



## The Institution of Fire Engineers United States of America Branch

# CONSTITUTION AND RULES

### **I. Name**

The name of the U.S. Branch shall be the United States of America Branch of the Institution of Fire Engineers, and shall bear the short title of and hereinafter be referred to as the U.S. Branch.

### **II. Objective – Mission**

- A. To support the Institution of Fire Engineers in its efforts to promote, encourage and improve the science and practice of fire extinction, fire prevention and fire engineering, and all operations and expedients connected therewith, and to give an impulse to ideas likely to be useful in connection with or in relation to such science and practice to the members of the Institution and the community at large.
- B. In furtherance of the above object and ancillary to it, the U.S. Branch may:
  - 1. Enable members to meet, correspond, and facilitate the interchange of ideas respecting the improvements in the various branches of the said science and the publication and communication of information on such subjects and to co-ordinate and encourage groups within the U.S. Branch.
  - 2. Do all other things incidental or conducive to the attainment of the above, or any of them.
  - 3. Do all in its power to prepare and produce suitable candidates for membership in the Institution as requisite and to encourage and assist members to attain their personal and professional goals.
  - 4. To conduct or act as an outlet for research that will further the science and practice of fire extinction, fire prevention and fire engineering, and all operations connected therewith.

### **III. Membership**

- A. All grades of membership shall be eligible for membership in the U. S. Branch and the Institution as long as they are not in arrears with annual dues.

1. Grades of membership are student, technician, graduate, associate, member, and fellow.
- B. Every branch member shall, on joining the branch and on the first day of January in each year, pay an annual subscription to the branch. The amount of the branch dues shall be the annual dues for all members based on their qualified/membership grade. The branch will retain 50% for the cost, expense and conduct of the Branch. The balance will be forwarded by the branch to IFE Headquarters, in the United Kingdom.
- C. A member of a branch shall have that membership terminated in the event of such person's annual subscriptions being in arrears for 90 days after 1 January.
1. In the case of a member elected in the last three months of the calendar year, the first subscription shall cover both the year of election and the succeeding year.
  2. Life members are members who have attained the age of 60 years and may be eligible for lifetime membership based on the criteria and details as specified by the IFE Headquarters.
  3. Membership may be revoked for ethics violations (based on the branch's published code of ethics) or actions by the member which diminish the value of the branch. Removal shall require 100% affirmative vote by the executive committee and approved by IFE Headquarters.

#### **IV. Meetings**

- A. An annual general meeting shall be held at which the accounts of the previous year shall be submitted for approval and the branch officers for the ensuing year shall take office, having been elected in accordance with Rule 5.
- B. Special meetings may be held as required at times and places to be determined by the executive committee, notice of which shall be communicated in writing and electronically to all members of the branch not less than fourteen (14) days prior to the day of the Meeting. Such notices shall specify the exact business to be discussed at the meeting, and no business shall be transacted or resolution proposed of which notice has not been given.
- C. Every member at a U.S. Branch meeting, irrespective of membership category, shall have one vote, except that the president shall have a second or casting vote solely for purposes of breaking a tie.

## **V. U.S. Branch Officers**

- A. The U.S. Branch shall consist of an elected president, vice president, secretary and treasurer (which office may be joined with that of secretary). With the exception of the secretary and treasurer, no office shall be held by the same person for longer than two consecutive years. The elected officers of the branch in addition to the immediate past president and one member-at-large shall constitute the executive committee.
1. The *officers of the U.S. Branch* shall consist of an elected president, vice president, secretary and treasurer (which office may be combined with that of secretary). *Effective with the election of officers in 2015, the President and Vice President may serve up to two consecutive one-year terms, subject to the following provision for presidential succession: Effective with the election of officers in 2016, and in subsequent elections, the Vice President will automatically become President upon expiration of the President's first or second term, or upon the President's departure from office prior to term expiration. The Secretary and Treasurer may serve more than two consecutive terms.* The elected officers of the branch, the immediate past president and one member-at-large shall constitute the executive committee. (Amended 2014)
  2. All members of the U.S. Branch of any membership category shall be eligible for election as officers.
  3. The Branch President shall appoint a suitably qualified person as auditor.
    - a) Nominations for officers proposed by a member of the branch and seconded by two other members, should be addressed to the Branch Secretary so as arrive not later than 60 days before the branch annual general meeting.
    - b) A nominating committee comprised of three members appointed by the current president none of whom shall be current officers or persons seeking election, shall be appointed.

