



**Board of Directors Manual  
2025-2026**

*Updated April 1, 2026*

## Table of Contents

<b>I.</b>	<b>INTRODUCTION TO THE <i>BOARD OF DIRECTORS MANUAL</i></b> .....	4
A.	Purpose of the Manual .....	4
B.	Updates and Revisions to the Manual.....	4
C.	Distribution of and Access to the Manual.....	4
D.	Applicability .....	4
<b>II.</b>	<b>GENERAL BOD INFORMATION</b> .....	4
A.	Current BOD Officers and Members .....	4
B.	BOD Officer and Member Terms .....	5
<b>III.</b>	<b>LEGAL AND HISTORICAL DOCUMENTS</b> .....	6
A.	Articles of Incorporation.....	6
B.	Bylaws .....	7
C.	Affiliation and Recognition Agreements .....	7
<b>IV.</b>	<b>ORGANIZATIONAL PLANNING</b> .....	7
<b>A.</b>	<b>BOD Policy Regarding Strategic Planning</b> .....	7
<b>V.</b>	<b>BOD ROLES AND RESPONSIBILITIES</b> .....	7
A.	Role of the BOD .....	7
B.	BOD Code of Conduct and Related Obligations .....	9
C.	Complaints against Board Members, Adjudication and Discipline .....	11
D.	Duties of Directors.....	13
E.	BOD Attendance Policy.....	14
F.	Roles and Responsibilities of BOD Officers. ....	15
G.	Directors and Officers Insurance .....	19
H.	Reimbursement.....	19
I.	Procedure for Removal of Director and/or Officer .....	21
J.	Procedure for Filling BOD Vacancies .....	21
<b>VI.</b>	<b>BOD COMMITTEES, ADVISORY COMMISSIONS, AND OTHER VOLUNTEER GROUPS AND APPOINTMENTS</b> .....	21
A.	Executive Committee.....	21
B.	Finance Committee.....	21
C.	Audit Committee .....	22
D.	Executive Compensation Committee.....	23
E.	External Affairs Committee.....	23
F.	Internal Affairs Committee.....	24
G.	Subcommittees of BOD Committees.....	25
H.	Commissions .....	25
I.	Election of Governance Committee Members.....	27

J. Other Volunteer Groups/Opportunities Created by the BOD .....	27
K. Creation of Joint BOD/HOD Task Forces .....	28
L. Healthcare Organization Liaison & External Representative Appointments and PA Nominations .....	28
M. BOD Liaisons and Representatives .....	30
<b>VII. DECISIONS BY THE BOD .....</b>	<b>30</b>
A. Quorum .....	30
B. Parliamentary Procedure .....	31
C. Action Items .....	31
<b>VIII. MEETINGS .....</b>	<b>31</b>
A. Types of Meetings .....	31
B. Participation in Meetings .....	32
C. Meeting Materials .....	33
D. Action without a Meeting .....	33
E. Meeting Records .....	33
<b>IX. CHIEF EXECUTIVE OFFICER .....</b>	<b>34</b>
A. Search .....	34
B. Appointment .....	34
C. Membership on BOD .....	34
D. Delegation of Authority for AAPA Operations and Management .....	34
E. Annual Performance Evaluation and Compensation Review .....	34
<b>X. FINANCIAL POLICIES AND PROCEDURES .....</b>	<b>35</b>
A. Use of Federal Employer ID Number and Tax-Exempt Letter .....	35
B. Investments .....	35
C. Budget .....	36
D. Form 990 Review .....	36
<b>XI. DISCLOSURE .....</b>	<b>36</b>
A. Publicly Available Documents .....	36
B. AAPA Member-Only Documents .....	37
C. Form 990 and Tax Exemption Application .....	37
D. Corporate Records .....	37
E. Unaudited Financial Statements .....	38
F. Board Meeting Materials .....	38
G. Notification of Indemnification .....	38
H. Written requests .....	38
<b>Appendices .....</b>	<b>40</b>

**I. INTRODUCTION TO THE *BOARD OF DIRECTORS MANUAL***

**A. Purpose of the Manual**

The American Academy of Physician Associates’ (“AAPA”) Board of Directors Manual (“BOD Manual” or “the manual”) includes only those policies and procedures that are applicable to the Board of Directors (“BOD” or “Board”) and/or its members. The purpose of the BOD Manual is to: define the roles and responsibilities of the BOD collectively and individually; provide BOD members policies and procedures relevant to their work; and provide continuity and consistency in BOD decision-making processes and procedures. All of these purposes are guided by North Carolina nonprofit statute, AAPA’s Articles of Incorporation, AAPA Bylaws and Policies, and association management best practices.

**B. Updates and Revisions to the Manual**

The BOD Manual will be updated throughout the respective leadership year as deemed necessary by the Secretary-Treasurer in collaboration with Governance staff and voted on by the BOD. The Secretary-Treasurer or staff designee shall have the authority to correct typographical, format, and/or grammatical errors as long as the intent of the policy or procedure is not altered.

**C. Distribution of and Access to the Manual**

The BOD Manual shall be electronically distributed to all BOD members. Additionally, it will be made available to AAPA members and staff on the [AAPA website](#).

**D. Applicability**

In this manual, the terms “director”, “BOD member”, and “Board member” are inclusive of all directors, including Board officers, the student director and all other categories of directors, unless otherwise noted.

**II. GENERAL BOD INFORMATION**

**A. Current BOD Officers and Members**

<b>Name</b>	<b>Title</b>	<b>Term Expires</b>
Todd Pickard, DMSc, PA-C, DFAAPA, FASCO	President	6/30/26
David J. Bunnell, PhD, MSHS, PA-C, DFAAPA	President-elect	6/30/26
Jason Prevelige, DMSc, MBA, PA-C, DFAAPA	Immediate Past President	6/30/26

Leslie Clayton, DMSc, PA-C, DFAAPA	Vice President & Speaker of the House of Delegates	6/30/26
Kris Pyles-Sweet, DMSc, PA-C	Secretary-Treasurer	6/30/26
Yasmine Affes, PA-C	Student Director	6/30/26
Daniel Coll, MBA, MHS, PA-C, DFAAPA	Director-at-Large	6/30/27
Katherine GeeBah Footracer, MS, PA-C, DFAAPA	Director-at-Large	6/30/26
Paola Gonzalez, MPAS, PA-C	Director-at-Large	6/30/26
Rebecca A. Loveless, MHS, PA-C, DFAAPA	Director-at-Large	6/30/27
Peggy Walsh Sheryka, MS, PA-C	Director/First Vice Speaker, House of Delegates	6/30/26
Brittany Strelow, DMSc, PA-C, DFAAPA	Director-at-Large	6/30/27
Rachel Weinzimmer, DMSc, PA-C, CAQ-EM, CPAAPA	Director/Second Vice Speaker, House of Delegates	6/30/26
Lisa Gables	CEO (non-voting)	N/A

**B. BOD Officer and Member Terms**

<b>BOD Position</b>	<b>Term</b>
President	One year*
Immediate Past President	One year*
President-Elect	One year*
Vice President/Speaker of the HOD	One year
Director/First Vice Speaker of the HOD	One year
Director/Second Vice Speaker of the HOD	One year
Secretary-Treasurer	Two years
Director-at-Large (5)	Two years

Student Director/Student Academy President	One year
Chief Executive Officer (non-voting member)	By contract

\* The president position is a three-year commitment with automatic succession—serving one year each as president-elect, president and immediate past president.

### Schedule of Meetings.

The current year BOD schedule of regular meetings is provided below. Any additional meetings or modifications to the dates provided will be communicated through established notification requirements, as provided in section VIII of this manual, and as dictated by the AAPA Bylaws.

Meeting	Dates & Times	Location
Orientation & BOD Meeting	July 17-19, 2025	AAPA Headquarters, Alexandria VA
BOD Meeting	September 17, 2025; 12pm-6pm – Meeting at LAS	The Ritz-Carlton Pentagon City
BOD Meeting - Budget	December 4, 2025; 9:00am – 4:00pm ET	Virtual
BOD Meeting	February 25-26, 2026	Sheraton Sand Key Resort Clearwater, FL
BOD Meeting – HOD Resolution Review	May 1, 2026; 10:00am – 3:00pm ET	Virtual
BOD Meeting	May 14, 2026; Time TBD	Annual Conference, New Orleans, LA
BOD Meeting	June 12, 2026; 10:00am – 3:00pm ET	Virtual

## III. LEGAL AND HISTORICAL DOCUMENTS

### A. Articles of Incorporation

The Articles of Incorporation is the legal document filed with the Secretary of State in North Carolina to create the American Academy of Physician Associates, Inc. The Articles of Incorporation contain the corporate name, business address, statement of purpose and certain provisions for members, and governing board and officers. A copy of the AAPA Articles of Incorporation is included as Appendix A.

## **B. Bylaws**

The Bylaws are a legal document outlining the self-imposed rules that regulate AAPA's actions. Bylaws address the organizational framework for governance, such as mission and purpose; membership eligibility and classes; structure, roles and responsibilities of AAPA's governing bodies (BOD, HOD); elections; and judicial affairs, among other items. Changes to the Bylaws require approval of both the BOD and HOD. A copy of the current AAPA Bylaws is included as Appendix B.

## **C. Affiliation and Recognition Agreements**

Formal agreements between AAPA and a constituent organization establish the terms under which an organization may operate as a constituent organization of AAPA. There are two types of agreements:

1. Affiliation Agreements for Caucuses, Special Interest Groups, and State and Federal Service Chapters.
2. Recognition Agreements for Specialty Organizations.

Sample copies of Agreements are included as Appendix C.

# **IV. ORGANIZATIONAL PLANNING**

## **A. BOD Policy Regarding Strategic Planning**

The BOD is responsible for the following strategic planning components:

1. Initiate the strategic planning process;
2. Participate in the development of the strategic plan;
3. Review and approve the final strategic plan;
4. Monitor plan progress on a regular basis.

A copy of the current strategic plan is included as Appendix D.

# **V. BOD ROLES AND RESPONSIBILITIES**

## **A. Role of the BOD**

The AAPA BOD is the governing body responsible for the management of the corporation, including, but not limited to, management of the corporation's property, business, financial affairs and judicial affairs. **It is responsible for setting the strategic direction of the organization.**

Directors and officers have a fiduciary duty to act in good faith and in the best interest of AAPA. This corporate fiduciary duty includes a duty to obey federal, state, local and corporate internal laws and rules. These would include legal prohibitions against certain workplace behaviors as well as AAPA's policies on ethics and code of conduct.

Roles and responsibilities include:

1. Those duties specifically outlined in ARTICLE VII, Section 1 of the AAPA Bylaws.
2. Decisions regarding AAPA endorsement of clinical guidelines or other clinically based papers or position statements, taking into consideration any recommendations from the HOD, the Commission on the Health of the Public (HOTP), a Constituent Organization (CO) and/or AAPA staff.
  - a) Clinical guidelines' endorsements will be appropriately reviewed by subject matter experts, staff and AAPA leadership who will make a recommendation to the BOD. Stakeholders involved in the review process will vary based on the subject of the guidelines.
  - b) AAPA will endorse clinical guidelines if the guidelines meet the basic criteria for review: medical/scientific soundness; alignment with AAPA policy; and alignment with the AAPA strategic plan. The level of PA engagement and engagement of other stakeholders will also be taken into consideration.
  - c) Endorsement indicates AAPA supports the guidelines and promotes them to members. The AAPA name and logo may be used to promote the guidelines.
  - d) Recommendations to endorse, not endorse or take other action regarding clinical guidelines, papers or statements must be submitted as an Action Item (as described in Section VII.C of this manual) with a robust rationale detailing the recommendation and how it supports AAPA's mission, purpose and strategic plan.
3. Decisions regarding Letters of Recommendation from the Board of Directors. The following represent a minimum threshold of requirements for the BOD to consider a request for a Letter of Recommendation:
  - a) Requestor must be a current AAPA member in good standing;
  - b) Request must be in relation to an external or government organization (e.g. congressional/gubernatorial/presidential appointment, community advisory committee, etc.);
  - c) There must be a clear perceived benefit to AAPA, the profession and the healthcare community;
  - d) Requests must align with the mission, vision and values of AAPA;
  - e) Applicant must clearly articulate the necessity of the recommendation, provide details outlining the position for which they are applying, and provide a synopsis of their leadership activities within AAPA and the PA profession.

Once the basic criterion has been met, the BOD may deliberate the merits of each individual request.

4. Business decisions related to JAAPA.
  - a) The AAPA BOD has financial and business oversight of the Journal of AAPA (JAAPA).
5. Perform such other functions as the Board believes appropriate or necessary, or as otherwise prescribed by law or regulation. The BOD dedicates itself to leading by example in serving the needs of AAPA and its members and also in representing the interests and ideals of the PA profession at large.

## **B. BOD Code of Conduct and Related Obligations**

BOD members are expected to comply with federal, state and local laws, as well as AAPA's BOD Code of Conduct; AAPA's Guidelines for Ethical Conduct for the PA Profession (HP-7026); and AAPA policies relating to disclosure, conflict of interest and confidentiality.

### *1. Code of Conduct*

This BOD Code of Conduct (Code) establishes the principles and guidelines for volunteers in their capacity as Board Members. The principles and requirements that comprise the code are designed to ensure full compliance by BOD members with the fiduciary duties imposed on such individuals by: state corporate law; the federal tax code's prohibition on private inurement and private benefit and other requirements of federal tax exemption; common law due process requirements; federal and state antitrust and unfair competition law; state tort law; and other legal precepts and prohibitions. Members of the BOD annually affirm their endorsement of the Code and acknowledge their commitment to upholding its principles and obligations by serving on the BOD.

Code violations may result in disciplinary action, up to and including removal from the BOD. Procedures for removal of a Director or Officer are outlined in ARTICLE VII, Section 9 of the Bylaws, the Judicial Affairs Policy Manual, and the North Carolina nonprofit corporate laws. Judicial Affairs policies and procedures are designed to ensure full compliance with the legal obligations described herein, as well as the protection of Board Members, through the use of reasonable due process procedures, against patently false, malicious, or groundless accusations that could result in significant business or personal harm if not properly handled.

#### a) Members of the BOD shall:

- i. Abide by all rules and regulations of the association (including but not limited to AAPA's Articles of Incorporation, Bylaws and policies); obey all applicable federal, state and local laws and regulations; and provide or cause to provide the full cooperation of the AAPA to uphold the law.
- ii. Ensure that their membership in AAPA remains current at all times;
- iii. Conduct AAPA business in good faith and with honesty, integrity, due diligence, and reasonable competence;
- iv. Exercise proper authority and good judgment, and act in a responsible,

respectful, and professional manner with AAPA's members, staff, partners, and the general public;

- v. Perform assigned duties in a professional and timely manner;
- vi. Protect all confidential and business proprietary information. (See Appendices E and H);
- vii. Act in the best interest of AAPA and not for personal or third-party gain or financial enrichment.
- viii. Prioritize service on the BOD above other volunteer roles, when appropriate.
  - (a) Upon election, the Board Member will meet with the president/chair to discuss transitioning out of pre-existing AAPA volunteer role(s), if any (i.e. medical liaison, external representative, trustee, etc.) and identifying potential successor(s).
  - (b) In cases when a successor cannot be identified or when strategically appropriate, the president/chair will consult with the Internal Affairs Committee about the Board Member continuing to serve in such role(s).

b) Members of the BOD shall not:

- i. Use any information provided by AAPA or acquired through service to AAPA in any manner other than carrying out BOD duties.
- ii. Misuse AAPA property or resources and will keep AAPA's property secure and not allow any person not authorized by the BOD to have or use such property.
- iii. Make public statements on behalf of AAPA without consultation with the president/chair, CEO and AAPA's communications department.
- iv. Persuade or attempt to persuade any employee of AAPA to leave the employ of AAPA or to become employed by any person or entity other than AAPA.
- v. Persuade or attempt to persuade any member, exhibitor, advertiser, sponsor, subscriber, supplier, contractor, or any other person or entity with an actual or potential relationship to or with AAPA to terminate, curtail, or not enter into its relationship to or with AAPA, or to reduce the monetary or other benefits to AAPA of such relationship.
- vi. Hold elected, voting positions in any of AAPA's constituent organizations, pursuant to AAPA Bylaws, Article VII, Section 2.

## 2. *Disclosure and Conflict of Interest*

Decisions made by the officers, directors, and other leaders of AAPA have far-reaching implications for the profession, AAPA, individual AAPA volunteers and patients. The wide range of diverse interests within AAPA serve the organization well by bringing many areas of expertise together for the benefit of the profession. AAPA does not wish to exclude individuals who are experts in their given fields from volunteer opportunities or policy formulation and recommendations merely because they have real, potential or perceived conflicts of interest. However, AAPA has an

obligation to avoid situations that could prove detrimental for the organization and its members. Each member of the BOD has the duty to disclose real, potential or perceived conflicts of interest and administer, monitor, evaluate and continually review the Disclosure and Conflict of Interest Policy. A copy of AAPA's Disclosure and Conflict of Interest Policies and Procedures, as well as the disclosure form and confidentiality agreement, are included in this Manual as Appendix E.

- a) AAPA's Disclosure and Conflict of Interest Policies and Procedures, will be reviewed by the IAC periodically. Changes to the policy will require BOD approval. Housekeeping edits or updates made to conform with other policies may be made as needed, at the discretion of the IAC.

### 3. *Confidentiality*

Pursuant to their fiduciary duties of loyalty and care, Board members have an obligation to keep confidential all non-public information obtained by a Board member that relates to AAPA's business. No member of the Board, during or after service, shall share, copy, reproduce, transmit, divulge or otherwise disclose any confidential or proprietary information related to the affairs of AAPA, except as required by law or with written authorization of the BOD. Furthermore, each member of the BOD will uphold the strict confidentiality of all meetings and other deliberations and communications of the BOD. Upon termination of service, a retiring Board Member will promptly return to AAPA any materials and/or delete any electronic files entrusted to the Board Member for the purpose of fulfilling BOD job responsibilities. A retiring Board Member has a continuing obligation of confidentiality with respect to information acquired throughout tenure on the BOD. The return or deletion of documents will not abrogate the Board Member from these obligations.

### 4. *Outside Compensation and Gifts*

No Board member shall receive personal financial compensation (e.g. honoraria, speaker's fees, etc.) for work done in connection with or related to their service as a member of the BOD. Personal financial compensation resulting from services provided as a result of the clinical or professional expertise of a Board member not related to their service to AAPA is not precluded or affected by this rule. Board members should not accept gifts if such gifts are for the purpose of or could create the appearance of compensating the Board Member for services or influencing decision-making.

## **C. Complaints against Board Members, Adjudication and Discipline**

1. Board members are subject to the policies and procedures outlined in AAPA Judicial Affairs Policy Manual including, but not limited to, those related to loss of licensure; criminal indictment and conviction; ethical violations; violations of AAPA Bylaws, policies and procedures; and violations of their responsibilities of office.
2. It is the responsibility of the BOD to uphold AAPA Bylaws, policies and procedures, and they are expected to discharge their duties in accordance with these. Any Board member who is unwilling to uphold this responsibility or is found—via an adjudicated process—to have willingly or knowingly violated this responsibility, will

- be expected to resign their position.
3. It is the responsibility of the BOD to ensure that any complaints and/or observed behavior which violate the law or AAPA Bylaws, policies and procedures be appropriately investigated and addressed.
    - a) BOD members have an obligation to report when they observe inappropriate behavior by another BOD member. Observed behavior may include inappropriate acts in an AAPA or other public forum (physical or virtual), which may drive a collective BOD action without the need for an individual member to issue a complaint.
  4. All complaints/charges related to loss of licensure, criminal indictment and conviction, ethical violations, and for violations of AAPA Bylaws, policies and procedure not related to responsibility of office must be adjudicated by the Judicial Affairs Commission (JAC).
    - a) Any AAPA member (including a Board member) may file a complaint with the JAC.
    - b) The Board, as a body, may also file a complaint with the JAC. In this case, the Chair of the Board will be the Complainant. In the event the Chair is the Respondent, the Vice President will be the Complainant.
  5. Violations of the duties and responsibilities of office (or Bylaws, policies or procedures related to those duties) may be adjudicated by the Board of Directors if the charges are administrative in nature or do not cause material harm to AAPA, including the reputation or mission of AAPA. All other complaints/observations and all second/subsequent complaints or observations, with the exception of HR and staff-related issues, must be referred to the JAC.
    - a) Any formal complaint brought to the BOD by an employee will be investigated in accordance with AAPA Human Resources Policy in the AAPA Staff Policy Manual. The Chair of the Board (or another member of the Board not involved in the complaint, if the Chair of the Board is involved or perceived to be biased) will be engaged throughout the process.
  6. The BOD adjudication procedures are as follows:
    - a) A BOD member communicates a complaint or observation of a potential violating behavior to the Chair of the Board. If the complaint relates to the Chair of the Board, the complaint/observed behavior will be reported to the CEO.
    - b) The Chair, in consultation with the CEO and legal counsel (or CEO in consultation with the Vice President and legal counsel) must either:
      - i. Refer the issue immediately to the JAC – at which point, the Judicial Affairs Manual will define further procedures – or;
      - ii. Place the item on the agenda of the next available BOD meeting/call or, if time sensitive, request an emergency BOD meeting. In all events, the meeting should take place no more than 30 days from the receipt of the complaint. The complaint may not be dismissed or referred to a BOD committee.

- c) The respondent will be notified by the Chair (or the CEO) of the charge immediately upon determination of when the agenda item will be addressed by the BOD.
  - d) The review of the complaint will be conducted by the BOD in executive session. If the Chair is the respondent, the Vice President will serve as the presiding officer during that portion of the meeting.
  - e) The review of the complaint will include a statement by the Chair of the Board (or Vice President) outlining the complaint and any evidence, a statement by the respondent, and an opportunity for other BOD members to ask questions or provide statements.
  - f) At the meeting, the BOD will determine if action is required. Board action may be one or more of the following.
    - i. No action required;
    - ii. Verbal reprimand/warning;
    - iii. Written reprimand;
    - iv. Corrective action;
    - v. Suspension of BOD activities for no more than 90 days;
    - vi. Request the BOD member resign from the BOD.
  - g) The Chair (or the CEO) is responsible for communicating the BOD actions to the respondent within 48 hours of the decision.
  - h) Nothing in this policy shall preclude the JAC from adjudicating any complaint brought directly to the Commission.
7. BOD members have the right to appeal any BOD decision to the JAC within seven days of notification of the BOD outcome.
8. The BOD may not remove an elected official from office, except as provided for in AAPA's Bylaws, Article VII Section 9 in accordance with N.C. § 55A-8-43.b. Otherwise, a Board member (director) may only be removed from office as a result of 1) an affirmative 2/3 majority vote of the body which elected them to office or 2) a Judicial Affairs action that results in loss or suspension of membership in accordance with the AAPA Judicial Affairs Policy Manual. JAC actions that may result in the loss or suspension of membership include loss of licensure, criminal indictment or conviction, or an adjudicated complaint/hearing process.

#### **D. Duties of Directors**

All Board Members (herein referred to as 'Directors') must meet certain legal standards of conduct and attention in carrying out their responsibilities to the organization, including:

##### *1. Duty of Care*

State law requires a Director to discharge his or her duties with the care an ordinarily prudent person in a like position would exercise under similar circumstances. This

duty of care requires that Directors of a nonprofit organization become reasonably informed about the organization's activities, participate in decisions, and do so in good faith. It requires, among other things, that Directors demonstrate a strong interest in an understanding of AAPA's mission, goals and business within the context in which AAPA operates; attend meetings of the BOD and appropriate committees; prepare in advance for BOD meetings by reviewing materials prior to a meeting; obtain information before voting to support good decision making and use independent judgment in decision making; regularly review the organization's finances; be sensitive to indications of potential problems or concerns and make further inquiry until reasonably satisfied that management is dealing with those concerns appropriately and complying with legal filing requirements.

### 2. *Duty of Loyalty*

State law also requires a Director to act in a manner the Director reasonably believes to be in the best interests of the corporation. The duty of loyalty requires Directors to act in the interest of the organization and not in their own interest or the interest of any other entity, particularly one with which they have a formal relationship. When acting on behalf of the organization, Board members must put the interests of the organization before their personal or professional interests. This requires, among other things, that Directors disclose any conflicts of interest, avoid the use of organizational opportunities for individual personal gain or benefit, and not disclose confidential information about the organization.

### 3. *Duty of Obedience*

The duty of obedience requires Directors to comply with applicable federal, state and local laws, adhere to the organization's Bylaws and remain the guardians of the mission. The duty of obedience is carried out by ensuring compliance with all regulatory and reporting requirements, such as filing the annual IRS information return and paying employment taxes and making decisions that fall within the scope of the organization's mission and governing documents.

## **E. BOD Attendance Policy**

To be an effective BOD member for AAPA, attendance at BOD and committee meetings is critical. The BOD Attendance Policy is intended to support the full contribution of all BOD members.

1. BOD members should attend at least 75% of all regularly scheduled meetings, including committee meetings to which they are assigned during the leadership year.
2. The attendance or absence of a BOD member shall be noted in the official BOD or committee meeting minutes.
3. BOD members should be present and participate for the entirety of a meeting. In the event of any noteworthy period of absence during the meeting (50% of the meeting or more), the president/chair may mark the member "absent" in the official meeting minutes.
4. A BOD member shall notify the president/chair if they are unable to attend a meeting. Such notice should be received prior to the time of the meeting.

5. If a BOD attendance problem exists, the president/chair will promptly contact the BOD member to resolve the matter. If the matter cannot be resolved to the satisfaction of the president/chair, the matter will be addressed in accordance with Section V.C. of this manual.
6. The BOD Attendance Policy will be reviewed by the IAC periodically. Changes to the policy will require BOD approval.

#### **F. Roles and Responsibilities of BOD Officers.**

The duties of BOD officers can be found in ARTICLE VII, Section 5 of the Bylaws. This section is meant to provide more detail related to the specific roles and responsibilities of each officer.

##### *1. President/Chair*

The president is the elected volunteer leader of AAPA and, through adoption of this Policy Manual, designated chair of the BOD. They serve as the primary spokesperson for AAPA. In concert with the other officers of the BOD, the president/chair oversees the implementation of corporate policies and bylaws. The president/chair reports to AAPA Membership. The president/chair shall:

- a) Serve as chair of the BOD;
- b) Preside at all meetings of the BOD;
- c) Act as primary spokesperson for AAPA to its members, the public, Congress, and the media on issues related to the PA profession;
- d) Represent or delegate BOD representation to constituent and external organizations;
- e) Develop BOD meeting agendas in consultation with the CEO and Governance staff to assure the coordination and efficient conduct of the work of the BOD.
- f) Work with directors and officers to identify and assign specific projects and tasks that further the work of the BOD.
- g) Appoint the chairs and members of BOD committees, work group, and task forces, after consultation with the vice president, president-elect and immediate past president, and, in the case of the BOD's Audit and Finance Committees, the Secretary-Treasurer.
- h) Appoint AAPA commission, work group, task force chairs and members, after consultation with the vice president, president-elect and immediate past president.
- i) Appoint the AAPA and PAEA Graduate Advisors to the Student Academy Board of Directors, after consultation with the vice president, president-elect and immediate past president.
- j) In the event the outgoing immediate past president is unable to serve, appoint the Board's representative to the Nominating Committee, after consultation with the vice president, president-elect and immediate past president.
- k) Serve on the following BOD committees:

- i. Executive Committee (chair);
- ii. Finance Committee;
- iii. Internal Affairs Committee or External Affairs Committee;
- iv. Executive Compensation Committee (chair);
- l) At their discretion, attend/observe any BOD committee, BOD work group, BOD task force or AAPA commission, work group, or task force meeting or conference call conducted.
- m) Communicate regularly with the BOD;
- n) Keep abreast of changes within AAPA and its constituent organizations;
- o) Provide a report at the annual HOD meeting and annual membership meeting;
- p) Mentor the president-elect.

## 2. *President-elect*

The president-elect is an officer of AAPA and automatically succeeds to the office of president at the expiration of the president's term, or earlier, should that office become vacant for any reason. The president-elect shall:

- a) Conduct all duties of the president-elect articulated in the AAPA Bylaws;
- b) Prepare to assume the office of the BOD president/chair;
- c) Preside at BOD meetings in the absence of both the president/chair and vice president;
- d) Fill any BOD president vacancy that occurs for the remainder of that term and for their expected term as president;
- e) Assist the president/chair in the execution of the president's duties;
- f) Provide consultation to the president/chair in the appointment of BOD committee, work group or task force members and chairs and AAPA commissions, work group, task force members and chairs.
- g) Provide consultation to the president/chair in the appointment of the AAPA and PAEA Graduate Advisors to the Student Academy Board of Directors.
- h) Provide consultation to the president/chair in the appointment of the Board's Representative to the Nominating Committee, in the event the outgoing immediate past president is unable to serve.
- i) Serve on the following BOD committees:
  - i. Executive Committee;
  - ii. Finance Committee;
  - iii. Internal Affairs Committee or External Affairs Committee;
  - iv. Executive Compensation Committee;
- j) Provide a report at the annual HOD meeting on the plans and recommendations

for the year in which they assume the office of president.

k) Perform other duties as requested by the president/chair.

### 3. *Immediate Past President*

The immediate past president is an officer of AAPA, automatically assuming the position after serving as president/chair. The immediate past president shall:

- a) Conduct all duties of the immediate past president as articulated in the AAPA Bylaws.
- b) Assist the president/chair in the execution of the president's duties.
- c) Provide consultation to the president/chair in the appointment of BOD committee, work group or task force members and chairs, AAPA commission, work group, task force members and chairs.
- d) Provide consultation to the president/chair in the appointment of the AAPA and PAEA Graduate Advisors to the Student Academy Board of Directors.
- e) Provide consultation to the president/chair in the appointment the Board's representative to the Nominating Committee, in the event the outgoing immediate past president is unable to serve.
- f) Serve on the following BOD committees:
  - i. Executive Committee;
  - ii. Internal Affairs Committee or External Affairs Committee;
  - iii. Finance Committee;
  - iv. Executive Compensation Committee;
- f) Perform other duties as requested by the president/chair.
- g) Following service on the BOD, serve for two years as a Board Appointee on the Nominating Committee.

### 4. *Vice President*

The vice president is an officer of AAPA and serves as vice president by virtue of being the elected Speaker of the House of Delegates of AAPA. With regard to the BOD, the vice president shall:

- a) Conduct the duties of the vice president as articulated in the AAPA Bylaws;
- b) Preside at BOD meetings in the absence of the president/BOD chair;
- c) Communicate to the BOD the views of the HOD on matters under consideration by the BOD;
- d) Communicate to the BOD and record for AAPA's records, all HOD actions;
- e) Provide consultation to the president/chair in the appointment of BOD committee, work group or task force members and chairs, and AAPA commission, work group, task force members and chairs.

- f) Provide consultation to the president/chair in the appointment of the AAPA and PAEA Graduate Advisors to the Student Academy Board of Directors.
- g) Provide consultation to the president/chair in the appointment of the Board's representative to the Nominating Committee, in the event the outgoing immediate past president is unable to serve.
- h) Serve on the following BOD committees:
  - i. Executive Committee
  - ii. Finance Committee;
  - iii. Internal Affairs Committee or External Affairs Committee;
  - iv. Executive Compensation Committee.
- i) Communicate to the president/chair those referrals and requests from the HOD that fall under the purview of the BOD or are joint responsibilities of the BOD and the HOD.
- j) Bring as action items to the BOD those Bylaws changes initiated by the HOD and those Bylaws changes initiated by the BOD and amended by the HOD.
- k) Perform other duties as requested by the president/chair.

(Other duties of the Vice President/Speaker of the House are reflected in the AAPA Bylaws and House Standing Rules.)

#### 5. *Secretary-Treasurer*

The secretary-treasurer is an officer of AAPA who ensures that actions of the BOD and HOD are documented. The secretary-treasurer is responsible for overseeing accurate accounts of AAPA's properties and funds, including cash, outstanding advances, investments, accounts receivable and other assets, accounts payable, and fund balances [net assets]. The secretary-treasurer shall:

- a) Carry out all duties of the secretary-treasurer as articulated in the AAPA Bylaws;
- b) Ensure minutes and other documentation of all BOD and HOD meetings are maintained;
- c) Ensure the BOD Manual is maintained;
- d) Ensure an annual AAPA budget is prepared and considered by the BOD;
- e) Ensure accurate books and records on AAPA's financial position are maintained;
- f) Ensure AAPA complies with corporate and statutory reporting requirements;
- g) Ensure comprehensive financial reports to the BOD are prepared in a timely and accurate manner;
- h) Ensure complete records of the organization are available to the individual or individuals preparing the annual financial statements;
- i) Give a full report of AAPA's financial status at the annual HOD and membership

meetings;

- j) Provide consultation to the president/chair in the appointment of the Finance and Audit Committee members.
- m) Serve on the following BOD committees:
  - i. Executive Committee;
  - ii. Finance Committee (Chair);
  - iii. Audit Committee (Chair);
  - iv. Executive Compensation Committee;

### **G. Directors and Officers Insurance**

AAPA shall carry directors' and officers' liability insurance to protect past, present and future directors from damages resulting from alleged or actual wrongful acts of commission or omission they may have committed as they carried out their duties.

### **H. Reimbursement**

1. *Co-located Conferences*. Subject to scheduling and available resources, if an in-person Board of Directors meeting is co-located with an AAPA-affiliated conference, Board members will be reimbursed the cost of conference registration, hotel, travel and per diem\* associated with attendance at the respective conference. Such conferences include:

- AAPA Executive Leadership Conference
- AAPA Annual Conference
- AAPA Leadership and Advocacy Summit

All reimbursements are subject to travel policies, budget and resources available.

\*subject to conference-specific per diem policies

2. *For BOD-Related Travel Expenses*. AAPA directors and officers (and spouses/partners as indicated below) are reimbursed for travel, lodging and meals while conducting AAPA business. See Appendix I.
  - a) The annual conference expenses of the spouse or partner of the president/chair and vice president will be reimbursed in accordance with AAPA travel policies.
  - b) The annual conference registration fee will be waived for the spouse/partner of all directors and officers.
3. *Compensation for Lost Earnings or Student Educational Hours*. Members of the BOD, at their discretion, may be reimbursed for lost earnings or student educational hours as described in this section. Such reimbursement is not meant to augment the Director's income and may not compensate 100% of all costs, inconvenience and intangible losses incurred by the Director or the Director's employer. The reimbursement is intended to be sufficient so as not to deter quality leaders from pursuing AAPA elected positions. The reimbursement rate will be established each leadership year based on the 75<sup>th</sup> percentile of PA salaries.

- a) BOD Officers. Reimbursement for time away from the BOD officers' (president/chair, vice president, immediate past president, president-elect, and secretary-treasurer) hours will be capped and established each fiscal year based on recent history reflecting the proportion of time spent outside the regular professional environment on AAPA business.
- b) Other BOD Members. Members of the BOD who are not officers will receive compensation for a maximum 80 hours outside the regular professional environment per fiscal year. The reimbursement rate will be established each fiscal year based on the 75th percentile of nationwide PA salaries.
- c) Disbursement of Funds. All BOD members are subject to a maximum eight hours a day outside the regular professional environment. Each individual may choose to be compensated directly or to have their employer reimbursed.

A reimbursement model is outlined below and is based on the historical trends for costs associated with respective board roles and on current PA hourly rates per the AAPA Salary Report.

<b>AAPA Annual Board of Directors Reimbursement Schedule -2024-25</b>			
	Hour Cap	Hourly Rate	Total reimbursement
<b>President</b>	400	\$80	\$32,000
<b>President-Elect</b>	125	\$80	\$10,000
<b>Speaker/VP</b>	100	\$80	\$8,000
<b>Past President</b>	100	\$80	\$8,000
<b>Secretary-Treasurer</b>	100	\$80	\$8,000
<b>1<sup>st</sup> &amp; 2<sup>nd</sup> Vice Speakers</b>	80	\$80	\$6,400
<b>Director at Large (5)</b>	80	\$80	\$6,400
<b>Student Director</b>	80	\$80	\$6,400
<b>TOTAL</b>			\$117,200

Board members have the following options:

- 1) **DECLINE:** Decline any reimbursement.
- 2) **PAY BOARD MEMBER:** Take all or a portion of the reimbursement directly. In doing so, if the amount exceeds \$600 per calendar year, the payment is taxable to the board member and appears on AAPA's tax return, which is public information.
- 3) **PAY EMPLOYER:** All or a portion of the reimbursement is paid to the BOD member's employer. This would not be taxable to the board member and would not appear on the AAPA tax return. (exception: student BOD member)
- 4) **DONATE:** Ask that all or a portion of the reimbursement be donated to a charity.

Valid business expenses will be reimbursed to board members under the existing policies.

**I. Procedure for Removal of Director and/or Officer**

Procedures for removal of a BOD member are outlined in ARTICLE VI, Section 3.d. and ARTICLE VII, Section 9 of the Bylaws and in the [Judicial Affairs Policy Manual](#).

**J. Procedure for Filling BOD Vacancies**

BOD positions vacated prior to the completion of a term shall be filled in accordance with ARTICLE XIII, Section 10 of the Bylaws.

**VI. BOD COMMITTEES, ADVISORY COMMISSIONS, AND OTHER VOLUNTEER GROUPS AND APPOINTMENTS**

**A. Executive Committee**

1. *Composition*

The Executive Committee of the BOD shall consist of the president/chair of the BOD (chair), vice president, president-elect, immediate past president, secretary-treasurer and CEO, in accordance with Article VII, Section 8 of the Bylaws.

2. *Duties*

The Executive Committee shall:

- a) Advise the president/chair and CEO on matters related to the operations of AAPA;
- b) Act on behalf of the Board on emergency matters, in accordance with Article VII, Section 8 of the Bylaws and Section VI.A.3 of this manual;
- c) Ensure that its actions are communicated in a timely manner to the full BOD.

3. *Delegated Authority*

The Executive Committee shall have the resources and authority necessary to discharge its duties and responsibilities. In accordance with the Article VII, Section 8 of the Bylaws, the Executive Committee is only empowered to act on behalf of the BOD on emergency matters. For purposes of this policy, “emergency” shall be defined as a time-sensitive issue that meets one or both of the following criteria:

- a) The issue has a significant impact on AAPA or the PA profession;
- b) The issue involves a financial expenditure that would normally require BOD approval.

If an emergency matter must be taken up by the Executive Committee:

- a) The BOD will receive notification of the action or decision by the executive committee within 24 hours of its decision or action.
- b) All emergency actions and decisions must be reviewed by the BOD and ratified at the next regularly scheduled meeting or earlier, if practical.

**B. Finance Committee**

1. *Composition*

The Finance Committee shall consist of the secretary-treasurer (chair), president/chair, president-elect, immediate past president, vice president and one other BOD member as selected by the president/chair after consultation with the immediate past president, president-elect, vice president, and secretary-treasurer. The AAPA CEO and Chief Financial Officer (CFO) shall serve as ex-officio, non-voting members.

## 2. *Duties*

The Finance Committee shall:

- a) Oversee and review the following financial matters on a continuing basis:
  - i. AAPA financial position;
  - ii. AAPA quarterly and annual fiscal year financial statements;
  - iii. AAPA capital budgets;
  - iv. AAPA investment policy and investment performance;
  - v. AAPA reserve funds;
  - vi. AAPA Form 990 and other tax forms, prior to being received by the BOD and filed with the IRS;
  - vii. Proposed fiscal year budgets and performance against the approved budget;
  - viii. Long-term financial planning;
  - ix. AAPA financial correspondence and record keeping actions and proceedings;
  - x. AAPA accounting and financial policies;
- b) Present the proposed annual budget to the BOD for consideration;
- c) Monitor the Audit Committee activities.

## 3. *Delegated Authority*

The Finance Committee shall have the resources and authority necessary to discharge its duties and responsibilities. The Finance Committee shall have the authority to recommend to the BOD the hiring and termination of the investment advisor/manager. The Finance Committee shall have sole authority to approve the fees and other retention terms of the investment advisor/manager. In discharging its oversight role, the Finance Committee shall be empowered to investigate any financial matter brought to its attention. The Finance Committee shall have access to the organization's books, records, facilities, and personnel.

## **C. Audit Committee**

### 1. *Composition*

The Audit Committee shall consist of the secretary-treasurer (chair) and two BOD members. In addition, an outside accounting professional with no other connection with AAPA shall serve in a non-voting advisory capacity. The Audit Committee members shall be appointed by the president/chair after consultation with the

immediate past president, president-elect, secretary-treasurer, and vice president. The AAPA CEO and Chief Financial Officer (CFO) shall serve as ex-officio, non-voting members.

2. *Duties*

The Audit Committee shall:

- a) Annually evaluate the performance of the auditing firm and recommend changes, as necessary;
- b) Meet with the auditing firm annually to discuss the audit results;
- c) Ensure that all internal control findings and management recommendations by the auditors are appropriately addressed by management;
- d) Review accounting and financial policies to ensure compliance with federal and state laws and that appropriate internal controls are in place;
- e) Oversee and review AAPA accounting and financial policies and procedures;
- f) Review any substantive changes to AAPA's accounting procedures;
- g) Provide a report to the BOD at least annually.

3. *Delegated Authority*

The Audit Committee shall have the resources and authority necessary to discharge its duties and responsibilities.

**D. Executive Compensation Committee**

1. *Composition*

The Executive Compensation Committee shall consist of the president/chair (chair), immediate past president, president-elect, vice president and secretary-treasurer. The vice-president of human resources serves as staff advisor.

2. *Duties.*

- a) The executive compensation committee (ECC) is responsible for evaluating the performance of the CEO with regard to the CEO's previously established performance metrics and making a recommendation to the board regarding each of the CEO's compensation components, including base salary, annual bonus, insurance benefits, retirement benefits, deferred compensation, and any other perquisites. The evaluation may consist of a survey of board and staff members feedback, 360 evaluation, and/or other evaluation tools.
- b) In consultation with an external compensation expert, the ECC is also responsible for ensuring that the CEO's compensation is consistent with the CEO's performance evaluation and the market benchmarks established by AAPA to keep AAPA competitively positioned in the marketplace.

**E. External Affairs Committee**

1. *Composition*

The External Affairs Committee (EAC) shall be appointed by the president/chair after

consultation with the immediate past president, president-elect and vice president.

2. *Duties*

The EAC shall:

- a) Work with other AAPA groups and external organizations, when appropriate, to identify candidates to serve as medical liaisons and external representatives.
- b) Recommend to the BOD individuals to be appointed as medical liaisons and external representatives or nominated to represent PAs in external volunteer roles.
- c) As requested, assist with ensuring that the work of external representatives and medical liaisons is consistent with AAPA policy and strategy.
- d) As needed, make recommendations to the BOD regarding BOD policy related to external matters that are consistent with AAPA's goals and policies.
- e) Review any matters brought to its attention by external organizations and/or AAPA medical liaisons and external representatives; assist staff in resolving issues; and if BOD action is necessary, bring the issue to the attention to the BOD.

3. *Delegated Authority*

The External Affairs committee shall have the resources and authority necessary to discharge its duties and responsibilities.

**F. Internal Affairs Committee**

1. *Composition*

The Internal Affairs Committee shall be appointed by the president/chair after consultation with the immediate past president, president-elect and vice president.

2. *Duties*

The Internal Affairs committee shall:

- a) Periodically review the BOD Code of Conduct, Disclosure and Conflict of Interest, Confidentiality, BOD Attendance, and Whistleblower policies, and enforce such policies on an ongoing basis. A copy of the current Whistleblower Policy is included as Appendix F.
- b) Review any matters brought to its attention by AAPA internal volunteer groups; assist staff in resolving issues; and, if BOD action is necessary, bring the issue to the attention of the BOD.
- c) Review and recommend to the BOD appointments to the PA Foundation (PAF) and PAC Board of Trustees and changes to Bylaws for the PAF and PAC.
- d) Review volunteer disclosure forms as articulated in the AAPA volunteer disclosure policy and report any findings and make recommendations to the BOD.
- e) When necessary, make determinations regarding the appropriateness of appointing an AAPA Board member to a board, task force, medical liaison or external representative role or retaining an AAPA Board member in such a

position upon being elected to the Board of Directors. Communicate such decisions to president/chair and/or External Affairs Committee, as necessary.

3. *Delegated Authority*

The Internal Affairs committee shall have the resources and authority necessary to discharge its duties and responsibilities.

**G. Subcommittees of BOD Committees.**

1. *Process for Creation*

The BOD may create a subcommittee of a BOD committee if it determines that the volume or complexity of work of the committee can be better managed by delegating a specific portion of that work to a subcommittee or when the work requires expertise beyond that available among the members of the BOD.

2. *Source of Members for Subcommittee of BOD Committees*

Members of subcommittees may be drawn from the following sources:

- a) AAPA members or other experts identified by the BOD; and/or
- b) A formal call for volunteers.

3. *Appointment of a Subcommittee Chair and Members*

If the BOD approves the creation of a subcommittee, the associated BOD committee chair shall appoint the chair and members of the subcommittee with the concurrence of the BOD president/chair.

4. *Delegated Authority*

Subcommittees of BOD committees are delegated responsibilities by the BOD through written charges. Subcommittees may make recommendations to the associated BOD committee or directly to the BOD, as appropriate, in fulfilling its charges.

**H. Commissions**

In accordance with the AAPA Bylaws (ARTICLE X, Section 3), , the AAPA BOD establishes all commissions and work groups and sets forth their respective duties, responsibilities, and membership eligibility requirements, etc. The BOD may also establish any task forces and ad hoc groups it deems advisable. General policies and guidelines regarding the role, size and composition of commissions, work groups and task forces (of commissions and work groups) are provided in the Policy Manual, BA-2400.3.0.

1. *Process for Creation*

The BOD will consider the creation of a commission when there is a long-term organizational need. The work of a commission will be defined annually by a set of charges established by the BOD.

2. *Composition*

Each commission shall have a chair who is an AAPA member. Each commission should include at least three (3) AAPA members with expertise and experience in the subject matter, as well as at least one BOD member and an AAPA staff advisor. Outside experts may be appointed as members if additional expertise is required. In accordance with BA 2400.3.1.0, commission members who are PAs must also be a member of a constituent organization.

3. *Member & Chair Terms*

Commission members shall be appointed for a two-year term and may serve a maximum of two terms, with the exception of the Commission on Continuing Professional Development and Education (CCPDE) for which the appointments shall be for three years. Appointments should be staggered to provide continuity. A Commission chair will be appointed for a one-year term and may serve a maximum of two terms as chair (coinciding with, not in addition to, their two, two-year terms as a member) unless the BOD grants a one-time exception based on special circumstances.

4. *Vacancies*

Members or chairs filling an unexpected vacancy will serve the remainder of the leadership year at which point the position will be open for appointment/reappointment. Vacancy appointments will not be counted toward the member's/chair's maximum service term. Unless an individual is appointed to fill an unexpected vacancy, commission terms will begin on July 1 and end on June 30, except for the CCPDE. Due to responsibilities requiring coordination with the AAPA Annual Conference, the CCPDE terms will begin on May 1 and end on June 30.

5. *Appointment of Commission Members*

Commission vacancies shall be announced on the AAPA website and through other available channels. The president/chair, after consulting with the president-elect, vice president and immediate past president shall appoint the chair and members of each commission.

6. *Commission Meetings*

The work of commissions is generally expected to be accomplished by means of electronic communication (i.e. conference calls, virtual meetings, etc.).

7. *Resignation and Removal of Commission or Work Group Members*

Commission and work group members may resign at any time by submitting their resignation in writing to their respective commission or work group's Chair and/or the AAPA President. Such resignations will take effect upon receipt of the written notice, or on another date specified in the notice. The AAPA President, in consultation with the President-elect, Immediate Past President and Vice President/Speaker, may remove a commission or work group member or chair if that individual demonstrated an inability to fulfill their responsibilities. Whenever possible, concerns will be discussed with the individual and corrective action may be requested. Commission or work group members who are removed from their position

will be informed verbally and in writing. The AAPA President will notify the Board of Directors when a commission or work group member has been removed from their role.

## **I. Election of Governance Committee Members**

The authority for electing and appointing members of the Governance Committee is established in the AAPA Bylaws [Article X(1)(A)(b)]:

- Two fellow members are nominated and elected by the AAPA Board of Directors.
- One student member is nominated and elected by the Student Academy Board of Directors.
- Two delegates are nominated and elected by the House of Delegates.
- Two members of the Board of Directors are appointed by the AAPA President.

To accommodate staggering, the Board will elect one fellow member each year to fill one of the two positions using the following processes:

*Nomination.* AAPA will issue a call for volunteers to identify qualified applicants. The staff advisor to the Governance Committee will review candidates and provide insight to the president/chair for consideration. The president/chair, after consulting with the president-elect, vice president and immediate past president, will nominate one candidate to be presented in a single slate for consideration by the BOD.

*Election.* The BOD will review and elect the proposed slate at a regular meeting, or a special meeting called for that purpose. If the BOD objects to the election, the president will submit an alternate option for consideration.

*Vacancies.* Members elected to fill an unexpected vacancy will serve the remainder of the unexpired term. Vacancy elections that occur within less than one year before the term's expiration will not be counted toward the member's maximum terms of service.

*Removal.* A BOD-elected member may be removed from the Governance Committee with or without cause by a majority vote of the BOD.

*Appointment of BOD Representatives.* Each leadership year, the president/chair, after consulting with the president-elect, vice president and immediate past president will appoint two Board members to represent the BOD on the Governance Committee.

## **J. Other Volunteer Groups/Opportunities Created by the BOD**

1. The BOD may create a volunteer group or opportunity as it deems necessary.
2. Volunteers may be drawn from the following sources:
  - a) AAPA members or other experts identified by the BOD or staff, and/or;
  - b) A formal call for volunteers.
3. If the BOD creates a volunteer group or opportunity, the BOD president/chair shall appoint the chair and members of the group.
4. Nothing in this section is intended to limit the ability of staff to create volunteer groups and opportunities, as they may deem appropriate.

## **K. Creation of Joint BOD/HOD Task Forces**

When the House of Delegates requests a task force be created in collaboration with the Board of Directors, the following process will be followed:

1. The resolution that creates a joint task force will be the predominant charge of the task force. Additional charges, if any, will correlate to the resolution specifically. The president/chair and speaker of the HOD will approve any additional charges before presenting them to the BOD for approval.
2. Volunteers for the task force may be drawn from the following sources:
  - a) AAPA members or other experts identified by the BOD or staff, and/or;
  - b) A formal call for volunteers.
3. The president/chair, in consultation with the past president and president-elect; and the speaker, in consultation with the 1st and 2nd vice speakers, will select the members and chair of the task force.
4. The president/chair or speaker will present the task force composition, charges, and members to the BOD, with staff contributing as needed to offer insights and background.
5. The president/chair and speaker of the house will not serve as formal members of any joint task force but will have oversight and may participate in task force meetings and activities as necessary.

## **L. Healthcare Organization Liaison & External Representative Appointments and PA Nominations**

To fulfill the AAPA mission and vision, it is essential that AAPA has close working relationships with national physician and medical specialty organizations as well as other public and private entities in the national healthcare space. The BOD is charged with establishing and maintaining those external relationships and shall do so by appointing Medical Liaisons and External Representatives. (The establishment of Medical Liaison relationships is provided for in the Policy Manual BA-2400.6.0 Healthcare Organization Liaisons.)

1. *Healthcare Organization Liaisons*
  - a) Following a call for volunteers for a Healthcare Organization Liaison opportunity, recommendations, informed by staff and respective CO where appropriate, will be presented to the EAC for discussion. The EAC is responsible for presenting to the BOD their recommendation(s) for appointment(s).
  - b) Nominees/appointees must be current Fellow members of AAPA.
  - c) The term of an appointment as a liaison will be two years. Appointees may serve only two terms unless the BOD grants a one-time exception based on special circumstances that have been confirmed by involved stakeholders. A liaison may therefore serve in that capacity for no more than three (3) consecutive terms.
  - d) In certain circumstances, it might be in the best interest of AAPA to fill a liaison

position with a seated Board Member. In such cases, the EAC will consult with the Internal Affairs Committee to assess whether such an appointment is appropriate before submitting a recommendation to the full BOD for approval.

## 2. *AAPA External Representatives*

- a) Time permitting, applicants/candidates for External Opportunities to represent AAPA will be presented to the EAC for discussion. The EAC is responsible for presenting to the BOD their recommendation(s) for appointment(s).
- b) If an appointment must be made quickly to meet an external organizations' request or if the duration of the appointment is short the AAPA CEO will be responsible for seeking and appointing nominees in consultation with the BOD president/chair.
- c) Nominees/appointees must be current Fellow or Retired members of AAPA.
- d) If the term of service is not otherwise defined by the external organization, the term of appointment will generally be two years, unless a different time is recommended to the EAC. External Representatives may serve only two terms unless the BOD grants a one-time exception based on special circumstances that have been confirmed by involved stakeholders.
- e) In certain circumstances, it might be in the best interest of AAPA to fill an external representative position with a seated Board Member. In such cases, the EAC will consult with the Internal Affairs Committee to assess whether such an appointment is appropriate before submitting a recommendation to the full BOD for approval.

## 3. *PA Nominations & Letters of Support*

- a) If the opportunity arises to nominate or provide a letter of support for a PA to be considered for an external volunteer role that is open to the broader healthcare community, the External Affairs Committee may recommend one or more members(s) to represent PAs in the volunteer role. These volunteer opportunities should generally fit the following criteria:
  - Opportunity must be in relation to an external or government organization (e.g. congressional/gubernatorial/presidential appointment, healthcare agency/advisory committee, etc.);
  - There must be a clear perceived benefit to AAPA, the profession and the healthcare community;
  - Opportunity must align with the mission, vision, and values of AAPA.
- b) The EAC will vet potential candidates and recommend to the BOD one or more individuals to be nominated/supported for the volunteer opportunity.
- c) Nominees must be current Fellow or Retired members of AAPA.
- d) Nominees for such opportunities are usually responsible for submitting their own application to the sponsoring organization. In such cases, nominees will receive a letter of support to file with their applications. AAPA will not be held responsible

if a nominee fails to submit an application after receiving their letter in a timely manner.

## **M. BOD Liaisons and Representatives**

1. *AAPA Graduate Advisor to the Student Academy Board of Directors*
  - a) The role and responsibilities of the AAPA Graduate Advisor to the Student Academy Board of Directors are established in SA-L-200.1 of the Student Academy Policy Manual.
  - b) The AAPA Graduate Advisor shall be appointed by the president/chair, after soliciting volunteers through a call for volunteers and after consultation with the vice president, president-elect and immediate past president.
  - c) Nominees/appointees must be a current Fellow member of AAPA.
  - d) The term of the appointment as the AAPA Graduate Advisor to the Student Academy Board of Directors shall be two years. Appointees may serve a maximum of two terms.
2. *PAEA Graduate Advisor to the Student Academy Board of Directors*
  - a) The role and responsibilities of the Physician Assistant Education Association (PAEA) Graduate Advisor to the Student Academy Board of Directors are defined in SA-L-200.2 of the Student Academy Policy Manual.
  - b) The PAEA Graduate Advisor shall be appointed by the president/chair after soliciting the nomination of several candidates from PAEA and after consultation with the vice president, president-elect and immediate past president, and with input from the Student Academy Board of Directors.
  - c) Nominees/appointees must be a current member of AAPA.
  - d) The term of office for the PAEA graduate advisor shall be two years. Appointees may serve a maximum of two terms.
3. *BOD Representatives to the Nominating Committee*
  - a) The outgoing immediate past president will be automatically appointed as a BOD Representative to the Nominating Committee following completion of their term on the BOD. In the event the immediate past president declines to serve or resigns from the Nominating Committee, the president/chair will, in consultation with the president-elect, immediate past president and vice president, appoint another past BOD member to serve.
  - b) The term of the appointment as the BOD Representative on the Nominating Committee shall be two years. An individual who serves in this capacity is ineligible to run for any AAPA elected position during their term on the Nominating Committee.

## **VII. DECISIONS BY THE BOD**

### **A. Quorum**

In accordance with ARTICLE VII, Section 6.b of the Bylaws, a majority of voting Board Members then in office shall constitute a quorum for the purposes of transacting business.

## **B. Parliamentary Procedure**

In accordance with ARTICLE XII of the Bylaws, and in the absence of any provisions to the contrary in the Bylaws and policies—including this manual—the BOD shall follow the parliamentary rules contained in the current edition of *The Standard Code of Parliamentary Procedure*.

## **C. Action Items**

Any AAPA member or constituent organization may submit a proposed [BOD Action Item](#) in writing to the president/chair, who may refer the matter to a BOD committee or take other action on the matter in a timeframe that the president/chair determines to be appropriate. Action items will be added to the BOD agenda in accordance with Section V.F.1.e of this manual.

# **VIII. MEETINGS**

## **A. Types of Meetings**

### *1. Regular Meetings*

Regular meetings of the BOD are those meetings called by the president/chair of the BOD for conducting the regular business of AAPA. In accordance with ARTICLE VII, Section 6 of the Bylaws, there shall be no fewer than two regular meetings in any calendar year. A schedule of regular meetings will be determined at the beginning of each term and posted on the AAPA website. Agendas for regular meetings of the BOD will be posted on the AAPA website at least seven (7) days in advance of the meeting.

### *2. Special Meetings*

In accordance with ARTICLE VII, Section 6 of the Bylaws, special meetings shall be called by the secretary-treasurer (logistics executed by staff) at the request of the president/chair or upon written request to the president/chair of at least 20 percent of the members of the BOD then in office. The object of such special meetings shall be stated in the meeting notice, and no business other than that specified in the notice shall be transacted at the meeting. The president/chair of the BOD and/or the CEO may invite experts to attend the meeting, as appropriate. Notice of special meetings will be distributed to BOD members and agendas posted on the AAPA website not fewer than two (2) days before the meeting. Notice shall include the time and place, the business to be considered, and whether the meeting is anticipated to be an open, closed, or executive session meeting.

### *3. Emergency Meetings*

In cases when the BOD needs to meet with less than two (2) days' notice, Board Members will be asked to provide 'waivers of notice' to satisfy the requirements of N.C § 55A-8-23. Written waivers should be received from all Board Members before the Chair convenes the meeting.

#### 4. *Closed Meetings*

Any meeting of the BOD may, by a majority vote, be moved to a closed meeting. Only AAPA members and staff, and others specifically approved by the BOD may attend a closed meeting.

#### 5. *Executive Sessions*

- a) Any meeting of the BOD may, by a majority vote, be moved to an executive session. Only BOD members and others specifically approved by the BOD may attend executive session meetings.
- b) Meeting minutes should document when the Board goes into executive session and when it exits executive session.
- c) Separate official meeting minutes of executive session meetings will reflect verbatim motions adopted during those sessions to ensure a clear record of actions taken by the BOD. Executive session meeting minutes shall be approved by the BOD only during a subsequent executive session.
- d) Executive session meeting minutes shall be kept confidential and not be posted online. The executive session meeting minutes will be stored separately in a business confidential file for the respective meeting to which they pertain with a confidential coversheet noting the date of the meeting and date approved.
  - 1) The Secretary-Treasurer shall distribute executive session minutes only to members of the BOD for approval during an executive session.
  - 2) After approval of minutes, the minutes may be transmitted to the appropriate governance staff members to store in the business confidential file.
- e) The BOD may, at their discretion, include a narrative summary of executive session action item(s) containing no sensitive or confidential information in the open session minutes of the same meeting, which will be posted online. This characterization of the executive session does not replace the required executive session minutes which record the actual actions undertaken by the Directors.
- f) In accordance with the AAPA's organizational disclosure requirements, AAPA members may, for a proper purpose, request to inspect excerpts from board meeting minutes and actions without a meeting. See Appendix J.

### **B. Participation in Meetings**

Attendance will be taken at each BOD meeting in accordance with the BOD attendance policy. In accordance with ARTICLE VII, Section 6 of the Bylaws, BOD members may participate by any means of communication by which all persons participating in the

meeting are able to hear one another. Members participating by such means shall be marked as present and counted for the purpose of establishing a quorum.

### **C. Meeting Materials**

BOD meeting materials for regular meetings will be distributed to BOD members at least seven days in advance of the meeting. Updated information may be provided closer to or at the meeting. Materials for special meetings will be distributed at least two days in advance.

### **D. Action without a Meeting**

In accordance with ARTICLE VII, Section 6 of the Bylaws, the BOD may act by unanimous written consent without a meeting. A Director's written consent may be in electronic form and delivered by electronic means.

#### *1. Unanimous Written Consent (UWC) Procedures*

- a) The president/chair of the board (or staff designee) distributes a proposed action to the BOD via email. The communication will contain:
  - i. an Action Item presenting a written motion;
  - ii. supplemental or background materials, if applicable;
  - iii. procedures and timeline for response.
- b) It is recommended that the BOD have 72 hours from the time the request is distributed to respond, but urgency of the issue may demand a shorter interval.
- c) BOD members will respond to the email noting their consent (or request to refer to a meeting for discussion) and their name.
- d) Upon receipt of consents from all directors, the written motion will have been adopted.
- e) A BOD member may request discussion on the proposed action, which will result in a referral to an upcoming BOD meeting.
- f) If any BOD member fails to respond, the action will not pass, and the issue will be automatically referred to an upcoming BOD meeting.
- g) Motions adopted by UWC will be recorded by the secretary-treasurer as a BOD action and filed with the minutes. Referrals to a meeting will not require a separate record.

### **E. Meeting Records**

The secretary-treasurer (or staff designee) is responsible for maintaining the minutes and written records of all BOD meetings and BOD actions taken without a meeting (UWC)

1. Meeting records will not capture the proposer of the motion.
2. The minutes shall be distributed to the BOD for review prior to approval. Minutes are considered unapproved until the Board has taken action to approve them. The unapproved board meeting minutes shall be provided only to BOD members or, as

necessary, to AAPA staff.

## **IX. CHIEF EXECUTIVE OFFICER**

In accordance with ARTICLE VIII of the Bylaws, a Chief Executive Officer (CEO) may be employed by AAPA. The CEO shall report to and be supervised by the BOD.

### **A. Search**

Upon notification that the CEO position is or will soon be vacant, and after consultation with the immediate past president, president-elect and vice president, the president/chair shall appoint a search committee, including a chair. The president/chair shall serve in an ex-officio capacity on the search committee. The search committee is responsible for:

1. Updating the job description in coordination with the Vice President of Human Resources.
2. Retaining a search firm that specializes in filling executive positions to:
  - a) recruit and pre-screen candidates;
  - b) verify credentials;
  - c) recommend final candidates for the interview process; and,
  - d) develop a proposed executive employment agreement once the
  - e) best-qualified candidate is selected.
3. Conducting screening interviews.
4. Recommending candidates for interview by the BOD.
5. Recommending the final executive employment agreement for approval by the BOD.

### **B. Appointment**

The BOD is responsible for the final selection of the best-qualified candidate and for approving the final executive employment agreement. Additionally, if the CEO position is vacant for any period of time, the BOD is responsible for ensuring that the essential functions of the CEO are carried out in a manner that best serves AAPA.

### **C. Membership on BOD**

In accordance with ARTICLE VIII of the Bylaws, the CEO shall be a non-voting member of the BOD.

### **D. Delegation of Authority for AAPA Operations and Management**

The CEO shall have responsibility for the day-to-day operations and management of AAPA. The CEO shall have responsibility for negotiating and accepting any and all contracts related to the day-to-day operations and maintenance of AAPA.

### **E. Annual Performance Evaluation and Compensation Review**

The president/chair, immediate past president, president-elect, vice president and secretary-treasurer will serve as the Executive Compensation Committee and participate

in the annual performance evaluation and compensation review process. The president/chair will chair the committee and lead the process. The process is as follows:

1. The CEO and the Executive Compensation Committee will, within the first quarter of each fiscal year, establish the metrics for evaluating the CEO's performance for that year.
2. Within 30 days after the unaudited end-of-year financial results are available for the performance year, the CEO will complete a written self-evaluation/assessment.
3. Within 30 days after the audited end-of-year financial results are available for the performance year, each individual who was a member of the BOD during the fiscal year for which the evaluation/assessment applies will be asked to complete a written evaluation/assessment of the CEO in a format provided by the Vice President of Human Resources.
4. The Executive Compensation Committee members who established the performance metrics will be responsible for the CEO evaluation and compensation review for that year. They will meet in-person or via conference call with the CEO to discuss the performance evaluation, write a final performance evaluation document, and make salary recommendations to the BOD based on performance against the previously established performance metrics. It is understood that the president/chair who participated in establishing the performance metrics will, when the evaluation is conducted, be the immediate past president, and that some members of the group may no longer be serving as members of the BOD.
5. The president/chair who served on the Executive Compensation Committee that established the performance metrics and conducted the evaluation will present the recommended salary and benefits adjustments to the BOD for approval. If a salary/benefits adjustment is approved, it will be retroactive to the start of the respective fiscal year.
6. Minutes from the Executive Compensation Committee will be recorded by the Secretary-Treasurer and approved by the Executive Compensation Committee at a subsequent meeting. The minutes from these meetings will be stored with a confidential coversheet noting the date of the meeting and date approved.
7. All materials related to the CEO evaluation process, including approved minutes, are confidential. Materials are to be maintained by the Vice President of Human Resources and retained in accordance with AAPA records retention policy.

## **X. FINANCIAL POLICIES AND PROCEDURES**

### **A. Use of Federal Employer ID Number and Tax-Exempt Letter**

The AAPA Federal Employer ID Number and Tax-Exempt Letter will only be shared with AAPA staff or volunteers as necessary and shall be used only for the purpose of conducting official AAPA business.

### **B. Investments**

The Finance Committee is responsible for monitoring AAPA investments to ensure they are maintained in accordance with the BOD-approved Investment Policy. Any changes to the Investment Policy must be approved by the BOD. A copy of the Investment Policy is included as Appendix G.

### **C. Budget**

#### *1. Fiscal Year*

The AAPA fiscal year is based on a calendar year cycle beginning January 1 and ending December 31 of any given year.

#### *2. Unbudgeted Capital Expenditures*

An unbudgeted capital expenditure of 2% or more of the total cash reserves must be approved by the BOD. Unbudgeted capital expenditure requests of less than 2% of the cash reserves require the approval of the CEO and CFO. Total unbudgeted capital spending shall not exceed 4% of cash reserves in any budget year without prior BOD approval.

### **D. Form 990 Review**

The purpose of the procedure outlined below is to ensure that all BOD members have the opportunity to review the Form 990 prior to filing with the Internal Revenue Service.

1. The CFO is responsible for the timely preparation of the Form 990. The CFO shall confer with AAPA's accounting firm, legal counsel and CEO in the preparation of the Form 990.
2. Copies of the draft Form 990 (including required schedules) will be distributed to the Finance Committee in either electronic or paper form for review. Any questions or concerns will be noted and addressed, and the CFO will ensure that changes are incorporated into the Form 990 as appropriate.
3. After all input has been appropriately addressed, the final version of the Form 990 (with required schedules) will be distributed to every member of the BOD prior to filing with the IRS. The final form may be distributed either in paper or electronic form.
4. After the final version of the Form 990 has been distributed pursuant to paragraph 3 above, the CFO will file the final Form 990 as required.

## **XI. DISCLOSURE**

Applicable state law and federal tax law require the disclosure of certain records of the corporation. (See Appendix J). AAPA shall make the required disclosures as follows:

### **A. Publicly Available Documents**

The following documents will be made available to the public, including AAPA members, on the AAPA website within 10 business days of being finalized.

1. Articles of Incorporation and all amendments
2. Bylaws and all amendments
3. Disclosure & Conflict of Interest Policy
4. The most recent Form 990 and all attachments, with the names and addresses of contributors on Schedule B redacted. Form 990 will also be made available to the public on GuideStar with the names and addresses of contributors on Schedule B redacted.
5. Audited financial statements

**B. AAPA Member-Only Documents**

The following will be made available to AAPA members on the AAPA website:

1. Names of individuals appointed to AAPA Commissions and other BOD or HOD-appointed volunteer positions.
2. BOD meeting agendas will be posted at least seven (7) days in advance of regular meetings.
3. Notice of special BOD meetings will be posted at least two (2) days in advance of the meeting.
4. BOD-approved minutes of BOD meetings held in the past 12 months.

**C. Form 990 and Tax Exemption Application**

1. AAPA shall maintain copies of its most recent and previous three Forms 990 and its exemption application at its permanent office and have such copies available for inspection upon request.
2. AAPA shall provide a copy of its exemption application upon request. If the request is made in person, AAPA shall provide copies the same day. If the request is made in writing, AAPA shall provide the copies as soon as possible, and no later than 30 days. AAPA may charge a reasonable amount for such copies.

**D. Corporate Records**

AAPA shall allow its members to inspect and copy, at reasonable times and at a location specified by the corporation, any of the following records, if the member gives the corporation written notice at least five business days before the date on which the member wishes to inspect and copy:

- a) Articles of Incorporation;
- b) Bylaws;
- c) Member or Director resolutions that relate to the number or classification of Directors or relate to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;
- d) Member meeting minutes and member actions taken without a meeting for the past three years;

- e) All written communications sent to the entire membership within the past three years;
- f) A list of the names and designated mailing address for its current Directors.
- g) audited financial statements.

In addition to making any of the above records available on its website at AAPA's discretion, AAPA shall also maintain copies for inspection of the records described above at its permanent office.

2. Members can receive the additional information listed below if they make a written request in good faith and for a proper purpose that describes with reasonable particularity the purpose and the records desired, and the records are directly connected to the described purpose:
  - a) excerpts from board meeting minutes and actions taken by the directors without a meeting, and actions taken by committees of the board of directors;
  - b) Accounting records of the corporation;
  - c) The membership list including the name, address and number of votes each member is entitled to cast;

A request shall be considered made for a proper purpose if it is related to the member's role as a member of the corporation and the requested information is not intended to be used for commercial purposes.

#### **E. Unaudited Financial Statements**

Unaudited monthly financial statements will not be made available except to the BOD and AAPA staff, as appropriate. These financial statements represent the current understanding of the financial picture at that time and are reviewed by the BOD in carrying out its fiduciary and legal responsibilities. The information set forth in the Form 990 and the annual audited financial statements have received the advice and review of the organization's independent accountant in their preparation and provide a more complete and accurate picture of the organization's financial condition than the informal financial statements presented to the BOD during the year.

#### **F. Board Meeting Materials**

Materials provided to the BOD to support its deliberations will not be made available, except to the BOD and AAPA staff, as appropriate, because these materials may include business proprietary or confidential information.

#### **G. Notification of Indemnification**

If AAPA makes an indemnification payment or advances expenses to a director or officer for the purpose of defending a proceeding, AAPA shall notify all members of the indemnification payment in writing with or before the notice of the next meeting of members.

#### **H. Written requests**

A request shall be considered written whether the writing is delivered in person, via electronic means including email and facsimile, or via mail carrier.

## **Appendices**

- A. Articles of Incorporation
- B. Bylaws
- C. Sample Constituent Organization Agreements
- D. Strategic Plan
- E. Conflict of Interest Disclosure Policies and Procedures
- F. Whistle Blower Policy
- G. Investment Policy Statement
- H. Allocation of Authority, Fiduciary Duties and Confidentiality
- I. BOD Travel Reimbursement Guidelines
- J. AAPA Organizational Disclosure Requirements



# NORTH CAROLINA

## Department of the Secretary of State

**To all whom these presents shall come, Greetings:**

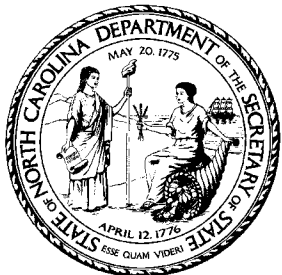
I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

### ARTICLES OF AMENDMENT

OF

**AMERICAN ACADEMY OF PHYSICIAN ASSOCIATES, INC.**

the original of which was filed in this office on the 16th day of May, 2022.



Scan to verify online.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 16th day of May, 2022.

*Elaine F. Marshall*

Secretary of State

State of North Carolina  
Department of the Secretary of State

SOSID: 0003533  
Date Filed: 5/16/2022 11:18:00 AM  
Elaine F. Marshall  
North Carolina Secretary of State  
C2022 126 04547

ARTICLES OF AMENDMENT  
NONPROFIT CORPORATION

Pursuant to §55A-10-05 of the General Statutes of North Carolina, the undersigned corporation hereby submits the following Articles of Amendment for the purpose of amending its Articles of Incorporation.

1. The name of the corporation is: American Academy of Physician Associates, Inc.

2. The text of each amendment adopted is as follows (*state below or attach*):

Section 3(a) amended to read "...field of physician associates..." [replace assistants with associates].

Section 3(a) amended to read "...to participate in..." [replace associate with participate].

Section 3(b) amended to read "...to be physician associates..." [replace assistants with associates].

Section 6 amended to read "...physician associate profession..."[replace assistant with associate].

3. The date of adoption of each amendment was as follows: The amendments were adopted by the board of the American Academy of Physician Associates on May 6, 2022.

4. (*Check a, b, and/or c, as applicable*)

a.  The amendment(s) was (were) approved by a sufficient vote of the board of directors or incorporators, and member approval was not required because (*set forth a brief explanation of why member approval was not required*)

Pursuant to N.C.G.S. Section 55A-10-02, the Board of Directors approved the amendments of Articles of Incorporation and has sole authority to vote on amendments to the Articles of Incorporation.

b.  The amendment(s) was (were) approved by the members as required by Chapter 55A.

c.  Approval of the amendment(s) by some person or persons other than the members, the board, or the incorporators was required pursuant to N.C.G.S. §55A-10-30, and such approval was obtained.

5. These articles will be effective upon filing, unless a date and/or time is specified: \_\_\_\_\_

This the 6th day of May, 2022.

American Academy of Physician Associates, Inc.

\_\_\_\_\_  
Name of Corporation

**Lisa M. Gables** Digitally signed by Lisa M. Gables  
Date: 2022.05.06 17:19:16 -04'00'

\_\_\_\_\_  
Signature

**Lisa M. Gables, CEO**

\_\_\_\_\_  
Type or Print Name and Title

Notes:

1. Filing fee is \$25. This document and one exact or conformed copy of these articles must be filed with the Secretary of State.

**ARTICLES OF INCORPORATION**  
**OF**  
**AMERICAN ACADEMY OF PHYSICIAN ASSOCIATES, INC.**

1. The name of the Corporation is: American Academy of Physician Associates, Inc.
2. The period of duration of the Corporation shall be perpetual.
3. The purposes for which the Corporation is organized are:
  - a) To develop a plan of assistance in the areas of education, patient care by trained professional personnel rendering skilled services and research; to encourage its members to render honest, loyal, and more efficient service to the medical profession and to the public which they serve; to render educational service for the self-improvement of its members; to encourage and assist others engaged in the field of physician associates; to participate in various organizations in order to provide the highest quality of service to the medical profession and to the public;
  - b) To perform all acts deemed necessary or expedient to facilitate and implement the organization and training of students training to be physician associates, to include the acquisition of property both real and personal by purchase or lease, the employment of personnel, contracting for courses of instruction, the incurring of liability, the establishment of schools and places of training, negotiations with agencies of the County, State, and Federal Government and generally, to perform all acts incidental to the successful legal operation of this organization.
4. The Corporation shall have such classes of members as are set forth in the Bylaws and the qualifications and rights of each such class of members shall be set forth in the Bylaws.
5. The Directors of the Corporation shall be elected as set forth in the Bylaws of the Corporation.
6. All corporate powers except those delegated herein to the Corporation's House of Delegates shall be exercised by or under the authority of the Board of Directors. The House of Delegates shall exercise the sole authority on behalf of the Corporation to enact policies establishing the collective values, philosophies, and principles of the physician associate profession.

7. The names and addresses of all the Incorporators are:

James T. Hedrick  
Central Carolina Bank Building Durham, N.C.

James L. Newsom  
Central Carolina Bank Building Durham, N.C.

A. H. Graham, Jr.  
Central Carolina Bank Building Durham, N.C.

The Corporation's registered agent is CT Corporation System. The Corporation's registered office is located in Wake County, North Carolina, at the following address, which is identical to the business office of the registered agent:

150 Fayetteville Street, Box 1011  
Raleigh, North Carolina 27601

The Corporation's principal office is located in Alexandria, Virginia at:

2318 Mill Road, Suite 1300  
Alexandria, VA 22314

In the event of the termination, liquidation, dissolution, or winding up of the Corporation in any manner or for any reason whatsoever, all of the assets of the Corporation that remain after the payment or provision for payment of the obligations and liabilities of the Corporation shall be transferred in a manner approved by the Corporation's Board of Directors that is not inconsistent with the provisions of the North Carolina Nonprofit Corporation Act or the Internal Revenue Code of 1986 and the regulations thereunder, as they now exist or as they may hereafter be amended, or any other applicable law or regulation.

\*\*\*\*\*

## **AAPA BYLAWS**

*[Adopted by revision 2005 and 2010, amended 2006, 2009, 2011, 2012, 2014, 2015, 2016, 2017, 2018, 2019, 2021, 2022, 2023, 2024]*

## **AAPA BYLAWS**

### **ARTICLE I            Name.**

The name and title by which this corporation shall be known is the American Academy of Physician Associates, Inc., herein referred to as the Academy or AAPA.

### **ARTICLE II            Purpose and Mission.**

The Academy is organized and shall be operated exclusively to ensure the professional growth, personal excellence, and recognition of PAs, and to support their efforts to enable them to improve the quality, accessibility, and cost-effectiveness of patient-centered healthcare. To represent PAs and PA students so as to maximize the benefit of their services to the public, the Academy shall:

- a. Encourage its membership to render quality service to the health professions and to the public;
- b. Develop, sponsor, and evaluate continuing medical or medically related education programs for the PA;
- c. Assist in the development of role definition for the PA;
- d. Assist with the coordination and standardization of curricula for the PA;
- e. Participate in the accreditation of PA training programs;
- f. Participate in the development of criteria leading to board certification of the PA;
- g. Develop, coordinate, and participate in studies having an impact either directly or indirectly on the PA profession;
- h. Serve as a public information center with respect to its members, health professions, and the public.

Notwithstanding any other provision of these Bylaws, the Academy shall exercise its powers, rights, and privileges, whether conferred by this instrument, or by the laws of the state of North Carolina or otherwise, to carry on such other activities as are permissible for corporations exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986.

### **ARTICLE III            Membership.**

Section 1:        Eligibility. Membership in this Academy shall be open to all individuals wishing to participate in promoting the purposes of the Academy. Specifically, membership shall consist of individuals who are cognizant of their obligation to the public and who meet the requirements for membership as defined by AAPA's Articles of Incorporation, these Bylaws, and such other of AAPA's rules and policies that may be established from time to time. Membership in the Academy is an honor that confers upon the individual certain rights and responsibilities. Adherence to AAPA's Articles of Incorporation, these Bylaws, and AAPA's rules and policies, and generally acting in a manner that is consistent with AAPA's mission, is a condition of membership.

Section 2:        Classes of Membership. The membership shall consist of fellow, student, affiliate, honorary, retired, pre-PA and such other members as may be recognized by the Academy.

Section 3:        Fellow Members. A fellow member shall be a PA who is a graduate of a PA program accredited by the Accreditation Review Commission on Education for the Physician Assistant (ARC-PA),

or by one of its predecessor agencies (Committee on Allied Health Education and Accreditation [CAHEA], Commission on Accreditation of Allied Health Education Programs [CAAHEP]) or who has passed the Physician Assistant National Certifying Examination (PANCE) administered by the National Commission on Certification of Physician Assistants (NCCPA) or an examination administered by another agency approved by the Academy. Fellow members must satisfy such continuing medical and/or medically related educational requirements as may be prescribed by the Academy. Non-clinical fellow members will not be required to maintain continuing medical education (CME). Fellow members shall be entitled to vote and hold office.

Section 4: Student Members. A student member is an individual who is enrolled in an ARC-PA or successor agency approved PA program. Student members are only eligible to hold elected office in the Student Academy or as otherwise provided in these Bylaws. The Student Board of Directors and apportioned student members of the House of Delegates shall be entitled to vote in AAPA General Elections.

Section 5: Affiliate Members. Affiliate members shall consist of individuals from other health professions, representatives of businesses engaged in selling products or services to PAs, or individuals who do not qualify for any other membership category and desire to associate with the Academy. Affiliate members shall not be entitled to vote or hold office.

Section 6: Honorary Members. Honorary membership may be conferred by the Academy upon non-PAs who have rendered distinguished service to the PA profession. Honorary members shall not be entitled to vote or hold office. All honorary members shall be exempt from the payment of dues.

Section 7: Retired Members. A retired member shall be a PA who is a former fellow member who has chosen to retire from the profession and opts to be classified as a retired member. Retired members shall be entitled to vote but shall not hold office.

Section 8: Pre-PA Members. A pre-PA member is an individual who plans to apply to PA school. Pre-PA members shall not be entitled to vote or hold office.

Section 9: Applications for Membership. All applications for membership shall be in a format approved by the Membership Department of the National Office. There shall be issued to each member a certificate of membership in such form as may be determined by the Membership Department of the National Office; title to such certificate shall remain at all times with the Academy.

Section 10: Suspension or Revocation of Membership. Membership in the Academy may be suspended or revoked as provided in Article IX. Any member who has been suspended or has their membership revoked shall not be entitled to any of the rights or benefits of this Academy or be permitted to take part in any of the proceedings until their membership has been reinstated.

Section 11: Non-Discriminatory Policy. AAPA will remain non-discriminatory in granting membership.

Section 12: Annual Meeting. There shall be an annual meeting of members to be held at such time and place (in person or electronically) as may be determined by the Board of Directors. Notice of the place, date, and time of the annual meeting shall be given to members at least 30 days but not more than 60 days before the meeting date. Notice may be delivered by electronic means.

**ARTICLE IV                    Constituent Organizations.**

Constituent organizations consist of state, the District of Columbia, U.S. territories and federal services chapters; specialty organizations; caucuses; and special interest groups; as defined in AAPA policy.

**ARTICLE V                    Student Academy of AAPA.**

Section 1:        Purpose. The Student Academy of AAPA is the national representative body of AAPA student members. The Student Academy embraces AAPA’s mission with a focus on student-oriented engagement, professional development and advocacy.

Section 2:        Membership. The Student Academy consists of student members of AAPA as defined in AAPA Bylaws Article III, Section 4.

Section 3:        Student Academy Relationship Within AAPA. AAPA grants the Student Academy the right to operate as a subsidiary unit representing AAPA student members.

- a. AAPA reserves the right to monitor the Student Academy’s adherence to AAPA’s Bylaws and policies.
- b. The Student Academy retains the right to address student concerns and issues, provided that the Student Academy adheres to the Bylaws, policies and procedures of AAPA.
- c. In order to fulfill its fiduciary responsibility, AAPA’s Board of Directors will be apprised of Student Academy activities to ensure the Student Academy’s compliance with AAPA Bylaws, policies and procedures, per Article VII. Section 1.

Section 4:        Student Academy Board of Directors. The Student Academy Board of Directors directs the activities of the Student Academy.

- a. The Student Academy President serves on AAPA’s Board of Directors as the Student Director. This Student Director shall have all rights and privileges of any other member of such Board.
- b. The Student Academy Board of Directors is composed of the President, President-elect, HOD Chief Delegate, Regional and Functional Directors, and Advisors, as set forth in AAPA and Student Academy policies.
- c. Election procedures are defined in these Bylaws and Student Academy policies.
- d. The duties of Student Academy Board members are defined in the Student Academy policies, in accordance with these Bylaws and AAPA policies and procedures.

Section 5:        Assembly of Representatives. The Student Academy shall have an Assembly of Representatives (“AOR”) to foster information sharing and engagement between the Student Academy Board and student members and provide a forum for students to bring forward issues for consideration. The AOR shall be composed of student member representatives as set forth in the Student Academy policies.

**ARTICLE VI                    House of Delegates.**

Section 1: Duties and Responsibilities. The Academy shall have a House of Delegates, which shall represent the interests of the membership. The House of Delegates shall exercise the sole authority on behalf of the Academy to enact policies establishing the collective values, philosophies, and principles of the PA profession. The House of Delegates may make recommendations to the Board for granting charters to Chapters, recognizing specialty organizations and affiliating with caucuses and special interest groups. The House of Delegates may make recommendations to the Board for establishing Academy commissions and work groups and shall establish such committees of the House of Delegates as necessary to fulfill its duties. The House of Delegates shall be entitled to vote on amendments to these

Bylaws on behalf of the members in accordance with Article XIV of these Bylaws. The House of Delegates shall be solely responsible for establishing such rules of procedure, which are not inconsistent with these Bylaws, the Articles of Incorporation, or existing law, as may be necessary for carrying out the activities of the House (i.e., House of Delegates Standing Rules).

Section 2: Composition. The voting membership of the House of Delegates shall consist of the immediate past and current House Officers, one delegate elected by each officially recognized specialty organization, one delegate elected from each caucus, apportioned delegates elected from Chapters, and apportioned delegates elected from the Student Academy of AAPA. All delegates, other than those of the Student Academy, must be fellow members of the Academy. Student delegates must be student or fellow members of the Academy. All delegates and extra delegates from Chapters, specialty organizations, and caucuses must be elected by the fellow members of those organizations. The delegates and extra delegates from the Student Academy must be elected in accordance with these Bylaws and Student Academy policy. Chapter and Student Academy delegate seats shall be allocated as follows:

- a. Chapter Delegates. Each Chapter shall be entitled to two (2) delegates. Additional delegates will be apportioned among the Chapters according to the number of Academy fellow members within the jurisdiction of each as of January 31 of the preceding year. When the number of fellow members within a Chapter's jurisdiction exceeds 220, it will be apportioned a third delegate. An additional delegate will be apportioned for each 300 additional members within a Chapter's jurisdiction thereafter. The Academy's Constituent Relations Work Group will develop and recommend to the Board the definition of the Chapters' jurisdiction.
- b. Student Academy Delegates. The Student Academy shall be entitled to one delegate for each 850 Student Academy members as of January 31 of the preceding year.
- c. Extra Delegates. The maximum number of extra delegates for each delegation will be determined as 50% of the apportioned seats of the delegation or five (5) extra delegates, whichever is greater. Elected extra delegates may temporarily or permanently replace a voting delegate during a meeting in accordance with the House of Delegates Standing Rules.

Section 3: House Officers. The House of Delegates shall elect from among its members the following House Officers: a Speaker (who shall also serve as Vice President of the Academy), a First Vice Speaker, and a Second Vice Speaker (the First Vice Speaker and the Second Vice Speaker are not Officers of the Corporation).

- a. Election and Term of Service. Each House Officer shall be elected by a majority of votes cast. No absentee or proxy vote shall be cast. The Governance Commission shall determine the general procedures for House Officers elections. The terms of office shall be as specified in Article XIII, Section 2.
- b. Delegate-at-large Designation. Each House Officer elected shall become a delegate-at-large during the term(s) as a House Officer, plus one additional year as an immediate past House Officer. The delegates-at-large shall be accorded all the rights and privileges of elected delegates.
- c. Duties of House Officers.
  - i. The Speaker shall preside at all meetings of the House of Delegates.
  - ii. The First Vice Speaker shall assume the duties of the Speaker in the event of the absence of the Speaker, or in the event of vacancy in the position of Speaker.

- iii. The Second Vice Speaker will assume the duties of the First Vice Speaker in the absence of the First Vice Speaker, or in the event of vacancy in the position of First Vice Speaker.
  - iv. The First Vice Speaker shall be responsible for verification of the credentials of the delegates. The Second Vice Speaker shall be responsible for compiling the records of all general meetings of the House of Delegates, submitting such records to the Secretary-Treasurer of the Academy for filing with the Academy's books and records, and for providing oversight for the Standing Rules Committee.
- d. Resignation or Removal of House Officers. Any House Officer may resign at any time by giving written notice to the Speaker, the President of the Academy, or the Board of Directors. Such resignation shall take effect at the time specified in such notice, or, if no time is specified, at the time such resignation is tendered. Any House Officer may be removed from office at any time, with or without cause, by an affirmative two-thirds (2/3) majority vote of the House of Delegates. Removal may only occur at a meeting called for that purpose, and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the House Officer. Vacancies in these positions shall be filled in accordance with Article VI, Section 3 and Article XIII, Section 9 of these Bylaws.

#### Section 4: Meetings of the House of Delegates.

- a. Annual and Special Meetings. The House of Delegates shall hold an annual meeting. Special meetings of the House of Delegates shall be called by the Speaker upon written request of 25 percent or more of the currently credentialed delegates. Special meetings of the House shall also be called by a two-thirds (2/3) affirmative vote of the Board of Directors or by a majority affirmative vote of the House Officers. The object of such special meetings shall be stated in the meeting notice, and no other business other than that specified in the notice shall be transacted at the meeting.
- b. Notice. Notice of the place, date, and time of the annual meeting of the House of Delegates shall be given to each member of the House of Delegates at least 30 days before the meeting date. If proposed Bylaws amendments are to be presented to the House of Delegates for approval at the annual House meeting, the notice of the meeting shall include a description of the proposed amendments to be approved and must be accompanied by a copy or summary of the proposed amendments. Notice of the place, date, and time of a special meeting of the House of Delegates shall be given to each member of the House of Delegates at least five (5) days before the meeting date. Notice of a special meeting shall include a description of the matter or matters for which the meeting is called. Notice of the annual meeting or a special meeting may be delivered by electronic means.
- c. Quorum. A majority of the total number of the currently credentialed delegates shall constitute a quorum at any meeting of the House of Delegates. Unless otherwise stated in the Bylaws, an affirmative vote by a majority of the delegates present and voting shall constitute action of the House.
- d. Mail and Electronic Voting. Mail and electronic voting of the House of Delegates will be permitted for any House business. Mail and electronic votes will be called for by the Speaker of the House when directed by: (i) a simple majority of the House Officers; (ii) a two-thirds affirmative vote of the Board of Directors; or (iii) a call from 25 percent of delegates currently credentialed. Additionally, mail and electronic votes will be called for by the Speaker when there is a vacancy in an elected office of the House during the time period between regularly scheduled House elections. The House Officers and Academy

staff shall determine the procedures for voting on issues requiring a mail or electronic ballot, subject to the requirements of the North Carolina Nonprofit Corporation Act.

## **ARTICLE VII            Board of Directors and Officers of the Corporation.**

Section 1:            Board Duties and Responsibilities. The Academy shall have a Board of Directors, which, in accordance with North Carolina law, shall be responsible for the management of the Corporation, including, but not limited to, management of the Corporation's property, business, and financial affairs. In addition to the duties and responsibilities conferred upon it by statute, by the Articles of Incorporation, or by these Bylaws, it is expressly declared that the Board of Directors shall have the following duties and responsibilities:

- a. To grant charters to chapters, recognize specialty organizations, establish affiliation with caucuses and special interest groups, and establish Academy commissions or work groups as may be in the best interests of the Academy, taking into consideration any recommendations of the House of Delegates thereon;
- b. To appoint or remove the Chief Executive Officer (CEO) pursuant to the affirmative vote of a two-thirds (2/3) majority of the Directors;
- c. To direct the activities of the Academy's national office through the CEO;
- d. To provide for the management of the affairs of the Academy in such a manner as may be necessary or advisable;
- e. To establish committees necessary for the performance of its duties;
- f. To establish, regularly review, and update the Academy's management plan to attain the goals of the Academy;
- g. To call special meetings of the House of Delegates as provided under Article VI, Section 4;
- h. To report the activities of the Board of Directors for the preceding year to the House of Delegates and members at the Academy's annual meeting;
- i. To establish the amount and timing of Academy membership dues and assessments;
- j. To review and determine, on no less than an annual basis, how to implement those policies enacted by the House of Delegates on behalf of the Academy that establish the collective values, philosophies, and principles of the PA profession. If it determines that implementation of one or more such policies will require an inadvisable expenditure of Academy resources, or is otherwise not presently prudent or feasible, the Board shall, at its earliest convenience, report to the House the reasons for its decision.

Section 2:            Dual Roles with AAPA Constituent Organizations. Members of AAPA's Board of Directors may not hold elected voting positions in the Academy's constituent organizations (COs). Directors may hold elected or appointed non-voting positions in the Academy's COs.

Section 3:            Board Composition. There shall be the following members of the Board of Directors: five (5) Academy Officers, five (5) Directors-at-large, one (1) Student Director, and the First Vice Speaker and Second Vice Speaker. The First Vice Speaker and Second Vice Speaker are voting members of the Board of Directors by virtue of position. The terms of office shall be as specified in Article XIII, Section 2. The Chief Executive Officer shall be a non-voting member of the Board of Directors.

Section 4:            Officers of the Corporation. The Officers of the Corporation shall be a President, a President-elect, a Vice President, a Secretary-Treasurer, and the Immediate Past President ("Academy Officers"). The Academy Officers are voting members of the Board of Directors by virtue of position.

Section 5: Duties of Officers of the Corporation.

- a. The President shall be the chief spokesperson for the Academy. The President shall report to the House of Delegates and the members at the annual meeting of the Academy with an account of the activities of the Board for the past year and its recommendations for the House of Delegates.
- b. The President-elect shall succeed to the office of President at the expiration of the President's term or earlier should that office become vacant for any reason.
- c. The Vice President is the Speaker of the House of Delegates and shall represent the House of Delegates to the Board of Directors and shall perform such other duties as shall be assigned by the Board of Directors.
- d. The Secretary-Treasurer shall:
  - i. be responsible for adequate and proper accounts of the properties and funds of the Academy;
  - ii. give a financial report to the membership at the annual meeting;
  - iii. oversee disbursement of the funds of the Academy as may be ordered by the Board of Directors;
  - iv. render to the Board of Directors, whenever it may request it, an account of all the transactions as Secretary-Treasurer, and of the financial conditions of the Academy;
  - v. oversee the maintenance of the records of the Academy including the records of the Board of Directors and of the House of Delegates;
  - vi. execute general correspondence of the Academy, as needed;
  - vii. attest the signature of the Academy Officers;
  - viii. have such other powers and perform such other duties as may be prescribed by the President or the Board of Directors.
- e. The Immediate Past President shall perform such other duties as may be assigned by the President or the Board of Directors.

Section 6: Meetings of the Board of Directors.

- a. Regular and Special Meetings. The Board of Directors shall hold such regular meetings at such times and at such places as designated by Board policy, but in no event shall there be fewer than two such meetings in any calendar year. Regular meetings of the Board may be held without notice. Special meetings shall be called by the Secretary-Treasurer at the request of the President or upon written request to the President of at least 20 percent of the members of the Board then in office. The object of such special meetings shall be stated in the meeting notice, and no business other than that specified in the notice shall be transacted at the meeting. Notice of a special meeting shall be provided not less than two (2) days before the meeting.
- b. Quorum. A majority of the membership of the Board then in office shall constitute a quorum for the purposes of transacting business.
- c. Manner of Acting. The affirmative vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as otherwise provided by law, by the Articles of Incorporation, or by these Bylaws. Each Director shall have one (1) vote on all matters submitted to a vote of the Board of Directors. No Director voting by proxy shall be permitted.
- d. Teleconferencing. To the extent permitted by law, any person participating in a meeting of the Board of Directors may participate by means of conference telephone or by any means of communication by which all persons participating in the meeting are able to hear one another, and otherwise fully participate in the meeting. Such participation shall constitute presence in person at the meeting.

- e. Action by Unanimous Written Consent. Any action required to be taken at a meeting of the Board of Directors or any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Directors entitled to vote with respect to the subject matter thereof. A Director's consent to action taken without a meeting may be in electronic form and delivered by electronic means.

Section 7: Chair of the Board. The Board of Directors may elect a Chair of the Board from among its members. The Chair of the Board shall have such duties and responsibilities and may be elected according to such procedures as may be determined by the Board from time to time.

Section 8: Executive Committee. The Executive Committee of the Board of Directors shall consist of the President, Vice President, President-elect, Immediate Past President, Chair of the Board, Secretary-Treasurer, and CEO. The CEO shall be an ex-officio, non-voting member of the Executive Committee. The Executive Committee shall be empowered to act for the Board of Directors on emergency matters only. When there are sensitive and confidential matters involving the CEO, they may be excluded from Executive Committee discussions and actions. Actions of the Executive Committee shall be reported to the Board of Directors no later than the Board's following meeting. All such Committee actions must be reviewed and ratified by the Board of Directors and shall be included in the official Board minutes.

Section 9: Resignation or Removal of Directors and Officers of the Corporation.

- A. Resignation. Any Director or Academy Officer may resign at any time by giving written notice to the President or the Board of Directors. Such resignation shall take effect at the time specified in such notice, or, if no time is specified, at the time such resignation is tendered.
- B. Removal.
  - i. Any Director, including Student Director, or Academy Officer may be removed from the Board at any time, with or without cause, by the affirmative majority vote of those members entitled to elect them. <sup>[1]</sup>
  - ii. Removal by members may occur only at a meeting called for that purpose and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the Director or Officer. <sup>[2]</sup> The quorum for such a meeting will be the same as that which is required to elect Directors and Officers. An affirmative two-thirds (2/3) majority vote shall be required to remove a Director or Officer.
  - iii. Any Academy Officer may be removed from office at any time, with or without cause, by the affirmative two-thirds (2/3) vote of the Board at a meeting where a quorum is present. <sup>[3]</sup>
- C. Vacancies. Vacancies in these positions shall be filled in accordance with Article XIII, Section 9 of these Bylaws.

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<sup>[1]</sup> "The members may remove one or more directors elected by them with or without cause" N.C. Gen. Stat. Ann. § 55A-8-08(a)

<sup>[2]</sup> "A director elected by members may be removed by the members only at a meeting called for the purpose of removing the director and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the director" N.C. Gen. Stat. Ann. § 55A-8-08(e).

<sup>[3]</sup> "A board of directors may remove any officer at any time with or without cause." N.C. Gen. Stat. Ann. § 55A-8-43(b).

**ARTICLE VIII            Chief Executive Officer.**

The Chief Executive Officer (CEO) is an employee of the Academy. The CEO shall be bonded at the expense of the Academy in such amounts as the Board of Directors may require. The CEO shall be a non-voting member of the Board of Directors. The CEO shall be under the direction and oversight of the Board of Directors and, in the case of the CEO's death, resignation, or removal; the Board of Directors shall have the power to fill the vacancy.

**ARTICLE IX            Judicial Affairs.**

Section 1: The Board of Directors shall be responsible for the internal judicial affairs of the Academy.

Section 2: The Academy has the inherent right through the Board of Directors to discipline, suspend, or expel an Academy member or Academy-recognized PA organization.

Section 3: Anyone may in good faith refer charges against any Academy member or constituent organization believed to have violated the Academy Articles, Bylaws, policies, or rules, or for acting in a manner inconsistent with AAPA's mission.

Section 4: The Academy, after due notice and hearing, may discipline any member or constituent organization for a violation of the Academy Articles, Bylaws, policies, or rules, or for unethical or unprofessional conduct, or for acting in a manner inconsistent with AAPA's mission. The notice and hearing procedures for such disciplinary actions may be determined by the Board of Directors from time to time.

Section 5: If any member has their PA license or temporary permit currently revoked as the result of a final adjudicated disciplinary action for violation of their professional practice statutes or regulations, then their AAPA membership shall be automatically revoked.

Section 6: Any individual who has their PA license or temporary permit currently revoked as the result of a final adjudicated disciplinary action for violation of their professional practice statutes or regulations shall be ineligible to apply for AAPA membership during the period of that revocation.

**ARTICLE X            Standing Committees, Board Committees, Academy Commissions, Work Groups, Task Forces, Ad Hoc Groups.**

Section 1:     Standing Committees. Standing Committees are established to serve a continuing function for the Academy and may only be established and dissolved by amending these Bylaws.

A.   Governance Committee.

The Governance Committee shall be responsible for reviewing and analyzing AAPA's Bylaws, policies and other governance structures and processes to ensure they support the governance of AAPA.

- a.   Duties. The responsibilities of the Governance Committee shall include:
  - I.   Carrying out such duties and responsibilities as are set forth in these Bylaws, including those related to elections and Bylaws.
  - II.  Carrying out other duties and responsibilities assigned by the AAPA board of directors or house of delegates.
- b.   Composition. The Governance Committee shall have seven members including:

- I. Two fellow members nominated and elected by the AAPA Board of Directors.
  - II. Two delegates nominated and elected by the House of Delegates.
  - III. One student member nominated and elected by the Student Academy Board of Directors.
  - IV. Two members of the Board of Directors appointed by the AAPA President.
- c. Terms. Elected fellow members of the Governance Committee and delegates elected by the House of Delegates to the Governance Committee may serve up to two consecutive two-year terms. Student members elected to the Governance Committee and board members appointed to the Governance Committee shall serve one-year terms.
  - d. Chair. A chair shall be annually elected by the committee from among its members. A member may serve as chair for two one-year terms.

*PROVISO: Section A.ii will take effect in the 2025-26 leadership year to accommodate the development of appropriate procedures for execution.*

**B. Diversity, Equity and Inclusion Committee.**

The Diversity, Equity, and Inclusion Committee shall support AAPA's efforts to foster diversity in the Academy and PA profession, and to advance health equity.

**Section 1: Duties and Responsibilities.**

- A. The committee shall carry out such duties and responsibilities as established by the Board of Directors in accordance with AAPA policy.
- B. The House of Delegates may establish additional duties and responsibilities.

**Section 2: Composition.**

The structure and composition of the Diversity, Equity, and Inclusion Committee shall be set forth in Board policy.

The committee shall consist of four members-at-large positions, two members of AAPA Board of Directors, and one representative from each of the following organizations, which include but are not limited to:

African Heritage PA Caucus, LBGT PA Caucus, PAs for Latino Health, PAs in Asian Health, Fellowship of Christian PAs, Jewish Association of PAs, PAs for Health Equity, the Student Academy, PAEA, ARC-PA, NCCPA, and PAF.

Any additional constituent organizations whose mission focuses on an underrepresented group may be considered for a seat on the committee at the start of the next upcoming leadership year if approved by two-thirds (2/3) of the committee's members. All committee position appointments (except the AAPA Board of Directors and 4 members-at-large positions) will be determined by the respective organizations as long as they meet all of the eligibility requirements as outlined in Section 3. These positions will be appointed by the respective constituent organization's board of directors. The members-at-large positions will be applied for through AAPA, and reviewed by the committee, who will make recommendations to the AAPA Board of Directors for appointment.

**Section 3: Eligibility And Qualifications.**

The members of the Diversity, Equity, and Inclusion Committee may serve on other committees, task forces, and commissions within AAPA or its constituent organizations.

A. Individuals must be a fellow member of AAPA except for the student who must be a student member of the AAPA.

B. Individuals must be fellow or student members of their respective constituent organizations except for the AAPA board members and the members-at-large positions.

Section 4: Chair.

A chair shall be elected annually by the committee from among its members. A member may serve as chair for two one-year terms.

Section 5: Terms of Service.

The term of service for the members of the Diversity, Equity, and Inclusion Committee shall be two years. The terms will be staggered to ensure history and continuity are maintained. Each member may serve a maximum of two consecutive terms.

C. Nominating Committee. The Nominating Committee shall be charged and composed as stated in Article XI of these Bylaws.

Section 2: Board Committees. The Board of Directors, by resolution adopted by a majority of the Directors present at a meeting at which a quorum is present, may establish and appoint such Board Committees as may be necessary to carry out the duties of the Board. Only members of the Board of Directors shall be eligible to serve on Board Committees, and each Board Committee shall have two or more members, who shall serve at the pleasure of the Board. Board Committees may exercise the Board's authority only to the extent specified by the Board of Directors by resolution, or by the Articles of Incorporation or these Bylaws. A Board Committee shall not, however, (1) authorize distributions; (2) recommend to members or approve dissolution, merger or the sale, pledge, or transfer of all or substantially all of the corporation's assets; (3) elect, appoint, or remove Directors, or fill vacancies on the Board of Directors or any of its committees; or (4) adopt, amend, or repeal the Articles of Incorporation or the Bylaws. The designation of and the delegation of authority to any such committee shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon them by law.

Section 3: Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated by the Board of Directors or by the House of Delegates as follows:

- a. Commissions and Work Groups. The House of Delegates shall recommend to the Board the establishment of commissions and work groups of the Academy. The Board of Directors shall establish such commissions and work groups and set forth the respective duties, responsibilities, and membership eligibility requirements thereof, as the Board may deem advisable. The Board of Directors shall appoint commission and work group chairs and members according to procedures established by the Board.
- b. Task Forces, Ad Hoc Groups and Other Committees. The Board of Directors may establish and appoint such Academy task forces and ad hoc groups and set forth the respective duties, responsibilities, and membership eligibility requirements thereof, as the Board may deem advisable. The House Speaker may establish and appoint such House Committees and ad hoc groups as may be necessary to carry out the duties of the House of Delegates.

## **ARTICLE XI            Nominating Committee.**

Section 1: Duties and Responsibilities. The Nominating Committee shall carry out such duties and responsibilities as (1) are set forth in these Bylaws; and (2) are established by the Board of Directors in accordance with Article X, Section 2, subject to the approval of the House of Delegates. Such duties and responsibilities shall include:

- a. Annually evaluate the environment and identify any skills, capabilities or other characteristics that will support a diverse and high-performing Board of Directors.
- b. Support communication and education efforts to inform all members of elected leadership opportunities and how to qualify for those positions.
- c. Identify and recruit qualified members to run for elected positions within AAPA.
- d. Evaluate all candidates seeking nomination according to the qualification criteria set forth in these Bylaws and according to other such selection guidelines as may be established by the committee.
- e. Inform candidates and voting members of criteria being considered for endorsement by the Nominating Committee.
- f. Endorse a single or multiple slate of candidates for each nominated position.

Section 2: Composition; Method of Election or Appointment. The Nominating Committee is composed of seven (7) members, five (5) of which are elected by plurality vote at the House of Delegates annual meeting. Two members are appointed by the Board of Directors. Nominating Committee candidates should pre-declare their candidacy; however, write-in candidates, and nominations and self-declarations from the House floor will be accepted at the time of elections.

Section 3: Eligibility and Qualifications. Nominating Committee members may not run for any of the positions they are evaluating for elections during their term. Additionally:

- a. A candidate must be a fellow member of AAPA.
- b. A candidate must have been an AAPA fellow member and/or student member for the last three years.
- c. A candidate must have served in at least two leadership roles in the past five years through service to AAPA; the Student Academy; an AAPA constituent organization; and/or an AAPA affiliated organization. Recognized leadership roles include a board member or organization officer; an elected or appointed representative; or a chair of a commission, committee, work group or task force.
- d. A Nominating Committee member cannot hold any other elected office or commission or work group position in AAPA during their term on the Nominating Committee.

Section 4: Term of Service. The term of service for members of the Nominating Committee shall be two (2) years. Terms shall be staggered. Individuals appointed to temporarily fill a vacancy shall be eligible to run for the vacated seat. The unexpired term the appointee previously filled shall not be counted as a filled term for purposes of determining work group tenure.

Section 5: Vacancies. Nominating Committee vacancies shall be filled in the following manner:

- a. Board-appointed Member. The Board of Directors shall appoint a replacement member to fill the remainder of the unexpired term.
- b. Elected Members. The House Officers shall appoint a temporary replacement member. The temporary appointees shall serve until replaced by the House of Delegates in the following manner: (1) the position shall be declared open for election at the next House of Delegates

election and shall be filled by appropriate election process; and (2) upon completion of the election, the temporary appointee shall continue to serve until the newly elected work group member takes office at the next change of office.

## **ARTICLE XII            Rules of Order.**

In the absence of any provisions to the contrary in these Bylaws, all meetings of the Academy, the Board of Directors and the House of Delegates shall be governed by the parliamentary rules and usages contained in the current edition of *The Standard Code of Parliamentary Procedure*.

## **ARTICLE XIII           Elections.**

Section 1: Positions to be Filled by Election. Elected positions include Directors-at-large; one Student Director; the Academy Officer positions of President-elect and Secretary-Treasurer; and the House Officer positions of Speaker, First Vice Speaker, and Second Vice Speaker; and such number of members of the Nominating Committee as may be set forth in Article XI of these Bylaws. The House Officer positions shall be filled by the House of Delegates in the manner prescribed by Article VI, Section 3. The Student Director shall be elected in the manner prescribed by Article V, Section 3. The Nominating Committee positions shall be filled by the House of Delegates in the manner prescribed by Article XI. All other elected positions shall be filled in the manner prescribed by this Article XIII.

### Section 2: Term of Office.

- a. The term of office for the Academy Officer positions of President, President-elect, and Immediate Past President shall be one year. The term of office for the Student Director shall be one year. The term of office for Directors-at-Large and for the Academy Officer position of Secretary-Treasurer shall be two years. The term of office for House Officer positions shall be one year.
- b. Officers' and Directors' positions will automatically be resigned effective at the end of the leadership year if the individual runs for an alternate office.

### Section 3: Eligibility and Qualifications of Candidates for Elected Positions Other Than Student Director or Nominating Committee Member.

- a. A candidate must be a fellow member of AAPA.
- b. A candidate must be a member of an AAPA constituent organization.
- c. A candidate must have been an AAPA fellow member and/or student member for the last three years.
- d. A candidate must have served in at least two leadership roles in the Academy, Student Academy, a constituent organization or related PA organization (as defined in section (i) below) in the past five years. This experience requirement will be waived for currently sitting AAPA Board members who choose to run for a subsequent term of office.
  - i. Related PA organizations include the PA Foundation, PA History Society, AAPA'S Political Action Committee, PA Education Association, ARC-PA or National Commission on Certification of Physician Assistants.
- e. Up to one leadership role as delineated in Section (d) may be obtained by serving in an executive or equivalent role in a healthcare professional organization or a healthcare regulatory agency.
- f. A candidate for House Officer must have been a seated delegate for a minimum of two years in the past five years.

Section 4: Self-declaration of Candidacy. Self-declaration, in accordance with policy, shall be permitted in the election of Academy Officers, Directors-at-large, and House Officers.

Section 5: Eligible Voters.

- a. Eligible voters for President-elect, Secretary-Treasurer, and Directors-at-large are fellow and retired members, the Student Board of Directors and apportioned student members of the House of Delegates.
- b. Eligible voters for House Officers and for elected members of Nominating Committee are voting members of the House of Delegates who are present at the time of the election.
- c. Eligible voters for the Student Academy positions of President-elect, Director of Diversity and Outreach, Director of Student Communications, and Chief Delegate are student members, the Student Academy Board of Directors and apportioned members of the Student Academy delegation in the House of Delegates.
- d. Eligible voters for Student Academy Regional Directors are student members from within the respective region, the Student Academy Board of Directors and apportioned members of the Student Academy delegation in the House of Delegates.
- e. For all positions, eligible voters must be current members in good standing (fellow, student, or retired) as of the date that is fifteen (15) days before the respective election.

Section 6: Election Procedures. The Governance Commission shall determine the timing and procedures for all Academy elections, ensuring House elections take place at the annual meeting of the House of Delegates in accordance with the North Carolina Nonprofit Corporation Act and these Bylaws. All other Academy and Student Academy elections may be held through paper or electronic balloting without a formal meeting.

Section 7: Vote Necessary to Elect. A plurality of the votes cast shall elect the Directors-at-large and the Academy Officers (excluding the Vice President), so long as the number of votes cast equals or exceeds a quorum of one (1) percent of the members entitled to vote in the election. In the case of a tie vote, the House of Delegates shall vote to decide the election from among the candidates who tied. The vote necessary to elect the House Officers (including the Speaker, who shall serve as the Vice President of the Academy) shall be prescribed in Article VI, Section 3.

Section 8: Commencement of Terms. The term of office for all elected positions, including Directors-at-large, the Student Director, Academy Officers, and House Officers, shall begin on July 1. In the event that the election of the House Officers occurs later than July 1, the new House Officers will take office at the close of the meeting during which they were elected.

Section 9: Vacancies. Academy Officers and Directors, the Student Director and House Officers may resign or be removed as provided in these Bylaws. The method of filling positions vacated by the holder prior to completion of term shall be as follows:

- a. OFFICE OF THE PRESIDENT. The President-elect shall become the President to serve the unexpired term. The President-elect shall then serve a successive term as President.
- b. OFFICE OF THE PRESIDENT-ELECT. In the event of a vacancy in the office of President-elect, the Immediate Past President shall assume the duties, but not the office of the President-elect while continuing to perform the duties of Immediate Past President. The Nominating Committee will prepare a slate of candidates. Eligible members, as described in Section 5 of this Article, shall elect a new President-elect from the candidates proposed and any candidates that self-declare. The elected candidate will take office immediately and will serve the remainder of the un-expired term.

- c. OFFICE OF THE IMMEDIATE PAST PRESIDENT. When the President serves a successive term due to a vacancy, the Immediate Past President will serve an additional year unless that individual resigns or is removed from office. A vacancy in the position of Immediate Past President cannot be filled until the current President succeeds into the role.
- d. SPEAKER; FIRST VICE SPEAKER; SECOND VICE-SPEAKER. A vacancy in the positions of the Speaker, First Vice Speaker, or Second Vice Speaker shall be filled in the manner prescribed by the House of Delegates Standing Rules, and in accordance with Article VI, Section 3 of these Bylaws.
- e. STUDENT ACADEMY BOARD MEMBER. A vacancy in the Student Director position shall be filled in the manner prescribed by the Student Academy Bylaws.
- f. OTHER BOARD VACANCIES. The Nominating Committee will prepare a slate of candidates. Eligible members, as described in Section 5 of this Article, shall elect a new officer and/or director from the candidates proposed and any candidates that self-declare. The elected candidate will take office immediately and will serve the remainder of the un-expired term.

**ARTICLE XIV      Bylaws Amendments.**

Section 1: To be adopted, an amendment to these Bylaws shall be approved by the Board of Directors and by a two-thirds (2/3) vote of all delegates present and voting of the House of Delegates.

Section 2: A proposal for the amendment or repeal of existing Bylaws provisions or adoption of new Bylaws provisions shall be initiated by (a) the Board of Directors, (b) any commission or work group, (c) any Chapter, (d) any officially recognized specialty organization, (e) any caucus, (f) the Student Academy, or (g) the collective House Officers.

Section 3: Proposed amendments shall be in such form as the House Officers prescribe.

Section 4: Amendments may be filed for presentation at the next annual meeting of the House of Delegates or for consideration in an electronic vote.

Section 5: Each proposed Bylaws amendment to be presented at the annual meeting of the House of Delegates shall be filed with the House Officers at least three (3) months prior to that meeting.

- a. The Governance Commission will review submitted proposed bylaws amendments for governance-related gaps or conflicts. They may either recommend technical changes to the House Officers or submit confirming amendments. Any proposed Bylaws amendments resulting from this review shall be exempt from the three (3) month filing requirement, but shall be submitted to the House Officers no later than 45-days prior to the House of Delegates' meeting in order to comply with the distribution deadline in Article VI, Section 4.

Section 6: Bylaws amendments to be considered for an electronic vote of the House of Delegates must be submitted at least 150 days prior to the annual meeting of the House of Delegates. Otherwise, the resolutions will be considered at the annual meeting of the House. Amendments to be considered electronically are subject to review by the Governance Commission as reflected in Section 5.a of this Article.

Section 7: Proposed Bylaws amendments that are not initiated by the Board of Directors will be presented to the Board in their final form. Any proposed Bylaws amendment may be considered and acted

upon by the Board prior to the annual meeting or prior to an electronic vote of the House. Any Board vote on a proposed Bylaws amendment prior to the convening of the House, shall be reported to the delegates in advance of the meeting or electronic vote.

Section 8: Proposed amendments that come to the House of Delegates with the prior approval of the Board of Directors will become effective upon approval of the House by a two-thirds (2/3) vote of all delegates present and voting.

Section 9: If the House of Delegates approves a proposed amendment by a two-thirds (2/3) vote of all delegates present and voting, that was either not approved by the Board of Directors, or was amended by the House of Delegates, then the proposed amendment as passed by the House of Delegates, will be submitted to the Board of Directors for its action.

## **Affiliation Agreement with [Full Name of CO] (CO)**

### **Preamble**

The American Academy of Physician Associates (AAPA) is committed to advancing the role, reach and impact of the PA profession. A strong network of constituent organizations is vital to the profession's success in reducing PA practice barriers and creating new opportunities for PAs. The AAPA understands and appreciates the unique mission, role, organizational structure and perspectives of each constituent organization (CO). AAPA also recognizes the importance of developing and sustaining a mutually beneficial relationship with each constituent organization in order for all to thrive and collectively contribute to advancing the PA profession and improving patient health.

Similarly, CO acknowledges the leadership role that AAPA plays on behalf of the profession and seeks to join with AAPA and other PA constituent organizations in pursuit of our common goals.

Therefore, AAPA and CO agree to collectively amplify the PA voice, move the profession forward, create mutually beneficial opportunities, and disseminate information like PA-positive stories or action alerts to advance the PA profession and improve patient health.

### **Mutual Benefits of Collaboration**

As a community of PA leaders aligned through common organizational vision and strategy, we are able to:

- Create one voice and speak authoritatively on behalf of the entire profession
- