

# **BY-LAWS**

## **of**

# **Pinal County Junior Livestock Committee**

### **ARTICLE I - NAME**

The name of the corporation is **Pinal County Junior Livestock Committee**.

### **ARTICLE II – PURPOSE**

This corporation is organized and operated exclusively for one or more of the following purposes: **Charitable, Religious, Scientific, and/or Educational** purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code. The specific purpose of this corporation shall be to administer a junior livestock program in Pinal County, including the auctioning of livestock of the participants.

No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the organization shall be carrying on propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of the document, the organization shall not carry on any other activities not permitted to be carried on a.) by an organization exempt from federal income tax under section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or b.) by an organization, contributions to which are deductible under section 170 (c) (2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

### **ARTICLE III – MEMBERSHIP**

#### **Section 1. – Membership**

The business, property and affairs of the organization shall be managed, controlled and conducted by the Membership. As such, the Membership shall establish management direction and policies for the Pinal County Junior Livestock Committee. Any change in Membership shall be approved by a majority vote of the present voting members. The voting Membership shall consist of:

- a.) Two (2) Superintendents from each of the specie divisions; those being Beef, Lamb, Swine, Goat, and Veal
- b.) Two (2) Superintendents from the Carcass Division
- c.) Two (2) Superintendents from the Youth Association Division

- d.) Auction Chairman
- e.) Barbeque Chairman
- f.) Contest Chairman
- g.) One (1) FFA Advisor from each of the active FFA chapters located within Pinal County
- h.) Two (2) Youth representatives from the FFA division
- i.) Two (2) Youth representatives from the 4-H division
- j.) Two (2) Youth representatives from the Youth Association division
- k.) Four Members-at-Large representing four geographic regions of Pinal County. Regions include Casa Grande, Western Pinal, Central Pinal and Eastern Pinal. Members must reside in the region they represent. Boundaries will be determined annually by the Board of Directors.
- l.) Two (2) 4-H Representatives appointed by the Pinal County 4-H office
- m.) One (1) Pinal County Fairgrounds Director
- n.) Those serving on the Board of Directors as delineated in **Article III, Section 2.**, (Following) not otherwise included in the aforementioned Members

Accordingly, each voting Member is entitled to one (1) vote on issues that arise before the Committee requiring a vote.

## Section 2. – Duties Of Members

- a.) Members shall follow and uphold the Rule Book and By-Laws as written.
- b.) Members shall attend meetings of the Pinal County Jr. Livestock Committee.
- c.) Members shall conduct themselves with honor and respect for others.
- d.) Members shall serve as a member on a minimum of one PCJLC Committee each year.
- e.) Each Specie Superintendent shall be responsible for the coordination and implementation of the ear-tagging, receiving and weighing, showing, and releasing of all animals within their specific specie designation. This includes assistance in securing a qualified judge for both market and showmanship judging. Specie Superintendents shall also be responsible for addressing special requests, complaints and grievances relating to various issues pertinent to their particular specie group in accordance with the rule book. Grievances that cannot be resolved by the Superintendents shall be directed to and addressed by the Board of Directors. Superintendents shall assist and support all PCJLC activities and programs.
- f.) Carcass Superintendent(s) shall be responsible for the coordination and implementation of ear-tagging, receiving and weighing, and slaughtering of all species of animals designated to participate in the carcass judging competition. This includes securing a USDA certified slaughterhouse and qualified judge. Carcass Superintendents will also be responsible for addressing special requests, complaints and grievances relating to various issues relating to all species of carcass animals. Grievances that cannot be resolved by the Superintendents shall be directed to and addressed by the Board of Directors. Superintendents shall assist and support all PCJLC activities and programs.

