maintaining the fiscal integrity of Vietnam Veterans of America.

SAMPLE LETTER B

On a monthly basis, the Oversight Sub-Committee is provided with the Budget to Actual reports for all cost centers. The Sub-Committee reviews the Budget to Actual for each cost center to determine if there is a cost overrun or other anomaly. When the Sub-Committee members have each completed their reviews, they confer and produce an Oversight Report. This Report is then forwarded to the Finance Committee Chair for distribution to the CFO and Controller for their review and input. If appropriate, the Oversight Report will be revised based on the input provided by the CFO and Controller. The final Oversight Report will be distributed to the Finance Committee for their review.

A letter is sent to a Cost Center Manager when the monthly Budget to Actual report for a Cost Center indicates that the percent of actual expenses to budget exceeds ("overspent") the percent determined by the number of months reported divided by twelve and no satisfactory reason for the overspending has been provided by the CFO and/or Controller. As you will see from the attached Budget to Actual report for XXXXX, your Cost Center qualified for review, 76.93% vs. 66.67%.

The Budget Oversight Sub-Committee, with input from the CFO and/or Controller, has determined the following course of action for your cost center:

To require the Cost Center manager to submit a Corrective Action Plan prior to the Subcommittee taking further action, if any. (A Corrective Action Plan or CAP is simply a written explanation by the Cost Center manager detailing what action the manager will take through the remainder of the fiscal year to bring the Cost Center spending in line with the approved budget.)

Please provide a written Corrective Action Plan to the VVA CFO and the VVA Finance Committee no later than close of business Friday, December 27, 2000. We urge you to review your Cost Center's expenses closely and make every effort to bring your Cost Center in line with your budget by the end of the year.

We understand there may be various reasons to be "overspent" and every effort has been made to consider these facts in our deliberations. Additionally, this action taken by the Budget Oversight Subcommittee may be appealed to the full VVA Finance Committee at its next meeting."

We trust you understand that we do not take this action lightly and ask your cooperation in this process since we all share in maintaining the fiscal integrity of Vietnam Veterans of America.

SAMPLE LETTER C

On a monthly basis, the Oversight Sub-Committee is provided with the Budget to Actual reports for all cost centers. The Sub-Committee reviews the Budget to Actual for each cost center to determine if there is a cost overrun or other anomaly. When the Sub-Committee members have each completed their reviews, they confer and produce an Oversight Report. This Report is then forwarded to the Finance Committee Chair for distribution to the CFO and Controller for their review and input. If appropriate, the Oversight Report will be revised based on the input provided by the CFO and Controller. The final Oversight Report will be distributed to the Finance Committee for their review.

A letter is sent to a Cost Center Manager when the monthly Budget to Actual report for a Cost Center indicates that the percent of actual expenses to budget exceeds ("overspent") the percent determined by the number of months reported divided by twelve and no satisfactory reason for the overspending has been provided by the CFO and/or Controller. As you will see from the attached Budget to Actual report for XXXXX, your Cost Center qualified for review, 76.93% vs. 66.67%.

The Budget Oversight Sub-Committee, with input from the CFO and/or Controller, has determined the following course of action for your cost center:

To suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy.

Your spending authority is hereby suspended for all expenditures other than those required to attend the January 2001 Board of Directors meeting.

We understand there may be various reasons to be “overspent” and every effort has been made to consider these facts in our deliberations. Additionally, this action taken by the Budget Oversight Subcommittee may be appealed to the full VVA Finance Committee at its next meeting.”

We trust you understand that we do not take this action lightly and ask your cooperation in this process since we all share in maintaining the fiscal integrity of Vietnam Veterans of America.

SAMPLE LETTER D

On a monthly basis, the Oversight Sub-Committee is provided with the Budget to Actual reports for all cost centers. The Sub-Committee reviews the Budget to Actual for each cost center to determine if there is a cost overrun or other anomaly. When the Sub-Committee members have each completed their reviews, they confer and produce an Oversight Report. This Report is then forwarded to the Finance Committee Chair for distribution to the CFO and Controller for their review and input. If appropriate, the Oversight Report will be revised based on the input provided by the CFO and Controller. The final Oversight Report will be distributed to the Finance Committee for their review.