## **VI. Proceedings, Powers and Duties of the U.S. Branch**

- A. Eleven (11) members shall constitute a quorum.
- B. The Branch Executive Committee shall manage the property, proceedings and affairs of the branch, and shall exercise all powers of the branch which are not required to be exercised by the branch in general meetings, subject to any regulations from time to time made by the branch in a general meeting.

- C. The branch shall not have the power to refuse membership to the branch, but shall report any reason for wishing to decline specific membership to the IFE Headquarters. Where the branch wishes to terminate a membership, then it shall be reported to the IFE Headquarters for approval.
- D. It shall be the duty of the Branch Secretary to ensure that a copy of the annual report, audited accounts and the minutes of the annual general meeting are forwarded (as soon as possible) to the IFE Headquarters.
- E. The branch shall take no action not in accordance with the general policy of the Institution; and any branch resolution which in any way affects matters of policy, must be submitted to IFE Headquarters before any action takes effect.
- F. The president and treasurer shall be empowered to incur expense on behalf of the branch and be authorized to operate a current banking account for this purpose and shall notify the branch of revenues and expenditures undertaken under authority of this section.
- G. The branch is organized exclusively for charitable, educational, religious, or scientific purposes within the meaning of section 501(c)3 of the Internal Revenue Code, or the corresponding section of any future federal tax code.
- H. No part of the net earnings of the branch shall inure to the benefit of, or be distributable to, its members, trustees, officers or other private persons except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered.
- I. No substantial part of the activities of the branch shall be the carrying on of propaganda or otherwise attempting to influence legislation and the branch shall not participate in or intervene (including the publishing or distribution of statements) in any political campaign on behalf of any candidate for public office.
- J. Notwithstanding any other provisions of these articles, the branch shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

- K. Upon the dissolution of the branch, the Executive Committee shall, after paying or making provisions for the payment of all the liabilities of the corporation, dispose of all assets of the branch exclusively for the purposes of the branch in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), as the Executive Committee shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the branch is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.
- L. The Executive Committee may approve grammatical or non-substantive amendments to the Constitution and Rules, provided that such amendments shall be published in a manner that provides for member review prior to the annual meeting.

## **VII. Operating Standards**

### **A. Conflict of Interest**

#### **1. Purpose**

- a) The purpose of this section is to protect the U.S. Branch's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an officer or director of the U.S. Branch or might result in a possible excess benefit transaction.
- b) This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.
- c) This policy is also intended to identify "independent" directors.

#### **2. Definitions**

- a) Interested person -- Any director, principal officer, or member of a committee with
- b) Branch Executive Committee -- delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- c) Financial interest -- A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- (1) An ownership or investment interest in any entity with which the U.S. Branch has a transaction or arrangement,
  - (2) A compensation arrangement with the U.S. Branch or with any entity or individual with which the U.S. Branch has a transaction or arrangement, or
  - (3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the U.S. Branch is negotiating a transaction or arrangement.
  - (4) Compensation includes direct as well as indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Executive Committee decides that a conflict of interest exists within the meaning of this policy.
- d) Independent Director -- A director shall be considered "independent" for the purposes of this policy if he or she is "independent" as defined in the instructions for the IRS 990 form or, until such definition is available, the director --
- (1) is not, and has not been for a period of at least three years, an employee of the U.S. Branch or any entity in which the U.S. Branch has a financial interest;
  - (2) does not directly or indirectly have a significant business relationship with the U.S. Branch, which might affect independence in decision-making;
  - (3) is not employed as an executive of another corporation where any of the U.S. Branch's executive officers or employees serve on that corporation's compensation committee; and
  - (4) does not have an immediate family member who is an executive officer or employee of the U.S. Branch or who holds a position that has a significant financial relationship with the U.S. Branch.

### 3. Procedures

- a) Duty to Disclose -- In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Branch Executive Committee.

- b) Recusal of Self -- Any director may recuse himself or herself at any time from involvement in any decision or discussion in which the director believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.
- c) Determining Whether a Conflict of Interest Exists -- After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Branch Executive Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Branch Executive Committee members shall decide if a conflict of interest exists.
- d) Procedures for Addressing the Conflict of Interest --
  - (1) An interested person may make a presentation at the Branch Executive Committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
  - (2) The President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
  - (3) After exercising due diligence, the Branch Executive Committee shall determine whether the U.S. Branch can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
  - (4) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Branch Executive Committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the U.S. Branch's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
- e) Violations of the Conflicts of Interest Policy
  - (1) If the Branch Executive Committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

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

#### 4. Records of Proceedings

- a) The minutes of the Branch Executive Committee and all committees with Executive Committee delegated powers shall contain:
- b) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Branch Executive Committee's decision as to whether a conflict of interest in fact existed.
- c) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.
- d) The minutes of the Branch Executive Committee and all committees with powers delegated by the Branch Executive Committee shall contain:
  - (1) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Branch Executive Committee's decision as to whether a conflict of interest in fact existed.
  - (2) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### 5. Annual Statements

- a) Each director, principal officer and member of a committee with Branch Executive Committee-delegated powers shall annually sign a statement which affirms such person:
  - (1) Has received a copy of the conflict of interest policy,



- (2) Has read and understands the policy,
  - (3) Has agreed to comply with the policy, and
  - (4) Understands the U.S. Branch is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- b) Each voting member of the Branch Executive Committee shall annually sign a statement which declares whether such person is an independent director.
  - c) If at any time during the year, the information in the annual statement changes materially, the director shall disclose such changes and revise the annual disclosure form.
  - d) The Branch Executive Committee shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

6. Periodic Reviews

- a) To ensure the U.S. Branch operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
- b) Whether compensation arrangements and benefits are reasonable, based on competent survey information (if reasonably available), and the result of arm's length bargaining.
- c) Whether partnerships, joint ventures, and arrangements with management organizations, if any, conform to the U.S. Branch's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement or impermissible private benefit or in an excess benefit transaction.

7. Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the U.S. Branch may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Branch Executive Committee of its responsibility for ensuring periodic reviews are conducted.

## B. Compensation

1. At such time as the U.S Branch elects to establish compensation for any officer or member, or elects to retain a compensated employee (or employees), this section establishes the mechanism for determination of such compensation.
2. Branch Executive Committee Approval. The President shall appoint a “compensation committee,” which will obtain research and information to make a recommendation to the full Branch Executive Committee for compensation (or change in compensation) of any officer or member based on a review of comparability data. For example, the compensation committee will secure data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similar organizations. This data may include the following:
  - a) Salary and benefit compensation studies by independent sources;
  - b) Written job offers for positions at similar organizations;
  - c) Documented telephone calls about similar positions at both nonprofit and for-profit organizations; and
  - d) Information obtained from the IRS Form 990 filings of similar organizations.
3. Branch Executive Committee Documentation. To approve such compensation recommendations, the Branch Executive Committee must document how it reached its decisions, including the data on which it relied, in minutes of the meeting during which the compensation was approved. Documentation will include:
  - a) A description of the compensation and benefits and the date it was approved;
  - b) The members of the Branch Executive Committee who were present during the discussion about compensation and benefits, and the results of the vote;
  - c) A description of the comparability data relied upon and how the data was obtained; and
  - d) Any actions taken (such as abstaining from discussion and vote) with respect to consideration of the compensation by anyone who is otherwise a member of the Branch Executive Committee but who had a conflict of interest with respect to the decision on the compensation and benefits.

4. Conflict of Interest. No member of the compensation committee will be a member or employee currently compensated by the IFE, the relative of such a member or employee, or have any relationship with such a member or employee that could reasonably be concluded to represent a conflict of interest.

C. Whistleblower Policy

1. If any employee or member reasonably believes that some policy, practice, or activity of the U.S. Branch is in violation of law, a written complaint must be filed by that employee with the Executive Director or the Board President.
2. It is the intent of the U.S. Branch to adhere to all laws and regulations that apply to the organization and the underlying purpose of this policy is to support the organization's goal of legal compliance. The support of all employees is necessary to achieving compliance with various laws and regulations. An employee or member is protected from retaliation only if the employee or member brings the alleged unlawful activity, policy, or practice to the attention of the Branch Executive Committee and provides the Branch Executive Committee with a reasonable opportunity to investigate and correct the alleged unlawful activity. *The protection described below is only available to employees or members that comply with this requirement.*
3. The U.S. Branch will not retaliate against an employee or member who in good faith, has made a protest or raised a complaint against some practice of the U.S. Branch, or of another individual or entity with whom U.S. Branch 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.
4. The U.S. Branch will not retaliate against employees or members who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of the U.S. Branch that the employee or member 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.

D. Branch Executive Committee Review of Joint Ventures and Partnerships

1. In compliance with Internal Revenue Service guidelines for approval and management of any joint venture entered into by the U.S. Branch, the U.S. Branch herewith adopts the following guidelines.
2. Activities Subject to this Policy

For the purposes of this policy, the term “Joint Venture” is defined as any arrangement, including contractual or more formal arrangements undertaken through a limited liability company, partnership, or other entity, through which the U.S. Branch and another entity jointly undertake any activity or business venture, or otherwise agree to joint ownership of any asset. A Joint Venture may include both taxable and tax-exempt activities.

3. Approval and Management of Joint Activities

- a) Before making any decision to participate in a Joint Venture, the Branch Executive Committee will ensure that the Joint Venture furthers the U.S. Branch’s exempt purposes and will negotiate at arm’s length contractual and other terms of participation that safeguard the U.S. Branch’s exemption from federal income tax. Such terms shall be in writing in the operating agreement of the Joint Venture and shall include the following minimum requirements:
- b) With respect to any whole joint venture (that is, a joint venture in which the U.S. Branch contributes substantially *all* of its assets to the enterprise), the U.S. Branch’s control over the Joint Venture through fifty-one percent (51%) or more of the voting rights and/or veto power;
- c) With respect to any ancillary joint venture (that is, a joint venture to which a portion of the U.S Branch’s resources are contributed), the U.S. Branch would, at a minimum, maintain sole control over the tax-exempt aspects of the Joint Venture and would have voting and ownership interests in the Joint Venture that are consistent with the U.S. Branch’s capital contributions;
- d) A requirement that any subsequent contract with the U.S. Branch’s partner in the Joint Venture be negotiated at arm’s length and for fair market value;
- e) A requirement that the Joint Venture give priority to the U.S. Branch’s tax-exempt purposes over maximization of profit for the participants of the Joint Venture; and
- f) A prohibition on activities that would jeopardize the U.S. Branch’s tax-exempt status.

4. Where there is any question as to whether a particular Joint Venture may pose a risk to the Branch’s tax-exempt status, a decision to enter into such Joint Venture will be made only in consultation with legal and/or tax counsel.

E. Chapters, Affiliates and Other Subordinate Organizations

When the U.S. Branch elects to establish (or authorize the establishment of) any chapter, affiliate or other subordinate organization, such organization's constitution, by-laws and/or other governing documents shall be consistent with those of the U.S. Branch.

F. Noncompetitive ("Sole-Source") Purchases and Purchase Negotiations

1. Noncompetitive negotiations may be used for procurements when bidding or competitive negotiations are not feasible, or for individual purchases by the Secretary and/or Treasurer of up to \$100.00. The U.S. Branch may purchase goods and services through non-competitive negotiations when it is determined by the Branch Executive Board that competitive negotiation or bidding is not feasible and that:
  - a) An emergency exists which will cause public harm as a result of the delay caused by following competitive purchasing procedures, or
  - b) The product or service can be obtained only from one source, or
  - c) The contract is for the purchase of perishable items purchased on a weekly or more frequent basis, or
  - d) Only one satisfactory proposal is received through request for proposal (RFP) or request for quotation (RFQ), or
  - e) The Executive Board has previously formally authorized the particular type of noncompetitive negotiation.
2. Procurement by noncompetitive negotiation requires the strictest attention to the observation of impartiality toward all suppliers. The Executive Board must approve all procurements by non-competitive negotiation when only one supplier has been identified or only one bid or response to an RFP/RFQ is received.

G. Document Management

1. The U.S. Branch herewith establishes a document management program that includes (but is not limited to) the following:
2. Records Retention
  - a) Accounts payable ledgers and schedules: 10 years
  - b) Accounts receivable ledgers and schedules: 10 years
  - c) Audit reports of accountants: Permanently
  - d) Bank statements: 10 years

- e) Capital stock and bond records: Â ledgers, transfer payments, stubs showing issues, record of interest coupon, options, etc.: Permanently
- f) Cash books: 10 years
- g) Checks (canceled, with exception below): 10 years
- h) Checks (canceled, for important payments; i.e., taxes, purchase of property, special contracts, etc. [checks should be filed with the papers pertaining to the underlying transaction]): Permanently
- i) Contracts and leases (expired): 10 years
- j) Contracts and leases still in effect: Permanently
- k) Correspondence, general: 4 years
- l) Correspondence (legal and important matters): Permanently
- m) Depreciation schedules: 10 years
- n) Donation records of endowment funds and of significant restricted funds: Permanently
- o) Donation records, other: 10 years ( include a written agreement between the donor and IFE with regard to any contribution, an email communication or notes of or recordings of an oral discussion between IFE and the donor where the representative of IFE made representations to the donor with regard to the contribution on which the donor may have relied in making the gift.)
- p) Duplicate deposit slips: 10 years
- q) E – mail records: See “Correspondence, General” and “Correspondence (legal and important matters”)
- r) Employee personnel records (after termination): 7 years
- s) Employment applications: 3 years
- t) Expense analyses and expense distribution schedules (includes allowance and reimbursement of employees, officers, etc., for travel and other expenses: 10 years
- u) Financial statements (end-of-year): Permanently

- v) General ledgers and end-of-year statements: Permanently
- w) Insurance policies (expired): Permanently
- x) Insurance records, current accident reports, claims, policies, etc.: Permanently
- y) Internal reports, miscellaneous: 3 years
- z) Inventories of products, materials, supplies: 10 years
- aa) Invoices to customers: 10 years
- bb) Invoices from vendors: 10 years
- cc) Journals: 10 years
- dd) Minute books of Board of Directors, including Bylaws and Articles of Incorporation: Permanently
- ee) Payroll records and summaries, including payments to pensioners: 10 years
- ff) Purchase orders: 3 years
- gg) Sales records: 10 years
- hh) Scrap and salvage records: 10 years
- ii) Subsidiary ledgers: 10 years
- jj) Tax returns and worksheets, reports, and other documents relating to determination of tax liability: Permanently
- kk) Time sheets and cards: 10 years
- ll) Voucher register and schedules: 10 years
- mm) Volunteer records: 3 years

3. All permitted document destruction shall be halted if the U.S. Branch is being investigated by a governmental law enforcement agency, or if any organization's Branch Executive Committee member knows (or should know) that the organization is (or will be) the subject of legal action. Routine destruction shall not be resumed without the written approval of legal counsel and the Branch Executive Committee.

H. Amendment of Constitution

This constitution shall not be amended or added to except at a general meeting of the branch at which such alteration or addition is approved by at least two-thirds of the members present, notice of the proposed alteration having been given to members. Before becoming effective, any such alteration shall require confirmation by the IFE Headquarters in accordance with the Institution's by-laws.

I. Proceedings of the Branch

When not otherwise in conflict with this constitution and rules, the rules contained in *Robert's Rules of Order, Newly Revised* shall govern the proceedings of the U.S. Branch.

Adopted at the US Branch Annual General Meeting, August 13, 2009