



## **Yarnell Hill Recovery Group, Inc. BYLAWS**

### **ARTICLE I: NAME and PURPOSE**

#### **Section 1: Name of Organization**

The name of the organization shall be Yarnell Hill Recovery Group, Inc. an Arizona non-profit corporation.

#### **Section 2: Seal**

The organization shall have a seal which shall be in the following form:

A circle with the corporation name of “Yarnell Hill Recovery Group, Inc.”

The words: “Corporate Seal Arizona.”

Date of Incorporation: “July 1, 2014.”

#### **Section 3: Change of Name**

The organization may at its pleasure by a vote of the membership body change its name.

#### **Section 4: Purpose/Mission**

1. The purpose of the organization is to:
  - a. Identify the unmet needs of residents and business owners in the Yarnell Hill area and to identify ways to meet those needs
  - b. Provide creative, realistic and compassionate oversight for programs and organizations in the Yarnell Hill area, as a living, thriving memorial to the sacrifice of the Granite Mountain Interagency Hotshot Crew on June 30, 2013.

- c. To develop, coordinate and expand educational and charitable activities, facilities and programs for the communities of Yarnell Hill area (defined as Yarnell, Glen Ilah, and Peoples Valley, Arizona).
- d. To raise and distribute funds to improve the sustainability of the Yarnell Hill area.

2. The organization is organized exclusively for charitable and 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, or to such enterprises as are essential to the sustainability and well-being of the Yarnell Hill area.

The activities will include creating awareness and providing education and services to citizens, including but not limited to: fire protection and emergency medical services, disaster and environmental related issues, disaster preparedness, crime prevention, establish a recognized “Firewise Communities/USA® Recognition Area”, emergency evacuation, search and rescue, public health and recreation, and identifying resources available to help residents in the recovery of the Yarnell Hill Fire.

**3. Exempt Activities Limitation.** Notwithstanding any other provision of these Bylaws, no director, officer, employee, member, or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code as it now exists or may be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the corporation shall inure to the benefit or be distributable to any director, officer, member, or other private person, 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 set forth in the Articles of Incorporation and these Bylaws.

**4. Distribution Upon Dissolution.** Upon termination or dissolution of the Yarnell Hill Recovery Group, Inc., any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c)(3) of the 1986 Internal Revenue Code (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation.

The organization to receive the assets of the Yarnell Hill Recovery Group, Inc., hereunder shall be selected in the discretion of a majority of the managing body of the corporation, and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the Yarnell Hill Recovery Group, Inc., by one (1) or more of its managing body which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets to be distributed, giving preference if practicable to organizations located within the State of Arizona.

In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which, at least generally, includes a purpose similar to the Yarnell Hill Recovery Group, Inc., then the court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the State of Arizona to be added to the general fund.

### **Section 5: Duration**

The duration of this Corporation shall be perpetual, unless earlier dissolved by a three-quarter vote of voting members present at a duly called membership meeting.

### **Section 6: Funds**

Funds raised will be the result of membership dues, voluntary donations, fund raising events, public/private grants.

## **ARTICLE II: MEMBERSHIP**

### **Section 1: Member Definitions**

Membership in the Yarnell Hill Recovery Group, Inc. as defined in Section 2, shall be open to anyone interested in the mission and objectives of this organization upon completion of an application for membership and upon payment of dues as may be required.

A member in good standing, for the purpose of these Bylaws, is defined as one whose annual dues are current and paid for the calendar year.

A “voting member” shall be Full Members as defined in Section 2(A) below, and Voting Associate Members, as defined in Section 2(C) below.

Yarnell Hill area is defined as follows: Yarnell Fire District Boundaries and Peoples Valley Fire District Boundaries.

### **Section 2: Member Classifications**

A. Full Member shall be defined as any person 18 years or older who owns property and/or resides in the Yarnell Hill Area as defined in Section 1. Members shall enjoy all privileges and voting rights of the organization.

B. Non-voting Associate Member shall be defined as any person 18 years or older who owns property and/or resides in the State of Arizona. Non-voting Associate Members shall enjoy all privileges and rights of the organization, provided, however, that Non-Voting Associate Members do not have a vote in the corporate affairs nor may they serve on the Board of Directors.