A letter is sent to a Cost Center Manager when the monthly Budget to Actual report for a Cost Center indicates that the percent of actual expenses to budget exceeds (“overspent”) the percent determined by the number of months reported divided by twelve and no satisfactory reason for the overspending has been provided by the CFO and/or Controller. As you will see from the attached Budget to Actual report for XXXXX, your Cost Center qualified for review, 76.93% vs. 66.67%.

The Budget Oversight Sub-Committee, with input from the CFO and/or Controller, has determined the following course of action for your cost center:

To suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, required expenses to attend BOD meetings, etc.) as provided for in this policy and require the Cost Center manager to submit a Corrective Action Plan.

Your spending authority is hereby suspended for all expenditures other than those required to attend the Presidential Inaugural and the January 2001 Board of Directors meeting. In addition, please provide a Corrective Action Plan to the VVA CFO and VVA Finance Committee no later than close of business Friday, December 15, 2000.

We understand there may be various reasons to be “overspent” and every effort has been made to consider these facts in our deliberations. Additionally, this action taken by the Budget Oversight Subcommittee may be appealed to the full VVAF Finance Committee at its next meeting.”

We trust you understand that we do not take this action lightly and ask your cooperation in this process since we all share in maintaining the fiscal integrity of Vietnam Veterans of America.

FINANCE COMMITTEE POLICY

Approved Motion # 25 November 15, 2003

Amended Motion # 7, October 9-10, 2009

Amended Motion # 25, January 14, 2012

PURPOSE

The VVA Finance Committee shall provide oversight of the financial activities of the Corporation, the State, or Chapter and shall recommend policies on financial matters to include, but not limited to, assisting and consulting with the Treasurer on all financial planning, budgeting, reporting and other related matters. (Appendix II to the VVA Constitution – paragraph I.)

The Finance Committee shall serve to advise the President and the Board of Directors as to financial matters and to perform such other duties as the President and Board of Directors shall from time to time assign to it. (VVA Constitution, Article 1, Section 7 – Committees, para B.)

The duties of the Finance Committee, as defined above, do NOT include oversight of the national staff, personnel policy matters, staff evaluations, etc. These functions fall under the duties of the VVA President who “...shall be the principal executive officer of the Corporation and shall, in general, supervise and control all the business and affairs of the Corporation.” (VVA Constitution, Article 1, Section 5 – Officers, para D.)

While it is agreed that the Finance Committee shall advise and recommend policies relative to financial matters that may affect the other VVA committees, this “advice and recommendation” does not extend to policy issues, which are “germane to (the committee) their areas of subject matter jurisdiction.”

To recap the above, the VVA Finance Committee shall provide oversight of the financial activities of the Corporation; shall recommend policies on financial matters; and shall serve to advise the President and the Board of Directors. The committee shall not direct activities or set policies.

FORMATION

The VVA President with the approval of the Board of Directors appoints the Chair of the Finance Committee. The Chair, in turn, shall appoint members to the committee, again with the approval of the Board of Directors. Members are normally appointed “ANAC” (at no additional cost) to national and will not be reimbursed for their

meeting expenses. The only exception to ANAC is the annual two-day budget meeting when all appropriate expenses are reimbursed.

STRUCTURE

The Finance Committee generally operates as a “body of the whole”. However, within the committee are several sub-committees. The sub-committees currently within the Finance Committee are:

Budget Oversight Sub-Committee (Approved Motion #9 – 4-21-01)

Investment Sub-Committee (Approved Motion #7 – 6-17-00)

Scholarship Sub-Committee (Approved Motion #17 – 1-24-98)

For further information on these sub-committees, consult the VVA Financial Manual.

IMPLEMENTATION

The Finance Committee regularly meets on the evening preceding the VVA Board of Director meetings. In addition, the committee meets “on call” as necessary.

In addition to the above, the annual budget meeting is by far the longest if not most important meeting of the committee. This is a two-day meeting, generally held in the month preceding the VVA Board of Directors meeting in which the annual budget will be proposed for acceptance. See the Financial Manual for a more detailed explanation of the VVA budget process.