- g.) The Youth Association Division Superintendent(s) shall be responsible for coordinating and implementing the activities of the Youth Association division encompassing any and all species. The Youth Association Superintendent shall also be responsible for disseminating information to all the individual Youth Association Leaders and Exhibitors. Superintendents shall assist and support all PCJLC activities and programs.
- h.) FFA Advisors shall assist with the livestock shows, auction, BBQ, awards, scholarship program, construction and maintenance of the livestock pens, show ring and livestock barn. Supervise FFA members and assist them with their projects. FFA Advisors shall assist and support all PCJLC activities and programs.
- i.) The 2 4-H representatives, appointed by the 4-H Office, shall serve in a voting capacity to represent the interests of the Pinal County 4-H program and 4-H exhibitors. The 4-H representatives shall assist and support all PCJLC activities and programs.
- j.) The Fair Director shall serve in a voting capacity to represent the interests of the Pinal County Fairgrounds.
- k.) The Auction Chairman shall be responsible for coordinating and conducting the livestock auction during the county fair. These responsibilities include, but are not limited to, securing an auctioneer, announcers, and ring men. The Auction Chairman shall serve as the Chairman of the Auction Committee. The Auction Chairman shall assist and support all PCJLC activities and programs.
- l.) The Barbeque Chairman shall oversee the preparation, serving, and clean up of the Buyer's Barbeque to be held concurrent with the livestock auction. This includes securing the necessary food, supplies, labor, and funding necessary to conduct the barbeque. The Barbeque Chairman shall serve as the Chairman of this committee. The Barbeque Chairman shall assist and support all PCJLC activities and programs.
- m.) The Youth Representatives shall be the representative for all 4-H, Association and FFA youth exhibitors in the Pinal County Junior Livestock program. They shall effectively communicate and encourage involvement from all livestock exhibitors as well as serve as an example or role model for everyone to follow. Youth Representatives shall attend and participate in regularly scheduled Jr. Livestock Committee meetings, assist at ear tagging events, serve on the Awards Committee and select the Outstanding Volunteer award recipient. The Youth Representatives shall participate, assist and support with all Junior Livestock Division events and activities prior to and during the Pinal County Fair.
- n.) The Contest Chairman shall develop, coordinate and present educational events including the Livestock Expo Contest, the Round Robin Showmanship Contest and the Junior Livestock Judging Contest for the Junior Livestock Division during the Pinal County Fair. The Contest Chairman shall assist and support all PCJLC activities and programs.
- o.) The Members-at-Large shall inform all leaders within the boundary of their geographic region in Pinal County of the activities of the Pinal County Junior Livestock Program. It shall be the

responsibility of the Members-at-Large to educate and inform their respective leaders of fair policies, rules, and procedures as well as represent their Region on the Pinal County Junior Livestock Committee. Members-at-Large shall serve as a committee chairman and assist and support all PCJLC activities and programs.

### Section 3. – Election of Committee Members

Committee member(s) shall notify the Pinal County Junior Livestock Board of Directors of their retirement or vacating their current position by March 1 with the exception of those running for the Board of Director positions. Applications for committee vacancies are due at the Post-Fair Wrap-up meeting of the Pinal County Junior Livestock Committee. Election of Committee Members to vacant positions shall occur during the Annual meeting of the Pinal County Junior Livestock Committee after election of the Board of Directors. Vacancies created by election to the Board of Director positions shall be filled at the annual meeting or the subsequent meeting via election and applications for these vacancies will be accepted until the time of the election.

Mid-term vacancies may be filled by election at a regular or special meeting with previous notice of the election to the membership and with sufficient time for an application for the committee to be completed. In the event of a midterm vacancy which occurs within 90 days of the start of the fair, the Board of Directors shall be empowered to fill said vacancy by a majority vote. Said replacement shall serve until the adjournment of the annual meeting.

Members eligible to vote are identified in the Pinal County Junior Livestock By-Laws, Article III, Section 1– Membership. Members must be present to vote. Election ballots listing candidate’s names will be distributed at the Annual meeting of the PCJLC. Election shall take place according to RONR page 426 lines 7-25. The President shall appoint three tellers per RONR page 400 line 5 to page 404 line 30 to count ballots and prepare a Tellers report. The secretary and tellers will determine the exact number eligible to vote and only that amount of ballots will be issued for each vote. Non-voting members and guests shall be excused to the public gallery.

In the event of a tie or a non-majority vote, the two candidates with the highest number of votes will enter a run-off election. In the event of a subsequent tie, the current president shall break the tie.

Youth representatives shall be nominated by a committee appointed by the chair for such purpose. Their election to membership shall be deemed to occur upon report of this committee and approval of this report by the assembly as a whole at the annual meeting. Their term shall be for two years.

