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VETERANS OF FOREIGN WARS OHIO CHARITIES BY-LAWS

Article I - NAME AND LOCATION

- Section 1 This corporation as authorized by the Council of Administration, Department of Ohio, Veterans of Foreign Wars of the United States shall be known as the "Veterans of Foreign Wars of Ohio Charities", hereinafter, referred to as the "VFWOC".
- Section 2 The principle office of the VFWOC Headquarters shall be located in Columbus, Ohio. The VFWOC may have other offices, such as Field Agencies, as the Board of Directors may from time to time determine.

Article II - AUTHORITY

- Section 1 The authority for the VFWOC shall be lodged in the Council of Administration. VFW Department of Ohio and this organization shall at all times be governed by the Articles of Incorporation as filed with the Secretary of State of the State of Ohio on the 20th day of February, 2003; Ohio Charter Number 1367466, as the same may from time to time be amended.
- Section 2 All provisions of these By-Laws are subject to the provisions of the Articles of Incorporation and the Internal Revenue Code, Section 501(c)(3). The Federal Tax Employer Identification Number is 41-2078103.

Article III - PURPOSES

- Section 1 The VFWOC is organized exclusively for one or more of the purposes specified in Section 501(c)(3) of the Internal Revenue Code, including:
- A Specifically, for charitable, scientific, literary or educational purposes or for the prevention of cruelty to children and for such other purposes now or hereafter recognized in Section 501(c)(3) of the Internal Revenue Code or corresponding section of any future Federal Tax Code.
 - B The VFWOC is also organized for the making of distributions to organizations that qualify as exempt organizations under 501(c)(3) of the Internal Revenue Code and such other exempt organizations to which distributions can now or hereafter be made without adverse tax consequences.

Article IV - MISSION

- Section 1 To promote, organize and fund charitable and benevolent institutions.

- Section 2 To procure, take, receive, hold and execute gifts of money and property of every kind and character, for charitable and benevolent uses and purposes.
- Section 3 To foster and advance works, institutions, organizations, and interest for the welfare of the needy and disabled veterans, widows, or orphans of deceased veterans.
- Section 4 And in whatever other way and through whatever purpose to engage in, promote and advance works of charity and benevolence.
- Section 5 Without limiting the generality of the forgoing, specific purposes, and objects, include:
- A To assist Active Duty Military Personnel, Reserve, National Guard and disabled or needy veterans and their families.
 - B To promote programs that focus public attention upon and educate the public concerning the sacrifices made by America's Veterans, the unique and special need of veterans and their families resulting from their service, the needs of Active Duty, Reserve and National Guard military personnel and their families and other issues relating to Veterans.
 - C To promote programs that advise and assist veterans with respect to employment, training, and education.
 - D To foster patriotism and educate the public concerning American ideas and institutions, the history of the United States and the contributions made by America's veterans to secure America's freedom and prosperity.
 - E To assist in funding and promoting programs sponsored by the Veterans of Foreign Wars of the United States, its affiliates, and other non-profit groups to assist veterans and their families, including veterans' service and employment programs, programs to encourage and enhance research and education concerning the special needs of veterans, programs to study the impact of technology and public policy on veterans, programs to assist homeless and disadvantaged veterans and other programs related to veterans' issues and national defense.
 - F To promote programs that foster patriotism, education, community improvement and youth activities, which includes those programs sponsored and conducted by the Veterans of Foreign Wars of the United States, its affiliates, and other non-profit groups.

Article V - 501(c)(3) IN EXEMPTION

- Section 1 Limitations of Activities:
- A Notwithstanding any other provisions of these By-Laws, the VFWOC shall not carry on any activities not permitted to be carried on by:

- (1) An organization exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code, or;
- (2) By an organization, contributions to which are deductible under Section 170(c)(2) or (c)(3) of the Internal Revenue Code.

B No substantial part of the activities of this organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this organization shall not participate in, or intervene (including the publishing or distribution of statements) in any political campaign on behalf of, or in opposition to, any candidate for public office.

Section 2 Prohibition against private inurement: No part of the net earnings of this organization shall inure to the benefit of, or be distributable to its Directors, Officers, Field Agencies or other 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 of this organization.

Section 3 Distribution of Assets. Upon the dissolution of this organization, its assets remaining after payments, or provision for payment, of all debts and liabilities of the organization shall be distributed for one or more except purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the Federal Government, or to the State of Ohio or Local Government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of the State of Ohio.

Section 4 Private Foundation Requirements and Restrictions: In any taxable year in which this organization is a Private Foundation as described in Section 509(a) of the Internal Revenue Code, the organization:

- A Shall distribute its income for said period at such time and manner as not to subject it 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 of the Internal Revenue Code.
- C Shall not retain any excess business holdings as defined in Section 4943 of the Internal Revenue Code.
- D Shall not make any investment in such manner as to subject the organization to tax under Section 4944 of the Internal Revenue Code; and
- E Shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

ARTICLE VI - MEMBERSHIP

Section 1 There shall be no members of the VFWOC.

Article VII - BOARD OF DIRECTORS

- Section 1 Powers: Subject to the provisions of the laws of the State of Ohio and any limitations in the Articles of Incorporation and in these By-Laws, all of the activities and affairs of the VFWOC shall be managed, controlled and directed and all corporate powers shall be exercised by the Board of Directors.
- Section 2 Duties: It shall be the duties of the Board of Directors to:
- A Perform any and all duties imposed on them collectively or individually by law, the Articles of Incorporation or these By-Laws.
 - B Direct the VFWOC to accomplish the purposes set forth in the Articles of Incorporation and these By-Laws.
 - C Meet at such times and places as required by law or these By-Laws.
 - D Register their home addresses, Email addresses, fax numbers, telephone numbers and cell phone numbers at the principle office of the VFWOC.
- Section 3 Number and Terms: The Board of Directors of the VFWOC shall consist of eleven members and shall be constituted as follows:
- A The six individuals listed below, by their positions in the Department of Ohio, Veterans of Foreign Wars of the United States, shall serve as Officers of the Corporation and as voting members on the Board of Directors of the VFWOC in the positions as indicated until their successor has been installed.
 - (1) President: The President of the Corporation shall be the State Commander of the VFW, Department of Ohio and shall execute with the Treasurer, in the name and on behalf of the VFWOC, all contracts, deeds, certificates, bonds or other agreements authorized or ordered by the Board of Directors. The President shall:
 - (a) Have and exercise general supervision of the affairs of the VFWOC, employ personnel as needed, see that all orders and resolutions of the Board of Directors are carried into effect and conduct the day-to-day activities of the VFWOC under the direction and control of the Board of Directors.
 - (b) Advise and aid all committees in all matters designed by the Board of Directors and do and perform such other duties as may be assigned to that office by the Board of Directors.
 - (2) Senior Vice President: The Senior Vice President of the Corporation shall be the State Senior Vice Commander of the VFW, Department of Ohio and shall assist the President and do and perform such other duties as may be assigned to that office by the Board of Directors.
 - (3) Junior Vice President: The Junior Vice President of the Corporation shall be the State Junior Vice Commander of the VFW, Department of Ohio and shall assist the President and do and

perform such other duties as may be assigned to that office by the Board of Directors.