The goal of the annual budget meeting is to review budget submissions from Cost Center (CC) managers, analyze budget expense justifications and to present a proposed budget that is fiscally responsible and allows for accomplishing the goals and objectives of VVA. To this end, if the Finance Committee feels that the proposed budget of a Cost Center, along with all Cost Centers, exceeds available funds, the Finance Committee will return the CC’s budget back to the CC manager requesting that a specific dollar amount of expenses be reduced. The Cost Center managers will make any reductions in their own budgets – the Finance Committee will not make any specific cuts during the budget process.

Final cuts will be inputted and the proposed budget will be presented to the Board of Directors for their approval.

Once the annual VVA budget is approved, budget managers do not need additional approval to expend their funds.

Intra-Budget Activity adjustments less than 10% of total committee or department budgets may be shifted without Finance Committee approval.

Inter-Budget Activity adjustments or shifts of any nature must be approved in advance by the Finance Committee.

Other areas in which the Finance Committee has responsibility are:

- ** Grant Requests - Committee or department requests for outside funding such as VVAF grant requests, government grant requests, funding from other veteran service organizations or affiliate organizations, and funding or grant requests from outside sources for any purpose must be submitted to and initially approved by the Finance Committee and then possibly the BOD, as the situation warrants. (Motion # 11 of July 11, 1998 BOD Meeting).

Remember, the goal is to oversee and advise NOT to direct.

Membership Policy for Members Who Previously Joined Under the Old Date System

Approved as Motion 19, Membership Eligibility Policy, November 10, 2000

Amended by Motion 10, October 7, 2006

In the 1990's the Internal Revenue Service (IRS) questioned whether VVA's membership policies pertaining to associate members and VVA's membership eligibility dates (January 1, 1959 to May 7, 1975) at the time (prior to 1999) were causing a problem with VVA meeting the membership composition requirements for being a tax-exempt war veterans organization under Section 501 (c)(19).

A simplified statement of the Section 501 (c)(19) rules would say: (1) 97.5% of our members have to be war veterans or present or former members of the United States Armed Forces or certain family members of these veterans (this allows 2.5% headroom for exceptions to the rules) and (2) 75% of our members have to be war veterans, having served during a legislatively defined period of conflicts such as the Vietnam War.

The questions raised by the IRS led to the formation of AVVA in 1999 and the transfer of all associate members to this corporation, which became the new membership home for associates. In addition, VVA amended the membership eligibility provision in the VVA Constitution so that it would be consistent with federal law and VVA could be sure of maintaining compliance with 501 (c)(19) rules for veterans organizations. At the VVA National Convention on August 14, 1999, the VVA Constitution was amended to read in **Article I National Provisions, Section 3-Membership, paragraph A: *membership in the corporation is open to any veteran of the military service of the United States of America, who served on active duty during the dates established by federal law for the Vietnam War,...***

This amendment effectively made the membership eligibility dates the dates established by federal law for the Vietnam War. Those dates currently are: (1) February 28, 1961 to May 7, 1975, for in-country service and (2) August 5, 1964 to May 7, 1975, for service anywhere.

Given the August 14, 1999 amendment to the membership eligibility dates in the VVA Constitution, the VVA Board of Directors passed Motion # 19 on November 11, 2000: "To accept the Membership Eligibility Policy for VVA." Motion # 19 did not say what the "Membership Eligibility Policy" was, but two related documents discussed it: (1) part of the report of the November 9, 2000 meeting of the Membership Committee and (2) a more detailed November 10, 2000 memorandum from the Chair of the Membership Committee to VVA Chapters and State Councils.

Although the November 9, 2000 Membership Committee report indicated that current VVA members who met the previous membership eligibility dates would remain active members, it also said questions had arisen about membership eligibility, but it did not identify or address those questions. The November 10, 2000 memorandum did, but what it says is not in Motion # 19 or in the Membership Committee report.