### Section 4. – Membership Term

Membership Year –For the purposes of voting, serving as a committee member, and nominations; membership shall begin at the adjournment of the annual meeting at which a member was elected to membership or office and conclude at the adjournment of the following annual meeting. As a clarification, newly elected members will begin serving in their respective positions following the adjournment of the annual meeting. Newly elected members will therefore be ineligible to be elected to the board of directors.

All Superintendents and Chairmen shall serve for a period of two years or until their successors are elected. The four Members-at-Large shall serve for a concurrent two year period or until their successors are elected. The election of the Chairmen shall begin with the Annual Meeting in 2014 so the Chairmen and Members-at-Large will be elected in alternate years. The election of the Superintendents shall be staggered in alternating years beginning with election of one of the two superintendents at the Annual Meeting in 2013 and the remaining position for each Superintendent in 2014. Election as a Superintendent, Member-at-Large, Chairman or Board of Director shall not affect this election cycle and any election to membership as a result of a vacancy created by another member's election to office shall only serve for the remainder of that term unless duly re-elected. Nothing in this article shall prohibit an individual from serving subsequent terms in this or another position.

## **ARTICLE IV –OFFICERS/BOARD OF DIRECTORS**

### **Section 1. – Officers/Board of Directors**

The use of the term Board of Directors and Officers are interchangeable for the purposes of this document. The Board of Directors shall consist of the duly elected officers.

The Board of Directors is empowered to have general supervision of the affairs of the Committee between its regular business meetings, fix the hour, date and place of regular meetings, make recommendations to the Committee and act on behalf of the committee to carry on the day to day operations. Nothing in this article shall give the Board of Directors the power to override the policies and directions as received from the Membership. Directors shall be elected by the Membership at the annual meeting thereof and shall hold office for the term of two (2) years, or until a successor shall be duly elected by the Membership. The Board of Directors shall consist of the following:

- a.) President
- b.) 1st Vice-President
- c.) 2nd Vice President
- d.) Secretary
- e.) Treasurer

Each Director shall be entitled to one (1) vote on all issues that arise before the Committee requiring a vote, provided that they are not already counted as a voting Member as listed in Article III, Section 1.

### **Section 2. – Duties Of Directors**

- a.) **President.** The President shall exercise general supervision over all activities and affairs of the Committee and shall: 1) Preside at all Board and general Membership meetings of the Committee; 2) Call special meetings at his/her discretion and or by request of a majority of the Board of Directors or a majority of the Membership; 3) Possess the authority to execute all contracts and instruments of conveyance on behalf of the Committee, and sign all checks, drafts, notes and orders for payments of money; 4) Perform all other acts and duties that

are usual and pertinent to the office of President. 5) Shall serve on all committees as an ex-officio member.

- b.) **1st Vice President.** The 1st Vice President shall have such authority and perform such duties as may be delegated to him/her by the Board of Directors. In the absence or disability of the President, the 1st Vice President shall assume the duties and exercise the authority that is usual and pertinent to the office of the President. The 1<sup>st</sup> Vice President shall serve as the Chairman of the Plan of Work Committee.
- c.) **2nd Vice President.** The 2nd Vice President shall have such authority and perform such duties as may be delegated to him/her by the Board of Directors. In the absence or disability of the President and 1st Vice President, the 2nd Vice President shall assume the duties and exercise the authority that is usual and pertinent to the office of the President. The 2<sup>nd</sup> Vice President shall serve as the Chairman of the Sponsorship Committee.
- d.) **Secretary.** The Secretary shall assure that a thorough and complete record of all meetings and meeting minutes be recorded and maintained. The Secretary shall submit such reports to the Board of Directors and/or the Membership as may be required by the Board. In addition, the Secretary shall serve as the Publicity Chairman and perform all other acts and duties that are usual and pertinent to the office of Secretary.
- e.) **Treasurer.** The Treasurer shall maintain direct oversight for the receipt and distribution of all funds belonging to, or accruing to or from the Committee. The Treasurer shall maintain financial records according to generally accepted accounting principles and periodically, or as required by the Board or Members, provide detailed financial reports to the Members. The Treasurer shall possess the authority to sign or endorse all checks, drafts, notes and orders for payment pertaining to the Committee. The Treasurer shall perform all other acts and duties that are usual and pertinent to the office of Treasurer, subject to the approval of the Board of Directors, and shall obtain bond for the faithful discharge of such duties in such amount as the Board of Directors shall fix and determine. An annual audit of the financial records of the Committee shall be conducted by such person(s) and at such time as determined by the Board of Directors.