C. Voting Associate Member shall be defined as any person who has expressed an interest fulfilling the Purpose and Mission of this corporation as more specifically defined in Article I, Section 4 above, and who the Board has determined to be entitled to Voting Associate Member status by virtue of their work with the community, or possess a particular skill set or knowledge which will benefit YHRG, Inc. Voting Associate Members shall enjoy all privileges and rights of the organization, including the right to have a vote in the corporate affairs and to serve on the Board of Directors.

### **Section 3: Voting Rights of Members**

Voting members shall be entitled to one vote per member. Proxy voting shall be permitted in accordance with Article VII, Section 3.

### **Section 4: Expulsion**

A member can be expelled from the organization for the willful misuse of organizational resources, willful disregard for the safety of other members, or for other actions deemed to be against the best interests of the organization.

A member subject to expulsion will be granted a hearing before the Board of Directors. A majority vote of the Board of Directors is required to propose that a member be expelled.

An expulsion vote will be taken at a duly called meeting of the membership and a two-thirds majority of votes of members is required for the member to be expelled.

### **Section 5: Dues**

The Board of Directors shall establish member dues as follows: the first year of membership is complimentary; subsequent dues structure shall be as determined by the Board of Directors.

## **ARTICLE III: BOARD OF DIRECTORS AND OFFICERS**

### **Section 1: Board of Directors**

The Board of Directors is comprised of Officers designated below and At-Large Directors. Board members shall serve without pay and must be voting members of the Corporation. All board members must sign and date the organization's "Conflict of Interest Policy."

The Board of Directors is hereby authorized to adopt policies and procedures, and obtain liability, errors and omissions and other insurance at its discretion.

### **Section 2: Officers**

The officers shall be: President, Vice-President, Secretary, and Treasurer. The office of Secretary and Treasurer may be combined under the title Secretary/Treasurer. All officers shall serve a one-year term, unless reappointed or re-elected by the Board. The Officers shall be

elected by the members of the Board of Directors at the conclusion of the organization's Annual Meeting.

### **Section 3: Number of Directors**

There shall be no less than five (5) and no more than seven (7) Directors.

### **Section 4: Terms Of Office**

A. Officers: Officers terms shall be one (1) year or until their successors are elected.

B. Directors: Director terms shall be two (2) years or until their successors are elected or appointed

(i) At the annual membership meeting in July of 2016, the membership shall vote on three (3) Board positions, to hold office for a period of two years.

(ii) At the annual membership meeting in July of 2017, the membership shall vote on four (4) Board positions, to hold office for a period of two years.

(iii) There currently being seven (7) Board members, the Board will initially decide which positions are eligible for election in 2016, and which positions are eligible for election in 2017.

Thereafter, all-Directors shall serve two (2) year terms or until their successors are elected or appointed.

Election of Board members shall occur at the annual membership meeting, as described in Article VI, Section 1 of these bylaws. Board members shall begin their terms immediately preceding adjournment and assume their duties at the close of the meeting.

### **Section 5: Vacancies**

The Board of Directors shall appoint individuals from among the Voting Members to fill the remaining terms of any vacancies on the Board.

### **Section 6: Directors Meetings**

All meetings of the organization shall be conducted according to "Roberts Rules of Order, Revised", except when inconsistent with any provisions of these Bylaws.

The Board of Directors shall meet at the call of the President, or four (4) board members, but must meet at least quarterly. Board of Directors meetings may be held in person or electronically (i.e.: teleconference or videoconference), or a combination of both. Electronic voting shall be permitted. Proxy voting shall not be permitted.

A majority of board members constitutes a quorum. In absence of a quorum, no formal action shall be taken except to adjourn the meeting to a subsequent date.

Members of the Board of Directors have one (1) vote each on business items brought before the Board. The President will not be entitled to a vote except to break a tie vote.

#### **ARTICLE IV: OFFICER DUTIES:**

- a) **President:** Shall preside at all regular meetings of the organization and shall be chairperson of the Board of Directors. The President shall appoint chairpersons of all Standing and Special Committees. The President may be an ex-officio member of any committee.
- b) **Vice-President:** shall assume the duties of the office of the President as necessary and shall perform other duties as requested by the President.
- c) **Secretary:** shall insure that minutes of all regular business meetings and Board of Directors meetings are recorded and maintained, and execute correspondence as directed. The Secretary shall maintain all business and legal records of the organization. The Secretary shall also distribute copies of minutes and the agenda to each board member, assure that corporate records are maintained and post copies of regular monthly meeting minutes to the organization's website.
- d) **Treasurer:** shall be the custodian of all the organization's funds and financial records. The Treasurer shall be responsible for the collection and disbursement of funds as directed by the approved budget, or the Board and shall file all required government reports. The treasurer shall chair the Finance Committee, assist in the preparation of the budget, help develop fundraising plans, and make financial information available to board members and the membership.