(4) Judge Advocate: The State Judge Advocate of the VFW, Department of Ohio shall serve as a Director of the Corporation and shall assist the President and do and perform such other duties as may be assigned to that office by the Board of Directors.

(5) State Surgeon: The State Surgeon of the VFW, Department of Ohio shall serve as a Director of the Corporation and shall assist the President and do and perform such other duties as may be assigned to that office by the Board of Directors.

B Five members elected by the Board of Directors shall be persons who are believed to provide special counsel, skills and expertise on the ways and means of achieving the stated purposes of the VFWOC. They shall serve in the positions as indicated until their respective successors have been elected and shall have qualified. Such Directors may be elected to succeed themselves.

(1) Chairman of the Board: The Chairman of the Board of the VFWOC, shall be elected by the Board of Directors and shall only serve for 1 consecutive 4 year period, unless otherwise sooner removed by the Board of Directors. The Chairman of the Board shall:

(a) Preside over all meetings of the Board of Directors (exceptions are described in Article VIII, Section 3).

(b) Coordinate with the President and set an agenda of all meetings of the Board of Directors.

(c) Assist the President-in setting dates, times and places of the Annual, Regular and Special meetings of the Board of Directors.

(d) Appoint a chairman and/or member(s) to all committees, except the Executive Committee, Advisory Committee and the Chairman of the Finance Committee.

(e) Appoint annually, one of the Members of the Board of Directors as Secretary. The Secretary shall be responsible to attend and keep minutes of all the meetings of the Board of Directors.

(f) Perform all duties incident to the office of the Chairman of the Board subject to the control of the Board of Directors.

(3) Directors at Large: Four Directors at Large shall initially be elected for terms of one (1), two (2), three (3) and four (4) years and thereafter one (1) Director shall be elected each year for a term of four (4) years. Directors at Large shall perform duties as directed by the President, the Chairman of the Board, or the Board of Directors.

Section 4 Elections: Elections shall be conducted at the annual scheduled meeting, unless a vacancy occurs during the year, then a special election may be held at the next scheduled or special meeting of the Board of Directors.

A Each year, the open 4 year director shall be elected through a ballot process by the VFW agents in good standing. Individuals interested in becoming a candidate must: (1) be a member in good standing (2) submit name and brief bio to VFWOC HQ by October 1st. VFWOC HQ will compile all candidate(s) and mail a ballot out to contracted agents in good standing by October 15th. The agents shall vote for 1 candidate and return the ballot to VFWOC HQ, postmarked by December

- 1st. Ballots received will be opened at the VFW Mid-Winter Conference, VFWOC School of Instruction, with candidate receiving the majority vote, declared the winner.
- Section 5 Vacancies: any elected member of the Board of Directors may resign at any time by giving written notice of such resignation to the Board of Directors. In addition:
- A Elected members of the Board of Directors may be removed by two-thirds vote of the Board of Directors at an Annual, Regular or Special meeting, but only if by reason of sickness or disability and is unable to serve, or has violated standards of conduct adopted by the Board of Directors.
- B Vacancies created by resignation or removal shall be filled by the members of the Board of Directors then serving.
- Section 6 Compensation: Members of the Board of Directors shall serve without compensation. However, they shall be allowed reimbursement of reasonable expenses incurred in the performance of their duties.
- Section 7 Inspection Rights: Every member of the Board of Directors shall have the right at any reasonable time, to inspect all books, records, documents and properties of every kind of the VFWOC Headquarters' Office or the Office of any Field Agency, as may be required under the Articles of Incorporation or these By-Laws and/or provisions of law.
- Section 8 Voting Rights: Each member of the Board of Directors shall have one vote on all matters with respect to which members may vote, unless otherwise provided herein or under the applicable laws of the State of Ohio. The vote of a majority of the members present at a meeting at which a quorum is present shall be necessary for the exercise of the powers of the members of the Board of Directors.

ARTICLE VIII - MEETINGS

- Section 1 All meetings of the Board of Directors of the VFWOC shall be governed by Robert's Rules of Order, insofar as such rules are not inconsistent with the provisions of law, the Articles of Incorporation or these By-Laws.
- Section 2 A quorum shall consist of six of the members of the Board of Directors. Except as otherwise provided by law, the Articles of Incorporation, or these By-Laws, no business shall be considered by the Board of Directors at any meeting at which the required quorum is not present and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.
- Section 3 All meetings of the Board of Directors shall be presided over by the Chairman of the Board. In the absence of the Chairman of the Board, then such meeting will be presided over by a chairperson, chosen by a majority vote of the board members present at the meeting.
- Section 4 Every act or decision done or made by a majority of the Directors present at a meeting, duly held at which a quorum is present, is the act of the Board of Directors, unless provisions of law, the Articles of Incorporation or these By-Laws require a greater percentage of different voting rules for approval of a matter by the Board of Directors.

- Section 5 At least one week prior to the annual scheduled meeting, regular scheduled meetings, or any required special meetings of the Board of Directors, notice shall be given by the Chairman of the Board to each director of each meeting of the Board of Directors. Such notice may be oral or written, may be given personally by first class mail, by facsimile machine, or by E-mail and shall state the date, time and place of the meeting and the matters proposed to be acted upon at the meeting.
- Section 6 Annual Meeting: The Annual Meeting of the Board of Directors shall be held in the month of January, at a time to be determined by the Board of Directors at the previous Annual Meeting. In addition to any other business that shall be considered at such meeting, the Board of directors shall adopt a budget governing the fiscal activities of the VFWOC for the succeeding year.
- Section 7 Regular Meetings: The Board of Directors shall, in addition to an Annual Meeting have at least one other Regular Meeting each year, at a t time to be fixed by the Board of Directors at the Annual Meeting and such other Regular Meetings as the Board of Directors may desire.
- Section 8 Special Meetings: Special Meetings of the Board of Directors, may be called by the President, the Chairman of the Board, or by any three directors or if different, by the person or persons specifically authorized under the laws of the State of Ohio to call Special Meetings of the Board of Directors. Such meetings shall be held at a time and place determined by the President or the Chairman of the Board.
- Section 9 Meeting not in Person: any action required or permitted by the laws of Ohio, the Articles of Incorporation or these By-Laws to be taken at a meeting of the Board of Directors, Annual, Regular or Special may be taken without an in-person meeting, provided all Directors are contacted or notified as specified in Section 5 of this Article and a majority of the Directors consent to take up such matters without a meeting in person.
- A Any action taken at such a meeting shall be disposed of in the same manner as would be followed at a meeting of the Board of Directors.
- B The resulting meeting and the written votes thereof, shall be filed with the minutes of the meetings of the Board of Directors and shall have the same force and effect of any other vote by the Board of Directors.

ARTICLE IX - COMMITTEES

- Section 1 Executive Committee: There shall be an Executive Committee consisting of the President, Treasurer and the Chairman of the Board. The Executive Committee shall:
- A Be responsible for formulating specific programs and policies to fulfill the purposes of the VFWOC subject to the approval of the Board of Directors.
- B Be responsible to review annually, the VFWOC By-Laws and adopted policies, except the Employment Policy, make any additions, deletions or changes and submit them to the Board of Directors for their approval/disapproval at the Annual Meeting.