### Section 3. – Election of Board of Directors

Directors shall notify the Pinal County Junior Livestock Committee of their retirement or vacating their position by March 1. Nominations for officers shall take place at the Post-Fair Wrap-Up meeting of the Pinal County Junior Livestock Committee. Members eligible for nomination to the Board of Directors are identified in the Pinal County Junior Livestock By-Laws, Article III, Section 1 – Membership, excluding youth and non-voting members identified in that section. Nominations will be closed at the Post-Fair Wrap-Up meeting. The list of candidates will be included with the Agenda for the Annual meeting of the Pinal County Junior Livestock Committee. Election of Officers shall occur annually during the Annual meeting. Officers shall be elected by a majority vote of the established members of the committee present and voting. Election shall take place according to RONR page 426 lines 7-25. Members eligible to vote are identified in the Pinal County Junior Livestock By-Laws, Article III, Section 1 – Membership. Members must be present to vote. Election ballots listing candidate’s names will be distributed at the Annual meeting of the PCJLC.

The President shall appoint three tellers per RONR page 400 lines 5 to page 404 lines 30 to count the ballots and prepare the tellers report. Non-voting members and guests shall be excused to the public gallery.

In the event of a tie or a non-majority vote, the two candidates with the highest number of votes will enter a run-off election. In the event of a subsequent tie, the current president shall break the tie.

#### Section 4. – Officer Term

Officer Year –Officers/Board of Directors will serve from the adjournment of the annual meeting in which they were elected until adjournment of the following annual meeting.

In the event that an Executive Board Member run for, and win both a Superintendent and Executive Board Position, the member will have one calendar year to fulfill both Executive Position and Superintendent Position, allowing a new Executive Board of Directors “trainee” to understudy their Executive Position. In the event there is no “trainee” to fill these vacant Executive position, the Board of Directors may vote to re-elect that member to fill an additional year-not to exceed two (2) years in dual Executive and Superintendent positions.

#### Section 5. – Vacancies to the Board of Directors

Mid-term vacancies to the Board of Directors may be filled by election at a regular or special meeting with previous notice of the election to the membership. In the event of a midterm vacancy which occurs within 90 days of the start of the fair, the Board of Directors shall be empowered to fill said vacancy by a majority vote. Said replacement shall serve until the adjournment of the annual meeting.

### **ARTICLE V – MEETINGS**

#### Section 1. – Quorum For Membership

A quorum of the Committee Membership shall consist of a majority of the membership entitled to vote. Non-voting members are not included for the purpose of determining the presence of a quorum.

#### Section 2. – Quorum For Board of Directors

A quorum of the Committee's Board of Directors shall consist of a majority of the current Directors.

#### Section 3. – Meetings

Regularly scheduled meetings of the Pinal County Junior Livestock Committee include: Kick-Off, Fall, New Year, Pre-Fair, Fair Wrap-Up, and Annual Meeting.

Fair Wrap-Up Meeting: The first post-fair meeting shall be known as the Fair Wrap-up Meeting. For the purpose of nominations and other time frame designations, this meeting shall be designated as the regular meeting held after the conclusion of the fair.

Annual Meeting: The second post-fair meeting, usually in May, shall be known as the Annual Meeting and shall be for the purpose of electing members and officers/Board of Directors, election of youth representatives, receiving annual and final officer and committee reports and for any other business that may arise.

## **ARTICLE VI – COMMITTEES**

Standing Committees of the Pinal County Junior Livestock Committee shall include:

The Auction Committee – An Auction Committee shall be appointed by the President promptly after the Annual Meeting. The Auction Chairman shall serve as the Chairman of the Auction Committee.

The Awards Committee – An Awards Committee shall be appointed by the President promptly after the Annual Meeting. This Committee shall include the six youth representatives.