#### **ARTICLE V: COMMITTEES**

The President may appoint committees as needed, with approval by a simple majority of the Board members present. Wherever possible and appropriate, committee functions may be performed by such entities or organizations that already exist to fulfill committee purposes. Committee chairs must be Voting Members of the Corporation.

##### **Section 1: Standing Committees**

Standing Committees shall consist of:

##### **FINANCE:**

Assist the Treasurer in overseeing financial reports and budgeting. Ensure that an outside review of the organization's financial records is performed annually.

## **MEMORIAL COMMITTEE**

The Memorial Committee is responsible for the development of the Yarnell Hill Fire Memorial Park. This includes soliciting landscaping and memorial design proposals, soliciting and using wherever appropriate, resident input and labor on the Memorial, and fundraising (in coordination with the Board of Directors).

## **ARTICLE VI - MEMBERSHIP MEETINGS**

### **Section 1: Annual Membership Meetings**

The Regular meeting in July, the anniversary month of the incorporation of the YHRG, Inc. shall be known as the Annual Membership Meeting and shall be for the purpose of electing members to the Board of Directors, receiving reports of Officers and Committees and for any other business that may arise. Candidates will be elected by a majority vote of the members present at the meeting. Ten percent (10%) of the Voting Members are required to be present (either in person or by proxy) to constitute a quorum. Proxy voting shall be permitted in accordance with Article VII, Section 3. Immediately following the Annual Membership Meeting, the Board shall meet to elect officers from amongst themselves.

### **Section 2: Special Membership Meetings**

Special membership meetings of the YHRG, Inc. may be called at any time upon a minimum of ten (10) days notice when called for by the President, or at least four (4) Board members or at the request of ten (10) Voting members by a notification issued to all Board members. Special meeting calls shall be given to the general Membership in the following manner: (i) by posting a notice of the special meeting and reasons therefore on the YHRG, Inc. website; (ii) by posting notices in at least one public place in Yarnell and one public place in Peoples Valley; and (iii) by sending an e-mail to those members for whom a valid e-mail address has been provided to YHRG, Inc. At special meetings, no business except that stated in the call may be transacted. Proxy voting shall be permitted in accordance with Article VII, Section 3.

### **Section 3: Other Meetings**

The Board shall have the right to call meetings for the purpose of hearing resident concerns, sharing updates and opportunities for services, strategic planning and other gatherings for the purpose of furthering the mission of the YHRG, Inc.

## **ARTICLE VII: MEMBERSHIP VOTING**

### **Section 1: Requirements**

One vote per YHRG Voting Member in good standing as described in Article II, Section 2(A) or 2(C) above. The method of the vote shall be defined by the Board of Directors.

**Section 2: Annual Meeting**

Voting requirements of the annual meetings is covered in Article VI, Section 1 of these bylaws.

**Section 3: Proxy Voting**

A voting member may vote by proxy executed in writing by the member. A member may designate as his or her proxy only another voting member, and no person shall have more than two (2) proxies at any meeting. No proxy shall be valid unless it shall designate the particular meeting at which it is to be voted. The presence of a member at a meeting shall revoke any proxy theretofore executed by said member. The proxy must clearly identify the member giving the proxy.

**Section 4: Absentee Voting**

Voting by mail, or in writing hand-delivered prior to the meeting to the Secretary of the Board or another Board member as designated by the President, or by email sent to the Secretary of the Board or another Board member as designated by the President prior to the meeting, is permitted. Any votes pursuant to this Section must clearly identify the member who is voting.

**ARTICLE VIII: AMENDMENTS**

These bylaws may be amended by a majority vote of the Voting Membership present at any membership meeting where the proposed changes have been presented (either in writing or verbally) at a previous membership meeting, or have been mailed or emailed to the membership at least two weeks prior to the meeting. Proposed amendments shall be posted on the Organization's web site. The bylaws may be amended by the membership in person, by mail or email vote.