The rationale for the change in these dates was all membership applicants are "war veterans" under the 501 (c)(19) rule, so that VVA does not have to monitor the 75% rule or any other percentage rule, thus all members of VVA are veterans. The wide understanding is that VVA exempted those members who joined under the old date system as long as the memberships remained continuously active after 1999 and VVA members used the term "grandfathered" to describe this exemption.

To update and clarify our policy so that it is consistent with these developments and is stated in one policy document, the VVA Membership Affairs Committee recommends the following VVA membership policy for the limited number of members who previously joined under the old date system as an amendment to Motion # 19 to the VVA National Board of Directors:

(1) An "individual" member who joined under the old date system (January 1, 1959 to May 7, 1975), but is not a life member, would remain in good standing as long as his or her membership was never allowed to lapse. If it lapsed, he or she would be required to satisfy the current membership eligibility criteria in force (the dates established by federal law for the Vietnam War: (1) February 28, 1961 to May 7, 1975, for in-country service and (2) August 5, 1964 to May 7, 1975, for service anywhere).

(2) A "life" member who joined under the old date system (January 1, 1959 to May 7, 1975) should be viewed as satisfying our membership criteria.

(3) Since the number of members who previously joined under the old date system is small, the 2.5% rule under Section 501 (c)(19) allows VVA to have the flexibility to

Permit such membership and still be a tax-exempt war veterans organization under Section 501 (c)(19).

(4) These members (annual or life) who joined under the old date system and never allowed membership to lapse have eligibility to be a delegate to a VVA convention and, if otherwise eligible, to be elected director or officer at the chapter, state council, or national level.

Use of Restricted Donations Approved Motion #4, August 7, 2012

Background:

VVA Cost Center managers have been and are regularly encouraged to solicit donations to provide additional support for their Cost Centers. Such donations may be used for one time / one year projects or may be used for an ongoing multi-year project covering two or more years. This policy addresses the procedures Cost Center managers must use to request approval to spend donations directed to their cost center.

Donations to a Cost Center may be general donations which can be used for any approved purpose within that Cost Center or may be donated for specific projects or uses within a specific Cost Center. When use of the money is specified, the Cost Center Manager must comply with the instructions of the donor. Therefore, it is essential that when Cost Center Managers solicit or know that VVA is going to receive a donation designated for a specific purpose/project, they must inform the VVA President and CFO of the donor's name and the specific purpose for which the donation is restricted. Any donations which are not designated as restricted to a specific purpose/project by the donor will be considered general donations.

Policy:

Advance approval is required prior to expending any funds donated for the use of a specific cost center. Unspent donations will pass over to the following year and remain available.

Restrictions on use of restricted donations

- a. Expenditures in excess of available funds may not be approved.
- b. Restricted donations may not be used to supplement operational expenses ordinarily funded by the VVA National operating budget such as National Office staff salaries or similar budgeted expenses. Travel by National Office staff may be funded by donations only 1) as requested in the justification to expend the donated funds, and 2) when such travel is approved by the VVA President or, in the case of foreign travel, the VVA Board of Directors.

Procedure:

1. Requesting use of restricted donations

a. Cost Center managers who wish to use restricted donations must submit a request to the Finance Committee, via the VVA CFO, containing the purpose(s) for which the funds were donated; the amount of funds available; and a detailed justification and budget specifying how the funds will be used.

b. Upon receipt of a request to expend restricted donations, the Chair, Finance Committee will request confirmation from the Chief Financial Officer that the funding contained in the request is available.

c. The Finance Committee may approve expenditures up to the amount of funding available. When requests are time sensitive and needed before the next regularly scheduled meeting of the Finance Committee, the Chair may poll the Committee members by e-mail. Disapprovals may be appealed to the BOD.

d. The Cost Center budget will be amended to reflect the approval with the funds added to the appropriate account. Donations solicited/received for specific projects will be tracked by designating a sub-cost center.

e. If approved expenses are less than anticipated, unused funds will return to Cost Center's donated funds balance and will continue to remain available until used.

f. Cost Center managers who have obtained approval to spend donations may use these funds ONLY for the purpose(s) indicated in their justification and not for any other use.