The Plan of Work Committee – A Plan of Work Committee shall be appointed by the President from the membership promptly after the Annual Meeting. The Committee shall prepare the Annual Plan of Work for the organization. The 1<sup>st</sup> Vice President shall serve as the Chairman of the Plan of Work Committee.

The Champion Selection Committee – A Champion Selection Committee shall be appointed by the President promptly after the Annual Meeting. The Committee shall plan and carry out the Champion Selection Event.

The Fair Set-up Committee – A Fair Set-up Committee shall be appointed by the President promptly after the Annual Meeting. One Superintendent from each species shall serve on this committee.

The Barbeque Committee - A Barbeque Committee shall be appointed by the President promptly after the Annual Meeting. The Committee shall plan and carry out the Buyer’s Auction Barbeque. The Barbeque Chairman shall serve as the Chairman of this committee.

The Contest Committee – A Contest Committee shall be appointed by the President promptly after the Annual Meeting. The Committee shall plan and carry out the contests and educational events scheduled during Fair including the Livestock Expo, the Round Robin Showmanship Contest and the Livestock Judging Contest. The Contest Chairman shall serve as the Chairman of this Committee.

The Sponsorship Committee – A Sponsorship Committee shall be appointed by the President promptly after the Annual Meeting. The 2<sup>nd</sup> Vice President shall serve as the Chairman of the Sponsorship Committee.



The Scholarship Committee – A Scholarship Committee shall be appointed by the President from the membership promptly after the Annual Meeting. This committee shall carry out the duties necessary for recruiting, evaluating and selecting high school scholarship recipients.

The Youth Representative Committee – A Youth Representative Committee shall be appointed by the President promptly after the Annual Meeting. This Committee shall include the six youth representatives.

The Youth Representative Selection Committee – A Youth Representative Selection Committee shall be appointed by the President from the membership promptly after the Annual Meeting. This committee shall carry out the duties necessary to recruit, evaluate and select Youth Representatives to the Pinal County Junior Livestock Committee.

## **ARTICLE VII – PARLIAMENTARY AUTHORITY**

### **Section 1. – Robert's Rules of Order**

The rules contained in the current edition of Roberts Rules of Order Newly Revised shall govern the assembly in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the committee may adopt.

## **ARTICLE VIII – BY-LAW AMENDMENTS**

### **Section 1. – Introduction and Approval of Amendments**

- a.) Amendments may be introduced at any regular meeting provided the proposed amendment has been submitted in writing to the membership thirty days prior to the vote.
- b.) Amendments to the Pinal County Junior Livestock Committee By-Laws shall be made when approved by two-thirds of those present and voting.
- c.) An amendment shall, unless otherwise provided, become effective immediately upon its approval.
- d.) The Secretary shall be authorized to correct article and section designations, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the intent of the Committee.

## **ARTICLE IX - NON PROFIT PURPOSES**

### **Section 1. – IRC Section 501[c] [3] Purposes**

Pinal County Junior Livestock Committee is organized exclusively for charitable, religious, educational, and/or scientific purposes as specified in Section 501[c] [3] of the Internal Revenue Code.

## **ARTICLE X - COMPENSATION**

### **Section 1. – Compensation**

The officers of Pinal County Junior Livestock Committee shall not be eligible for any compensation. However, the officers/ Board of Directors reserve the right to amend this and offer compensation to its officers at a later stage. In such a scenario, the salaries of the officers of Pinal County Junior Livestock Committee shall be fixed from time to time by resolution of the Board of Directors. In all cases, any salaries received by officers of this corporation shall be very reasonable and in return for services actually rendered to or for the corporation for the cause of its tax exempt activities alone.

All Directors of Pinal County Junior Livestock Committee shall serve without compensation except for a reasonable advancement or reimbursement of expenses incurred in the performance of their duties with approval of the Board of Directors.

## **ARTICLE XI – IRC 501[c] [3] TAX EXEMPTION PROVISIONS**

### **Section 1. – Limitations on Activities**

No substantial part of the activities of Pinal County Junior Livestock Committee shall be for propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this corporation shall not participate in, or intervene in (including publishing or distribution of statements), any political campaign or on behalf of, or in opposition to, any candidate for public office. Notwithstanding any other provisions of these Bylaws, this corporation shall not carry on any activities not permitted to be carried on by a

- a.) Corporation exempt from federal income tax under section 501[c] [3] of the Internal Revenue Code
- b.) Corporation, contributions to which are deductible under section 170[c] [2] of the Internal Revenue Code

### **Section 2. – Prohibition against Private Inurement**

No part of the net earnings of Pinal County Junior Livestock Committee shall inure to the benefit of, or be distributable to, its directors or trustees, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

### **Section 3.- Distribution of Assets**

Upon dissolution of the corporation, the Board of Directors shall, after paying or making provisions for the payment of all debts, obligations, liabilities, costs, and expenses of the corporation, dispose

of all of the assets of the corporation to a non-profit organization. The non-profit organization to which such assets must go must be operated exclusively for charitable, educational, or scientific purposes and at the time qualify as an exempt organization under Section 501 (c) (3) of the Internal Revenue Service Code of 1954 or a future United States Internal Revenue Law. In no case shall a disposition be made which would not qualify as a charitable contribution of the Internal Revenue Code of 1986, as now enacted or hereafter amended, in such manner as the Board of Directors shall determine.

#### Section 4. – Private Foundation Requirements and Restrictions

In any taxable year in which Pinal County Junior Livestock Committee becomes a private foundation as described in Section 509 (a) of the Internal Revenue Code, the corporation:

- a.) Shall distribute its income for said period at such time and manner as not to subject to tax under Section 4942 of the Internal Revenue Code
- b.) Shall not engage in any act of self-dealing as defined in Section 4941 (d) of the Internal Revenue Code
- c.) Shall not retain any excess business holdings as defined in Section 4943 [c] of the Internal Revenue Code
- d.) Shall not make any investment in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code
- e.) Shall not make any taxable expenditures as defined in Section 4945 (d) of the Internal Revenue Code

### **ARTICLE XII – CONFLICT OF INTEREST POLICY**

#### Section 1. – Purpose

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

#### Section 2. – Definitions

1. Interested Person – Any director, principal officer, or member of a committee with governing board delegated powers with a direct or indirect financial interest, as defined below, is an interested person.
2. Financial Interest – A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
  - b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement,

or

- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 3, Line 2, a person who has a financial interest may have a conflict of interest only if the appropriate Board of Directors decides that a conflict of interest exists.

### Section 3. – Procedures

1. Duty to Disclose- In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with Board of Directors delegated powers considering the proposed transaction or arrangement.
2. Determining Whether a Conflict of Interest Exists – After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Directors meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
3. Procedures for Addressing the Conflict of Interest
  - a.) An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
  - b.) The chairperson of the Board of Directors shall, if appropriate, appoint a disinterested person or committee to investigate alternative to the proposed transaction or arrangement.
  - c.) After exercising due diligence, the Board of Directors shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
  - d.) If a more advantageous transaction or arrangement is not reasonable possible under circumstances not producing a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
4. Violations of the Conflicts of Interest Policy
  - a.) If the Board of Directors has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

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

#### Section 4. – Records of Proceedings

The minutes of the Board of Directors and all committees with board delegated powers shall contain:

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

#### Section 5. – Compensation

- a.) A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b.) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c.) No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

#### Section 6. – Annual Statements

Each director, principal officer, and member of a committee with Board of Directors-delegated powers shall annually sign a statement, which affirms such person has:

- a.) Received a copy of the conflicts of interest policy,
- b.) Read and understands the policy,
- c.) Agreed to comply with the policy, and
- d.) Understood the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities, which accomplish one or more of its tax-exempt purposes.

#### Section 7. – Periodic Reviews

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

- a.) Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

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

Section 8. – Use of Outside Experts

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

The undersigned hereby certify that the foregoing Bylaws were adopted by the Pinal County Junior Livestock Committee as of the 20<sup>th</sup> day of February, 2004

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

Bylaws Revised:    March 2, 2010  
                              February 22, 2011  
                              May 3, 2011  
                              September 7, 2011  
                              November 14, 2012  
                              November 17, 2016  
                              June 13, 2017