- C Exercise all powers conferred on it by the Board of Directors in the management and direction of the business and the conduct of the affairs of the VFWOC during intervals between meetings of the Board of Directors.

Section 2 Finance Committee: There shall be a Finance Committee consisting of the Treasurer and two other members of the Board of Directors appointed by the Chairman of the Board. It shall be the duty of the Finance Committee to:

- A Audit the books and finances of the VFWOC as directed by the Articles of Incorporation and these By-Laws. The Chairman of the Finance Committee shall cause a copy of such audit be sent to the Board of Directors.
- B The Finance Committee shall review the VFWOC's Employment Policy annually, make any additions, deletions or changes to the Policy and submit new policy to the Board of Directors at the Annual Meeting. Upon approval of the new Employment Policy by the Board of Directors, it shall be the Policy of the VFWOC until the next Annual Meeting of the Board of Directors.
- C It shall be the responsibility of the Finance Committee to recommend a balanced budget to be submitted for approval, disapproval or adjustments at the Annual Meeting of the Board of Directors.
- D It shall also be the responsibility of the Finance Committee to review the budget during the year and plan adjustments and recommendations on how to maintain a balanced budget for the year.
- E The Finance Committee shall concern itself with the investment policy and other matters pertaining to the finances of the VFWOC.

Section 3 Publication Committee: There shall be a Publication Committee consisting of one or more members of the Board of Directors appointed by the Chairman of the Board.

- A The official publication for the VFWOC shall be known as the "VFWOC Newsletter".
- B The VFWOC Newsletter shall be published on a by-monthly basis or the VFWOC may purchase space in the Ohio VFW News to keep the Board of Directors and the Field Agencies updated on activities pertaining to Chapter 1716 and Chapter 2915 of the Ohio Revised Code. Additional space may be purchased to publicize the charitable activities of the Fundraisers, communications and other reports that may be necessary.
- C The members of the Board of Directors and the Field Agencies shall be on the mailing list for the VFWOC Newsletter.

Section 4 Advisory Committee: Starting on February 6, 2021, the immediate past president of the VFWOC may serve on the Advisory Committee. The Advisory Committee Shall also consist of up to two (2) public individuals who bring substantial board knowledge or a unique skill set. Individuals shall be recommended to and approved by the Board of Directors and

- A Shall attend all scheduled meetings of the Board of Directors.
- B Shall not have a vote on the Board of Directors.

- C Shall advise and aid the Chairman of the Board with respect to matters designated by the Board of Directors.
- D Shall, subject to the approval of the Chairman of the Board, prescribe rules and regulations for the call and conduct of committee meetings.
- E Shall not receive any stated salary for their service as such, by resolution of the Board of Directors, reimbursement for expenses may be allowed.

ARTICLE X - FIELD AGENCY

- Section 1 The Board of Directors have authorized, VFW Posts, Fraternal and Sporting Organizations in good standing with their parent organization and the State of Ohio, the privilege of operating as a Field Agency, authorized to receive, hold and distribute VFWOC owned funds to support the charity purposes and programs of the Veterans of Foreign Wars of the United States and to support other charity programs as described in Article III and Article IV of these By-Laws. The Board of Directors has further authorized the VFWOC Executive Director to freeze the account of Agents who fail to follow the By-Laws and policy of the VFW Ohio Charities.
- Section 2 In order for a VFW Post, Fraternal or Sporting Organization to receive the privilege of Field Agency status with the VFWOC, the must have a valid contract, required by Ohio Revised Code 2915 on file at VFWOC Headquarters and agree to operate in compliance with the "Fundraising Policy" and the "Charity Operations Policy" of the VFWOC, authorized and published by the Board of Directors, which from time to time may be altered or amended to comply with Federal and State of Ohio law, the Articles of Incorporation, or theses By-Laws.

ARTICLE XI - EMPLOYEES

- Section 1 The VFWOC will maintain an Employment Policy that will include current regulations governing job description, employment, wage scales, vacation, leave, appeals, sick leave and holidays. These regulations are to be reviewed and updated every year by the Finance Committee and approved by the Board of Directors.

ARTICLE XII - RECORDS

- Section 1 The VFWOC shall keep at its principle office:
 - A Minutes of all meetings of the Board of Directors and Committee meetings indicating the time and place of such meetings, whether annual, regular or special, how called, the notice given, the names of those present and the proceedings thereof.
 - B Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts disbursements, gains and losses.

- C Adequate and correct records on each Field Agency's charity activities, including a valid contract, copies of checking account statements, cancelled checks, vouchers, and other necessary supporting documents that justify the receiving and dispersing of charity funds for the VFWOC.
- D A copy of the corporation's Articles of Incorporation, the IRS 501(c)(3) Determination Document and the VFWOC By-Laws and adopted Policies as amended to date.
- E These records shall be open to inspection to the members of the Board of Directors at all reasonable times during business hours.

ARTICLE XIII - REPORTS

- Section 1 The VFWOC shall submit an annual report of its programs and financial affairs to the Council of Administration, Department of Ohio and Veteran of Foreign Wars of the United States at the Council's June meeting.
- Section 2 The VFWOC shall submit an annual Form 990 to the IRS and the State of Ohio which will encompass the financial affairs and activities of the VFWOC and its network of Field Agencies.

ARTICLE XIV - MISCELLANEOUS

- Section 1 Seal: The Board of Directors may, by resolution adopt an appropriate seal for the use by the VFWOC.
- Section 2 Fiscal Year: The fiscal year of the VFWOC shall commence on the first day of January and end on the last day of December in each year.
- Section 3 Contracts: The Board of Directors may authorize any officer(s), Director(s) or Agency(s) of the organization in addition to the personnel so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the organization and such authority may be general or confined to specific instances.
- Section 4 Checks, Drafts, etc.: All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the organization shall be signed by the Treasurer or such Officer(s), Director(s) or Agent(s) of the organization and in such manner as shall from time to time be determined by resolution of the Board of Directors.
- Section 5 The activities of the organization pursuant to its purpose, shall be supported by gifts, grants and contributions.
- Section 6 Any VFWOC employee or Board member requesting financial assistance in any amount must submit a request to the VFWOC Executive Director. The Executive Director must have the approval of the Board of Directors prior to issuing any financial assistance to said employee or Board member.

ARTICLE XV - INDEMNIFICATION

- Section 1 The VFWOC shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative, other than an action by or in the right of the VFWOC by reason of the fact that such person is or was a director, officer, employee, agent or committee member of the VFWOC, or is or was serving at the request of the VFWOC as a director, officer, employee, agent or committee member of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonable believed incurred by such person in connection with such action, suit or proceeding; if such person acted in good faith and in a manner reasonable believed by such person to be in, or not opposed to, the best interest of the VFWOC and with respect to any criminal action or proceeding had no reasonable cause to believe his or her conduct was unlawful.
- Section 2 The termination of any action, suit or proceeding by judgement, order, settlement, connection or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the VFWOC and with respect to any criminal action or proceeding; had reasonable cause to believe that his or her conduct was unlawful.
- Section 3 The VFWOC shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the VFWOC to procure a judgment to its favor by reason of the fact that such person is or was serving at the request of the VFWOC as a director, officer, employee, agent or committee member of another corporation, partnership, joint venture, trust or other against expenses, including attorney's fees, actually and reasonably incurred by such person in connection with the defense or settlement of the action or suit if such person acted in good faith and in a manner reasonably believed by such person to be in, or acted in good faith and in a manner reasonably believed by such person to be in, or not opposed to the best interests of the VFWOC except that no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence of misconduct in the performance of the duty of such person to the VFWOC unless and only to the interest that the court in the adjudication of liability and in view of all the circumstances of the case, the court shall deem proper fairly and reasonable entitled to indemnity for such expenses which the court shall deem proper.
- Section 4 To the extent that a director, officer, employee, agent or committee member of the VFWOC has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraphs 1 and 2 of this article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses, including attorney's fees, actually and reasonably incurred by such person in connection with the action, suit or proceeding.
- Section 5 Any indemnification under paragraphs 1 and 2 of this article, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon determination that indemnification of the director, offer, employee, agent or committee member is proper in the circumstances because such person has met the applicable standard of conduct set forth in this article. The determination shall be made by the Board of Directors by a majority vote of the

quorum consisting of directors who were not parties to the action, suit, proceeding or if such a quorum is not attainable, or even if attainable and a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

- Section 6 Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the VFWOC in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee, or committee member to repay such amount unless it ultimately shall be determined that such person is entitled to be indemnified by the VFWOC as authorized to this section.
- Section 7 The indemnification provided by this article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law agreement, vote of disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office and shall continue as to a person who has ceased to be a director, officer, employee, agent or committee member and shall inure to the benefit of the heirs, executors and administrators of such a person.
- Section 8 The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, agent or committee member of the VFWOC or was serving at the request of the VFWOC as a director, officer, agent or committee member of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such. Whether or not the VFWOC would have the power to indemnify such person against such liability under the provisions of this article.

ARTICLE XVI - BY-LAWS

- Section 1 These revised By-Laws shall be in full force after their review and approval by the Board of Directors.
- Section 2 Except as may otherwise be specified under the provisions of law or the Articles of Incorporation, these By-Laws or any of them, may be altered, amended, or repealed and new By-Laws adopted by approval of two-thirds of the Board of Directors.
- Section 3 If there is any conflict between the provisions of these By-Laws and the Articles of Incorporation, the provisions of the Articles of Incorporation govern.
- Section 4 Should any of the provisions or portions of these By-Laws be held unenforceable or invalid for any reason, the remaining provisions and portions of these By-Laws shall be unaffected by such holding.
- Section 5 All references in these By-Laws to the Articles of Incorporation shall be to the Articles of Incorporation, Articles of Organization, Certificate of Incorporation, Organizational Charter, Corporate Charter or other founding document(s) of this corporation filed with an office of the State of Ohio and used to establish the legal existence of this corporation.

Section 6 All references in these By-Laws to a section or sections of the Internal Revenue Code shall be such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future Federal Tax Code.

VETERANS OF FOREIGN WARS OHIO CHARITIES FUNDRAISING POLICY

ARTICLE I - AUTHORITY

- SECTION 1** The authority for this Fundraising Policy shall be lodged in the Board of Directors, Paragraph B1 of the Instant Bingo Fundraising Contract; Section 2915.13 and other applicable Sections of the Ohio Revised Code 2915. The Fundraising Policy at all times will be governed by the Articles of Incorporation and the By-Laws of the Veterans of Foreign Wars Ohio Charities (VFWOC.)
- SECTION 2** If there is conflict between the provisions or procedures of this Fundraising Policy and the Articles of Incorporation or the By-Laws of the VFWOC, the Articles of Incorporation shall govern.
- SECTION 3** The Fundraising Policy shall be reviewed annually by the Executive Committee to ensure it is fulfilling its purpose and to make necessary revisions if required. The revisions if found to be necessary are to be submitted to the Board of Directors for approval or disapproval at the annual meeting held in the month of January. Revisions must be immediately submitted and approved when applicable Charitable Gaming Laws or the Attorney General rules are changed or revised.

ARTICLE II - PURPOSE

- SECTION 1** The purpose of the Fundraising Policy is to establish a standard of conduct by VFW Posts, Fraternal Organizations, or any Agent contracted with VFWOC hereinafter referred to as the "Fundraiser", who wish to raise money through the conduct of Traditional Bingo, Instant Bingo, or Electronic Bingo for charitable and benevolent purposes and programs of the VFWOC in accordance with Chapter 1716 and Chapter 109 of the Ohio Revised Codes and Ohio Revised Code 2915.

ARTICLE III - ACKNOWLEDGEMENT OF PARTIES

- SECTION 1** The VFWOC represents and warrants that it is a public charity (not a Private Foundation); and it is an organization, that maintains its principal place of business in the State of Ohio; It is exempt from federal income taxation under subsection 501(a) and described in Section 501(C)3 of the Internal Revenue Code. The VFWOC further represents and warrants that it is in good standing in the State of Ohio in accordance with any rules promulgated by the State of Ohio of the Attorney General Pursuant to Section 2915 of the Ohio Revised Code.

SECTION 2 The Fundraiser understands and acknowledges that in performing the charitable gaming activities contemplated by their Instant Bingo Fundraising Contract with VFWOC, it and its Agents, Board Members, Officers, and Employees who perform such activities will be acting as Agents of the VFWOC and will hold fiduciary responsibilities to the VFWOC and its beneficiaries and purposes.

SECTION 3 The VFWOC and the Fundraiser acknowledges that they are under the obligation to promptly report to the Charitable Law Section, Office of the State of Ohio Attorney General any conduct by the VFWOC, the Fundraisers, any of its Agents, Board Members, Officers, or Employees that violate any Section of 2915 of the Ohio Revised Code or Ohio Administrative Code 109.

ARTICLE IV - OBLIGATION OF PARTIES

SECTION 1 The VFWOC's obligations to the Fundraiser are described in detail in Section C of the Instant Bingo Fundraising Contract. Fundraiser acknowledges that all Agents, Board Members, Officers, or Employees who perform work or labor are bound by terms of the Instant Bingo Fundraising Contract. In addition, the VFWOC Board of Directors:

- A. Shall provide supervision and training for the personnel assigned the responsibility of the upkeep and maintenance of the Fundraiser's bingo records required by Section 2915.10 of the Ohio Revised Code.
- B. Shall conduct a minimum of two state-wide Charitable Gaming Schools of Instruction one at the Department of Ohio VFW Convention and one at the Department of Ohio Mid-Winter Conference.
- C. Shall be available to schedule and conduct Charitable Gaming Schools of Instruction when requested at any location within the state of Ohio.
- D. Shall be available to assist the Fundraiser in preparing their annual Charitable Organization Registration Statement and annual application for a Charitable Bingo License.

SECTION 2 The Fundraiser's obligation to the VFWOC are described in detail in Sections A and B of the Instant Bingo Fundraising Contract. In addition, the Fundraiser:

- A. Shall calculate the net profit from the proceeds as applicable of the sale of Instant Bingo Type II, Type III, and Electronic Bingo as of the last day of each month. Distribution shall be made to VFWOC before or no later than the 15th day of the following month.
- B. Shall transmit annually to VFWOC, no later than the 31st of December, a signed and completed Instant Bingo Contract prepared in compliance with the instructions by VFWOC and the State of Ohio Attorney General's Office.

bingo tickets represents the net profit the Fundraiser will use to calculate the required donation percentage to be sent to VFWOC.

(9) Column M "Cash in Hand" this figure represents the actual amount of gross profit that will be deposited into the instant bingo checking account(s).

(10) Column N "Cash Over or Short" subtract Column M from L. This figure represents a loss or gain in the operational expense portion of the net profit distribution. This figure should be used by the Fundraiser for internal control of gaming funds. The Fundraiser must set the standard as to what percentage is an acceptable loss before action is taken to correct the problem.

(11) Column O "Cost of Tickets per Deal"

SECTION 3 Fundraiser cannot possess a deal of instant bingo tickets or cards that was not purchased from a distributor licensed under Section 2915.081 of the Revised Code as reflected on an invoice issued by a distributor that contains all of the information required by paragraph F 2915.10 of the Revised Code.

ARTICLE VI- OPERATIONAL RESPONSIBILITY - ELECTRIC BINGO

SECTION 1 A Fundraiser that is authorized under Section 2915.14 of the Revised Code to conduct Electronic Instant Bingo (E Bingo) may be issued only one license to conduct E Bingo at any one time.

SECTION 2 The Fundraiser cannot permit any person whom the Fundraiser knows, or should have known, is under the age of eighteen to work as a Bingo Game Operator. The Fundraiser cannot permit any person whom the Fundraiser knows or should have known has been convicted of a felony or gambling offense in any jurisdiction to be a Bingo Game Operator.

SECTION 3 The Fundraiser should not conduct E Bingo on any day, time, or at any premises not specified on the Fundraiser's license. The Fundraiser can amend a Bingo license at any time by requesting an amendment through the Attorney General's office.

SECTION 4 Fundraisers are to ensure that assets associated with the operation of the E Bingo system are safeguarded and the following provided.

- A.** Financial records are accurate and reliable.
- B.** A separate cash register and safe for all E Bingo monies - if there is not a separate safe available E Bingo monies are to be contained in a separate pouch or container inside of the safe.

ARTICLE V- OPERATIONAL RESPONSIBILITY - TYPE I AND TYPE II

SECTION 1 Section 2915.10 paragraph A, paragraph D(1) through (7), and paragraph B provides rules for record retention. No charitable organization that conducts bingo or game of chance shall fail to maintain records for at least three years from the date on which the bingo or game of chance is conducted.

SECTION 2 The Attorney General has granted the Fundraiser the privilege of distributing the operational expense percentage of the net profit, as described in A(6) below into the Fundraiser's general account. Provided the Fundraiser accounts for the sale of instant bingo tickets on the Attorney General's "Approved Instant Ticket Tracker Ledger Form" or an Instant Bingo Tracker Software Program or machine that has been approved for use by the Ohio Attorney General.

(1) Use one Approved Instant Ticket Tracker Ledger Form for sale of Type III Bingo, and if applicable use the second form for the sale of Type II Bingo.

(2) The Information for column's A,B,C,D,E,F and G is located on the invoice provided by your distributor.

(3) Column H "Total Value Unsold Tickets". If all the tickets in the deal are sold enter 0- in this column. This column is used when the Fundraiser decides to remove a deal of instant bingo tickets from play. Section 2915.091(15) authorizes the Fundraiser to remove a deal of instant bingo tickets from play provided:

(a) Once a deal of instant bingo tickets or cards have been opened to continue to sell tickets or cards in the deal until the tickets or cards with the top two highest tiers of prizes in that deal are sold.

(b) The unsold tickets from a deal where the top two highest tiers of prizes in the deal are sold and the deal is closed must be retained in storage and the paid prizes tickets are placed in storage for a period of not less than 3 years.

(4) These tickets must be retained in storage, due to the fact that the adjustment in the income figures from the sale of the instant bingo deal of tickets must be proven.

(5) Column I "Modified Gross Receipts": Subtract Column F from Column H.

(6) Column J "Total Cash Prizes Paid". Enter the value of the paid prize winning tickets in the deal. If the deal of tickets was not sold out, then the paid prize winning tickets must be stored as directed in paragraph (3)(b) above.

(7) Column K "Total Cost of Merchandise Prizes Paid"

(8) Column L "Gross Profit" subtract Column I minus Column J minus Column K. This figure represents the calculated gross profit. This figure less the cost of instant bingo tickets represents the calculated gross profit. This figure less the cost of the instant

- C. Access to cash register and safe are limited to E Bingo Operator listed on the E Bingo License and application.
- D. Access to the E Bingo system is limited to authorized personnel.
- E. A log must be maintained for access to each device with the date and reason for access with the initials of the person who accessed the device.
- F. A ticket voucher is only valid for 24 hours of the end of the E Bingo session in which it was won. If the ticket voucher was received the day before the Fundraiser is closed the ticket is to be paid out on the day of the sale in order to meet the 24 hour deadline.
- G. The Internal Control Procedures must be in writing and are required to be submitted with the Attorney General's Quarterly reports on the quarters designated by the Attorney General.

SECTION 5 Each Fundraiser licensed to play E Bingo should have at least two Electronic Instant Bingo Game Operators and one Primary Bingo Game Operator designated on their Bingo License.

ARTICLE VII - CHECKING ACCOUNTS

SECTION 1 Section 2915.10, paragraph 7(c) of the Ohio Revised Code states: The net or gross profit from each bingo session or game shall be deposited into a checking account devoted exclusively to the bingo session or game.

SECTION 2 The Fundraiser shall maintain one checking account devoted exclusively for the deposit of the Cash on Hand from the sale of Type III instant Bingo and if applicable, maintain a second checking account devoted exclusively for the deposit of Cash on Hand from the sale of Type II Instant Bingo.

SECTION 3 The Fundraiser will maintain if applicable a third checking account devoted exclusively for the deposit of cash from the E Bingo operations.

- A. These checking accounts shall be maintained under the Fundraiser's IRS Employer Identification Number (EIN).
- B. The Custodian (s) responsible for the funds in these checking accounts shall be the individual (s) as directed by the Fundraiser's By-Laws.
- C. The activities in these accounts are reportable on the Fundraiser's IRS Form 990.

ARTICLE VIII - FUNDRAISING CONTRACT

- SECTION 1** The Attorney General by rule, shall establish a standard contract to be used by a Charitable Organization and the Fundraiser for the conduct of Traditional Bingo, Instant Bingo, and E Bingo. The terms of the Contract shall be limited to the provisions in Chapter 2915 of the Ohio Revised Code.
- SECTION 2** The original contract shall be effective on the date specified in the contract and shall remain in effect until the 31st of December of the same year. The renewal contract shall be effective on an annual basis beginning January 1 each year and will remain in effect until the 31st of December of that same year.
- SECTION 3** The Board of Directors require that the Fundraiser agree and so state in the contract to submit to VFWOC the full percentage of the net profit as applicable in the contract and in Section 2915.101 of the Ohio Revised Code.
- SECTION 4** The organization shall distribute the net profit from the proceeds of the sale of Instant Bingo or E Bingo as follows, after deducting only the amounts actually expended for the payment of prize awards and the ordinary, necessary, and reasonable amounts expended for the purpose of supplies as follows:
- A. The first \$330,000 dollars or less of the net profit from the proceeds of the sale of Instant Bingo generated during the bingo reporting year Twenty-five (25%) shall be distributed to VFWOC on a monthly basis.
 - B. For any net profit from the proceeds from the sale of Instant Bingo that exceeds \$330,000 dollars of net profit generated in a Bingo reporting year at least fifty percent (50%) shall be distributed to VFWOC on a monthly basis).
- SECTION 5** The principal person of the Fundraiser's Organization shall complete and sign the Fundraiser's portion of the contract and send a copy of the signed and completed contract to VFWOC 35 East Chestnut, STE 505, Columbus, Ohio 43215. The contract can also be sent electronically to the office staff of VFWOC.
- SECTION 6** The VFWOC or the Fundraiser may voluntarily terminate the contract upon 30 days prior notice for any reason whatsoever. The Party that initiates the termination of the contract shall promptly notify the Charitable Law Section of the Ohio Attorney General's office.
- SECTION 7** Any and all funds recovered by the Attorney General's Office for fraud or deceiving the VFWOC of monies unlawfully will not be returned to the Agent.

ARTICLE IX - CHARITABLE REGISTRATION

- SECTION 1** Prior to engaging in fundraising activities and annually thereafter, the Fundraiser shall file a Charitable Organization Registration Statement and pay a registration fee, with the Attorney General, in compliance with the requirements of Chapter 1716.02.
- SECTION 2** The annual registration statement shall be filed on or before the fifteenth day of the fifth month after the close of each fiscal year or by the date of any applicable extension of the federal filing date, whichever is later.
- SECTION 3** The Fundraiser may complete their Charitable Registration Statement online. If the Fundraiser submits online with an electronic payment by 11:59pm the fifteenth day of the fifth month following the close of the taxable year end will not be assessed a late fee.
- SECTION 4** With the initial registration only, the Fundraiser is required to register with the Attorney General: A copy of the current charter, articles of incorporation, agreement of association, instrument of trust, constitution or other organization instrument, and a copy of the by-laws of the Fundraiser.

ARTICLE X - BINGO LICENSE APPLICATIONS

- SECTION 1** Annually before the first day of January the Fundraiser that desires to conduct bingo shall apply to the Attorney General for one or more of the following licenses to conduct Bingo as appropriate:
- A.** A Type I license to conduct bingo as described in Division (O)(1) of Section 2915.01 of the Ohio Revised Code .
 - B.** A Type II license to conduct instant bingo, electronic bingo, or both at a bingo session.
 - C.** A Type II license to conduct instant bingo, electronic instant bingo, or both other than at a Bingo session, in accordance with the Sections 2915.093 to 2915.095 and Sections 2915.15 of the Revised Code, as applicable.
 - D.** A Fundraiser that is authorized under Section 2915.14 of the Revised Code to conduct electronic instant bingo at any one time. The Fundraiser may conduct electronic instant bingo under that license at only one location specified on the license, which shall be the Fundraisers principal place of business.

- SECTION 2** The Fundraiser limits the sale of instant bingo or electronic instant bingo to twelve hours during a day, provided the sales does not begin earlier than ten a.m. and ends no later than two a.m.
- SECTION 3** The Fundraiser that submits the application for a charitable bingo license before the due date may continue selling instant bingo tickets and conducting electronic bingo until they receive a temporary or permanent license for that Charitable Gaming year.
- SECTION 4** The Fundraiser that fails to submit their application for a Charitable Bingo License by the due date **MUST** discontinue selling instant bingo tickets and conducting electronic bingo until they receive a temporary or permanent license for that Charitable Gaming Year.
- SECTION 5** The Fundraiser will complete the application for the Charitable Bingo License online through the Ohio Attorney General’s Licensing Portal.

ARTICLE XI - LICENSING FOR CHARITABLE GAMING

- SECTION 1** In order to be licensed for Charitable Gaming the Fundraiser must:
- A. Have a current Articles of Incorporation and Certificate of Continued Existence.
 - B. Be in “Good Standing” with the parent organization. VFW VFWOC agents in order to be in “Good Standing” must have all quarterly audits up-to-date, insurance, bond and Certificate of Continuing Existence up-to-date and on file with the VFW Department of Ohio.
 - C. Fundraisers other than the VFW Fundraisers need to determine and comply with their Parent organizations rules for “Good Standing”.

ARTICLE XII - ELECTRONIC BINGO REQUIREMENTS

- SECTION 1** Agents of VFWOC can only obtain electronic instant bingo supplies from a licensed and Ohio Attorney General endorsed electronic instant bingo distributor.
- SECTION 2** Agents must apply for their Charitable Gaming License online at the Attorney General’s Charitable Account Management Portal <https://charitableportal.ohioago.gov>
- SECTION 3** Each Agent licensed to play electronic instant bingo must have, a least two electronic Instant Bingo Operations. Under Proposed Rule OAC 109:1-4-20, for purpose of Chapter 2915 of the Revised Code “Bingo Game Operator” of electronic instant bingo means any person who sells or redeems electronic instant bingo, tickets, credits, or vouchers, or who accesses an electronic instant bingo system or electronic instant bingo fund other than as a participant.

VETERANS OF FOREIGN WARS OHIO CHARITIES CHARITY OPERATIONS POLICY

ARTICLE I - AUTHORITY

- Section 1 The authority for this Charity Operations Policy is lodged in the Board of Directors, State of Ohio Law and Section 501(c)(3) of the Internal Revenue Code and shall at all times be governed by the Articles of Incorporation and the By-Laws of the Veterans of Foreign Wars Ohio Charities (VFWOC).
- Section 2 If there is any conflict between the provisions or procedures of the Charity Operations Policy and the Articles of Incorporation or the By-Laws of the VFWOC, the Articles of Incorporation shall govern.
- Section 3 This Charity Operations Policy shall be reviewed annually by the Executive Committee to insure it is fulfilling its purpose and to make any necessary revisions and submit it to the Board of Directors for their approval or disapproval at the Annual Meeting held in the month of January.
- Section 4 The VFWOC Board of Directors authorized the VFWOC Executive Director to freeze the accounts of any agent who fails to follow the By-Laws and Procedures of this Charity.

ARTICLE II - PURPOSE

- Section 1 The purpose of this Charity operations Policy is to establish a standard of conduct by VFW Posts, Fraternal organization and Sporting Organizations who have a valid Fundraising Contract with the VFWOC to operate Charitable Bingo and who wish to operate as a Public Charity Field Agency authorized to receive and distribute charity funds for the charitable and benevolent purposes and programs of the VFWOC in strict compliance with the instructions in this Charity Operations Policy.

ARTICLE III - ACKNOWLEDGEMENT OF PARTIES

- Section 1 The VFWOC represents and warrants that it is a public charity (not a private foundation) and is an organization that maintains its principal place of business in the State of Ohio, that it is exempt from federal income taxation under subsection of 501(s) and described in subsection 501(c)(3) of the Internal Revenue Code. The VFWOC further represents and warrants that it is in good standing in accordance with any rules promulgated by the Office of the Attorney General pursuant to Section 2915.08(1) of the Ohio Revised Code.

Section 2 The Field Agency understands and acknowledges that in performing the charitable and benevolent purposes and programs of the VFWOC as outlined in this Charity Operations Policy, it and its agents, officers and committee members who perform such activities will be acting as agents of the VFWOC and will hold fiduciary responsibilities to the VFWOC and its beneficiaries and purposes.

ARTICLE IV - OPERATION RESPONSIBILITY

Section 1 The Field Agency shall operate as an extension of the VFWOC for the purposes specified in the Internal Revenue Code 501(c)(3), State of Ohio Law and the By-Laws of the VFWOC as directed in this Charity Operations Policy by the Board of Directors.

A The Public Charity status of the VFWOC and its network of Field Agencies are based on evidence that their funds are dedicated to the purpose listed in Section 501(c)(3) of the Internal Revenue Code.

B To assure the continued exemption, the VFWOC and its network of Field Agencies must keep records that show that funds are spent only for those purposes listed in Section 501(c)(3) of the Internal Revenue Code.

C If funds are distributed to other organizations, VFWOC records must show whether they are exempt under Section 501(c)(3) of the Internal Revenue Code.

D In cases where the recipient organization is not exempt under Section 501(c)(3) of the Internal Revenue Code, VFWOC must have evidence that the funds remain dedicated to the required purposes and that the recipient will use the funds for those purposes.

Section 2 The amount of charity funds available to the Field Agency is based on their organizations ability to raise funds for the VFWOC. VFWOC Headquarters will retain a small percentage of the funds donated to be used for overhead expenses and grants, the remainder will be returned to the Field Agency to distribute, on a timely basis for the charitable and benevolent purposes and programs as described in the By-Laws of the VFWOC and authorized in this Charity Operations Policy.

Section 3 VFWOC will provide a checking account to all field agents in the name of “Veterans of Foreign Wars Ohio Charities” using the Federal Employer Identification of the VFWOC (41-2078103).

A The name, “Veterans of Foreign Wars Ohio Charities”, and the identifying number of the Post, Lodge, Club, etc., must be printed on each check and deposit slip.

B The close out date of the checking account should, if possible, be as of the last working day of each month.

- Section 6 **Authorized Expenditures:** Authorized expenditures of charity funds, are those expenditures where a voucher and a copy of the cancelled check will suffice as the only supporting documents needed. Write in the memo section of the check the reason for the donation. Prepare a voucher for all expenditures. These authorized donations are:
- A Direct donation to a qualified 501(c)(3) organization authorized to receive charity donations.
 - B Direct donations to an Auxiliary Unit of the Field Agency to support their charitable and benevolent purposes and programs that are required or authorized by the By-Laws and Policies of their parent organization.
 - C Direct donations to the Post Honor Guard or a Consolidate Honor Guard that maintains an Organization Honor Guard Checking Account solely to support Honor Guard function.
 - D Direct donations to the Field Agency's National, Department or District organizations, which includes the Auxiliary Units at that level. Donations of this nature must be directed to a specific charity restricted fund that is governed by the By-Laws and Policies of these organizations.
 - E Monetary awards earned by the Student Winners of the Voice of Democracy or Patriot's Pen Awards Program.
 - F The VFWOC Executive Director may authorize a request received at VFWOC Headquarters not to exceed \$3,000 to any one person, family or household member in a 12-month period. Should a request exceed \$3,000, the Executive Director must have the approval of the VFWOC Board of Directors. In either case a voucher must be properly filed for each request prior to disbursement of funds.
 - G An amount not to exceed \$5,000, on a one (1) time basis, for the purchase of Tracking Machines to be used by the host agent.

- Section 7 **Justified Expenditures and Expenses:** Justified expenditures of charity funds, are those expenditures that need a supporting document, in addition to a voucher and a copy of the cancelled check to justify the expenditure of charity funds. The Field Agency shall:
- A Describe in the memo portion of the check the reason for the expenditure.
 - B Maintain a file of the vouchers with the required supporting document attached for each justified expenditure.
 - C Be prepared to provide VFWOC Headquarters, if requested, a copy of the supporting documents justifying an expenditure.
- (1) If the Field Agency fails to produce a supporting document upon request from VFWOC Headquarters, the Field Agency will be required to return those expended funds to the VFWOC Checking Account.

- C All Gaming and Electronic Bingo funds shall be paid to VFWOC on a monthly basis. Failure to do so will invoke a VFWOC inspection and possible contract cancellation.
- D The only funds authorized to be deposited into the Field Agency's VFWOC Charity Checking Account are funds received from VFWOC Headquarters.
 - (1) Vouchers and supporting documents shall be submitted to VFWOC Headquarters only when requested by VFWOC Headquarters or required by this Charity Operations Policy.
- E Any changes in the signature card MUST be sent to the Treasurer VFWOC immediately.
- F. Should the VFWOC Charity account held by the field agent, fail to make donations for 6 months, or have funds in excess of \$50,000, VFWOC has the authority to donate excessive funds on behalf of the agent. Funds exceeding \$50,000 for a specific purpose must be on file at VFWOC HQ.

Section 4 Unjustified Expenditures: An unjustified expenditure of charity funds are those expenditures that are not supported by documents that insure that the funds expended were used for the purposes requested.

- A If an expenditure of charity funds have been declared as unjustified by VFWOC Headquarters, the Field Agency is required to return those funds to VFWOC Headquarters by check from the Fundraiser's General Account. The VFWOC Treasurer will retain a small percentage and return the remainder to the Field Agency for deposit into their charity account.

Section 5 Unauthorized expenditures: Below are some examples of unauthorized expenditures of charity funds: (if an expenditure of charity funds has been declared as unjustified by VFWOC Headquarters, funds must be returned as directed in Section 4 A above)

- A The Field Agency shall not use charity funds to pay the operational or overhead expenses of a non 501(c)(3) organization, such as the Fundraiser.
- B The Field Agency shall not use charity funds to pay an employee, officer or chairman for services rendered, nor pay for accounting, bookkeeping or auditor services.
- C The Field Agency shall not use charity funds to influence legislation and shall not participate in or intervene in any political campaign on behalf of, or in opposition to any candidate for public office. PAC donations or Legislative Programs are not authorized.
- D The Field Agency shall not donate charity funds to any organization, where something of value is expected in return for that donation.
- E The Field Agency shall not use charity funds for investment purposes, such as a CD or any other interest or profit bearing investment.

D Listed below are some justified expenditures:

- (1) Direct donations to a non-501(c)(3) organization, other than the Fundraiser's, is a justified donation, provided the receiving organization submits a letter to the Field Agency and request a donation for a specific charitable or benevolent purpose or program.
 - (a) File the voucher and attach the letter as a supporting document.

- (2) Direct monetary donations to a sick, disabled or needy individual or a household who has fallen on hard times, is a justified expenditure of charity funds, limited to \$5,000 per year provided that this request for assistance is approved by a majority vote of the members present at a regular or special meeting. The minutes of the meeting should contain the name, the regular or special meeting. The minutes of the meeting should contain the circumstances and the amount awarded and to who or whom the check will be written. When a donation is made to the individual directly, the voucher and meeting minutes shall be forwarded to VFWOC HQ.
 - (a) The ideal situation would be to write checks directly to source of the need (example: landlord for rent, utilities company, bank or mortgage company for house payment, insurance company for car or house insurance, etc.), rather than making the monetary donation to the comrade, family or individual involved. Donations to or on behalf of an individual, family or household deemed excessive on an annual basis shall cause the VFWOC Executive director to request further clarification.
 - (b) File a voucher and attach a copy of the minutes and any paid receipts as supporting documents.

- (3) A direct donation to the Field Agencies Organization may be necessary to purchase a vehicle for the purpose of transporting sick, disabled and veterans in need to and from a VA Hospital or Clinic, to transport the Honor Guard to and from veteran's burial services, or for any other charitable purpose, is justified expenditure. This expenditure may also include funds to advertise the name of the organization on the vehicle, provided the statement "Donated by the Veterans of Foreign Wars Ohio Charities" is also printed on the vehicle. This vehicle shall not be titled to the VFWOC nor will the VFWOC assume the responsibility for any administrative or operational expenses for said vehicle.
 - (a) The Field Agency must obtain prior written approval and special instructions from the Board of Directors before purchasing a vehicle for the purposes listed above.
 - (b) File a voucher and attach a copy of the minutes of the regular or special meeting authorizing the donation along with a copy of the purchase invoice and title as supporting documentation.

- (4) The Field Agency is justified to expend charity funds to contract with the Fundraiser or any of their Auxiliary Unites to conduct programs such as: Americanism, Community Service,

Hospital and Nursing Home, Safety, Youth Activities, POW/MIA, etc., on behalf of the VFWOC.

- (a) File a voucher and attach all expense receipts as supporting documents.
- (5) The Field Agency is justified to expend charity funds on behalf of the VFWOC, to contract with the Fundraiser or any of their Auxiliary Units to conduct Charitable/Patriotic Events, such as: Loyalty Day, Memorial Day, Flag Day, 4th of July, Founder's Day, Veterans Day, Funeral Reception for family and friends of deceased member, Children's Easter, Halloween, Christmas parties, Voice of Democracy, and Patriot's Pen Banquet, etc.
- (a) The Fundraiser or Auxiliary Unit will prepare an invoice to be presented to the Field Agency for payment, describing the event, the number of members and guests served or prepared for and the total cost of the event, provided the amount billed is competitive with local sources.
 - (1) File a voucher and attach the invoice as the supporting document.
- (6) The Field Agency may pay the annual dues of the Fundraiser's members who are serving on Active Duty in the Armed Forces, serving in the National Guard or Reserves, or who are sick, disabled or needy. The Field Agency may not purchase life-memberships or pay the dues of their Auxiliary members. Write a check from the VFWOC charity fund to the National Organization for the full amount of the members' dues; write in the memo section of the check "Membership Dues".
- (a) File a voucher and attach a list of the names of the members and the disposition as to why their dues are being paid as a supporting document.
- (7) The Field Agency may send one delegate per 50 members or portion thereof, for the full duration of the below listed functions, provided a member or members of the Board of Directors conduct a charity/gaming school of instruction. Delegates will be required to sign an attendance roster to receive expenses.
- (a) Delegates may be reimbursed from their VFWOC fund for some of their expenses at the following rate: \$.14 per mile and up to \$150.00 per day for lodging, including applicable taxes and incidentals. All reimbursements must adhere to IRS regulations.
 - (b) Authorized functions are the Department of Ohio Convention, Mid-Winter Conference, Board of Directors Meetings and the Department of Ohio District's three-day mini-conferences. Any Board of Directors and District Commander scheduled charity or gaming school of instruction.

advertisement, newsletter, or web-site read as follows: "Veterans of Foreign Wars Ohio Charities and (enter the organization's name)."

As a minimum, the newsletter, web-site or advertisement shall include a report of charitable activities of the Field Agency for which funds were expended or advertisement for future charitable event or cause.

- (a) File a voucher and attach a copy of the advertisement or newsletter as a supporting document.
- (9) The Field Agency may use charity funds to participate in the annual Department of Ohio VFW Sponsored Charity Fundraising Events, such as the State Charity Golf Tournament.
- (a) The Board of Directors will publish special instructions for charity fund usage in the VFWOC Newsletter for each Charity Fundraising Event.
- (10) The Field Agency may use charity funds to participate in or sponsor a charity fundraising event, such as a VFW District Charity Golf Tournament, provided:
- (a) The Charity fundraising event has been approved and special written instructions issued for charity fund usage by the Board of Directors.
 - (b) The Field Agent may use charity funds to purchase "outdoor" digital signage for home post so long as "Member of VFW Ohio Charities" is clearly visible on the signage. Field Agent must provide justification and a quote to VFWOC HQ prior to expending funds.

Section 8 Should a Field Agent account become dormant, the VFWOC has the authority to expend Agent funds.

ARTICLE V - SPECIAL INSTRUCTIONS

- Section 1 In those cases where the Field Agency desires to spend charity funds for the purposes other than described in this Charity Operations Policy, contact VFWOC Headquarters for guidance.
- Section 2 The Fundraiser shall maintain a file of all records, vouchers, supporting documents and correspondence in their home facility for a period of not less than four (4) years.
- Section 3 If special circumstances dictate, or if the Field Agency disagrees with the VFWOC Headquarters' interpretation of this Charity Operations Policy, the Field Agency may file an appeal with the VFWOC Board of Directors. Special rulings from the State of Ohio Attorney General or the IRS Exempt Organizations Division are often needed.

These rulings take time; therefore, any major questionable expenditure should be approved before proceeding with a project that is not covered in this Charity Operations Policy.

VETERANS OF FOREIGN WARS OHIO CHARITIES

CONFLICT OF INTEREST POLICY

ARTICLE I - AUTHORITY

- SECTION 1 The authority for this Conflict of Interest Policy is lodged in the Board of Directors, and should at all times be governed by the Articles of Incorporation and the By-Laws of the Veterans of Foreign Wars Ohio Charities (VFWOC).
- SECTION 2 If there is any conflict between the provisions or procedures of this Conflict of Interest Policy and the Articles of Incorporation or the By-Laws of the VFWOC, the Articles of Incorporation shall govern.
- SECTION 3 This Conflict of Interest Policy shall be reviewed annually by the Executive Committee to ensure it is fulfilling its purpose and to make any necessary revisions and submit it to the Board of Directors for their approval or disapproval at the Annual Meeting held in the month of January.

ARTICLE II - PURPOSE

- SECTION 1 The purpose of the Conflict of Interest Policy is to protect the Veterans of Foreign Wars Ohio Charities (VFWOC) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the VFWOC or might result in a possible excess benefit transaction. This policy is intended to supplement, but not replace an applicable State of Ohio or Federal Laws governing conflict of interest applicable to non-profit and charitable organizations.

ARTICLE III - DEFINITIONS

- SECTION 1 Interested Person: Any Director, Principal Officer or member of a committee with governing board delegated powers, who has a direct or indirect interest as defined below, is an interested person.
- SECTION 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 VFWOC has a transaction or arrangement.
 - B. A compensation arrangement with the VFWOC, or with any entity or individual with which the VFWOC has a transaction or arrangement.
 - C. A potential ownership or Investment interest in, or compensation arrangement with, an entity or individual with which the VFWOC is negotiating a transaction or arrangement.