Amendments to these bylaws shall take effect at the close of the meeting at which they were adopted, unless otherwise specified in the revised bylaw.

Notwithstanding the foregoing, no amendment shall be made to these Bylaws which would cause the corporation to cease to qualify as an exempt corporation under Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

**ARTICLE IX: CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS**

**Section 1 Contracts and other Writings**



Except as otherwise provided by resolution of the board or board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the corporation shall be executed on its behalf by the President or other persons to whom the corporation has delegated authority to execute such documents in accordance with policies approved by the board.

### **Section 2 Checks, Drafts**

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by action of the board.

### **Section 3 Deposits**

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depository as the board or a designated committee of the board may select.

### **Section 4 Loans**

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by action of the board. Such authority may be general or confined to specific instances.

### **Section 5 Defense and Indemnification**

(a) Mandatory Indemnification. The corporation shall indemnify a director or former director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a director of the corporation against reasonable expenses incurred by him or her in connection with the proceedings, subject to the provisions contained herein.

(b) The Corporation shall refuse to provide for the defense of and indemnification of any action referred to in (a) above if the Board finds that:

- (i) the act or omission did not occur within the scope of that person's duty; or
- (ii) the act or failure to act was the result of actual fraud, willful misconduct or actual malice of the Director requesting defense and indemnification; or
- (iii) the defense of the action or proceeding by the Corporation would create a conflict of interest between the Corporation and the Director involved.

(c) Permissible Indemnification. In any proceedings other than those described in subsection (a) of this Section, including criminal proceedings, the Corporation may provide for the defense of a

present or former Director, if the Board concludes that such representation is in the best interests of the Corporation.

(d) For the purposes of this Section, the Corporation's authority to defend and indemnify present or former Directors shall extend to a cross claim or counterclaim against such Director.

(e) Advance for Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of (I) a written affirmation from the director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this article, and (II) a determination by the Board that indemnification is authorized pursuant to this Section; and (III) an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation in these Bylaws.

(f) If a claim or suit is brought against present or former Director, the Director shall promptly forward to the Board every demand, complaint, summons or other process received by him or her, or by his or her representative.

(g) The Director shall cooperate with the Board and, upon the Board's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or entity who may be liable to the Corporation. The Director shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The Director shall not, except at his/her own cost, voluntarily make any payment, assume any obligation or incur any expense other than first aid to others at the time of occurrence.

(h) In the event the conditions contained in this Section are not complied with by the Director, the Board may elect to decline representation and/or indemnification of the Director.

(i) Control Of Litigation: Whenever the Corporation provides for the defense of an action set forth in this Section, as a condition of such defense, the Corporation may assume exclusive control over the representation of such person defended and such person shall cooperate fully with the Corporation; provided, however, that any person may at any time and at such person's option take control over representation by waiving all rights to payment for costs of defense and indemnification.

(j) Attorney Of Record: The Corporation may provide for and designate defense Counsel pursuant to this Section.

(k) Subrogation: In the event of any payment under this Section, the Corporation shall be subrogated to all of the Director's rights of recovery against any person or entity and the Director shall execute and deliver documents and do whatever else is necessary such that the Corporation's right to subrogation is secure. The Director shall do nothing to prejudice the Corporation's rights to subrogation.

## **ARTICLE X: MISCELLANEOUS**

### **Section 1 Books and Records**

The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its board of directors, a record of all actions taken by board of directors without a meeting, ~~and~~ a record of all actions taken by committees of the board, and a copy of the policies and/or procedures manual as adopted by the Board. In addition, the corporation shall keep a copy of the corporation's Articles of Incorporation and Bylaws as amended to date.

### **Section 2 Fiscal Year**

The fiscal year of the corporation shall be from January 1 to December 31 of each year.

### **Section 3 Conflict of Interest**

The board shall adopt and periodically review a conflict of interest policy to protect the corporation's interest when it is contemplating any transaction or arrangement which may benefit any director, officer, employee, affiliate, or member of a committee with board-delegated powers.

### **Section 4 Nondiscrimination Policy**

The officers, directors, committee members, employees, and persons served by this corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of Yarnell Hill Recovery Group, Inc. not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

## **ARTICLE XI: COUNTERTERRORISM AND DUE DILIGENCE POLICY**

In furtherance of its exemption by contributions to other organizations, domestic or foreign, YARNELL HILL RECOVERY GROUP, INC. shall stipulate how the funds will be used and shall require the recipient to provide the corporation with detailed records and financial proof of how the funds were utilized.

Although adherence and compliance with the US Department of the Treasury's publication the "Voluntary Best Practice for US. Based Charities" is not mandatory, YARNELL HILL RECOVERY GROUP, INC. willfully and voluntarily recognizes and puts to practice these guidelines and suggestions to reduce, develop, re-evaluate and strengthen a risk-based approach to guard against the threat of diversion of charitable funds or exploitation of charitable activity by terrorist organizations and their support networks.

YARNELL HILL RECOVERY GROUP, INC. shall also comply and put into practice the federal guidelines, suggestion, laws and limitation set forth by pre-existing U.S. legal requirements related to combating terrorist financing, which include, but are not limited to, various sanctions programs administered by the Office of Foreign Assets Control (OFAC) in regard to its foreign activities.

## **ARTICLE XII: DOCUMENT RETENTION POLICY**

### **Section 1: Purpose**

The purpose of this document retention policy is establishing standards for document integrity, retention, and destruction and to promote the proper treatment of YARNELL HILL RECOVERY GROUP, INC. records.

### **Section 2: Policy**

Section 2.1. General Guidelines. Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

From time to time, YARNELL HILL RECOVERY GROUP, INC. may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

Section 2.2. Exception for Litigation Relevant Documents. YARNELL HILL RECOVERY GROUP, INC. expects all officers, directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or the YARNELL HILL RECOVERY GROUP, INC. informs you, that corporate records are relevant to litigation, or potential litigation (i.e. a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

### **Section 3: Minimum Retention Periods for Specific Categories**

(a) Corporate Documents. Corporate records include the corporation's Articles of Incorporation, By-Laws and IRS Form 1023 and Application for Exemption. Corporate records should be

retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.

**(b) Tax Records.** Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the corporation's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.

**(c) Employment Records/Personnel Records.** State and federal statutes require the corporation to keep certain recruitment, employment and personnel information. The corporation should also keep personnel files that reflect performance reviews and any complaints brought against the corporation or individual employees under applicable state and federal statutes. The corporation should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven years.

**(d) Board and Board Committee Materials.** Meeting minutes should be retained in perpetuity in the corporation's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three years by the corporation.

**(e) Press Releases/Public Filings.** The corporation should retain permanent copies of all press releases and publicly filed documents under the theory that the corporation should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the corporation.

**(f) Legal Files.** Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

**(g) Marketing and Sales Documents.** The corporation should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.

**(h) Development/Intellectual Property and Trade Secrets.** Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the corporation and are protected as a trade secret where the corporation:

**(i)** derives independent economic value from the secrecy of the information; and

**(ii)** has taken affirmative steps to keep the information confidential.

The corporation should keep all documents designated as containing trade secret information for at least the life of the trade secret.

(i) Contracts. Final, execution copies of all contracts entered into by the corporation should be retained. The corporation should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

(j) Correspondence. Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for two years.

(k) Banking and Accounting. Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for three years. Any inventories of products, materials, and supplies and any invoices should be kept for seven years.

(l) Insurance. Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.

(m) Audit Records. External audit reports should be kept permanently. Internal audit reports should be kept for three years.

**Section 4. Electronic Mail. E-mail that needs to be saved should be either:**

(i) printed in hard copy and kept in the appropriate file; or

(ii) downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

**ARTICLE XIII: Transparency and Accountability Disclosure of Financial Information With The General Public**

**Section 1. Purpose**

By making full and accurate information about its mission, activities, finances, and governance publicly available, YARNELL HILL RECOVERY GROUP, INC. practices and encourages transparency and accountability to the general public. This policy will:

(a) indicate which documents and materials produced by the corporation are presumptively open to staff and/or the public;

(b) indicate which documents and materials produced by the corporation are presumptively closed to staff and/or the public;

(c) specify the procedures whereby the open/closed status of documents and materials can be altered.

The details of this policy are as follow:

## **Section 2: Financial and IRS documents (The form 1023 and the form 990)**

YARNELL HILL RECOVERY GROUP, INC., shall provide its Internal Revenue forms 990, 990-T, 1023 and 5227, bylaws, conflict of interest policy, and financial statements to the general public for inspection free of charge.

## **Section 3: Means and Conditions of Disclosure**

YARNELL HILL RECOVERY GROUP, INC. shall make “Available” the aforementioned documents to be viewed and inspected by the general public upon request.

## **Section 4: IRS Annual Information Returns (Form 990)**

YARNELL HILL RECOVERY GROUP, INC. shall submit the Form 990 to its board of directors prior to the filing of the Form 990. While neither the approval of the Form 990 or a review of the 990 is required under Federal law, the corporation’s Form 990 shall be submitted to each member of the board of directors via (hard copy or email) at least 10 days before the Form 990 is filed with the IRS.

## **Section 5: Board**

- (a) All board deliberations shall be open to the public except where the board passes a motion to make any specific portion confidential.
- (b) All board minutes shall be open to the public once accepted by the board, except where the board passes a motion to make any specific portion confidential.
- (c) All papers and materials considered by the board shall be open to the public following the meeting at which they are considered, except where the board passes a motion to make any specific paper or material confidential.

## **Section 6: Staff Records**

- (a) All staff records shall be available for consultation by the staff member concerned or by their legal representatives.
- (b) No staff records shall be made available to any person outside the corporation except the authorized governmental agencies.
- (c) Within the corporation, staff records shall be made available only to those persons with managerial or personnel responsibilities for that staff member, except that
- (d) Staff records shall be made available to the board when requested.

## **Section 7: Donor Records**

- (a) All donor records shall be available for consultation by the members and donors concerned or by their legal representatives.
- (b) No donor records shall be made available to any other person outside the corporation except the authorized governmental agencies.
- (c) Within the corporation, donor records shall be made available only to those persons with managerial or personnel responsibilities for dealing with those donors, except that ;
- (d) donor records shall be made available to the board when requested.

## **ARTICLE XIV: CODES OF ETHICS AND WHISTLEBLOWER POLICY**

### **Section 1: Purpose**

YARNELL HILL RECOVERY GROUP, INC. requires and encourages directors, officers and employees to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. The employees and representatives of the corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of YARNELL HILL RECOVERY GROUP, INC. to adhere to all laws and regulations that apply to the corporation and the underlying purpose of this policy is to support the corporation's goal of legal compliance. The support of all corporate staff is necessary to achieving compliance with various laws and regulations.

### **Section 2: Reporting Violations**

If any director, officer, staff or employee reasonably believes that some policy, practice, or activity of YARNELL HILL RECOVERY GROUP, INC. is in violation of law, a written complaint must be filed by that person with the vice president or the board president.

### **Section 3: Acting in Good Faith**

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be viewed as a serious disciplinary offense.

### **Section 4: Retaliation**

Said person is protected from retaliation only if she/he brings the alleged unlawful activity, policy, or practice to the attention of YARNELL HILL RECOVERY GROUP, INC. and provides the YARNELL HILL RECOVERY GROUP, INC. with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to individuals that comply with this requirement.



YARNELL HILL RECOVERY GROUP, INC. shall not retaliate against any director, officer, staff or employee who in good faith, has made a protest or raised a complaint against some practice of YARNELL HILL RECOVERY GROUP, INC. or of another individual or entity with whom YARNELL HILL RECOVERY GROUP, INC. has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

YARNELL HILL RECOVERY GROUP, INC. shall not retaliate against any director, officer, staff or employee who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of YARNELL HILL RECOVERY GROUP, INC. that the individual reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

### **Section 5: Confidentiality**

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

### **Section 6: Handling of Reported Violations**

The board president or vice president shall notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports shall be promptly investigated by the board and its appointed committee and appropriate corrective action shall be taken if warranted by the investigation.

This policy shall be made available to all directors, officers, staffs or employees and they shall have the opportunity to ask questions about the policy.

### **CERTIFICATE OF ADOPTION OF BYLAWS**

I do hereby certify that the above stated Bylaws of YARNELL HILL RECOVERY GROUP, INC. were approved by the YARNELL HILL RECOVERY GROUP, INC.'s board of directors on \_\_\_\_\_, and by a vote of the YHRG, Inc. membership on April 14, 2016, and constitute a complete copy of the Bylaws of the corporation.

Secretary \_\_\_\_\_

Date: \_\_\_\_\_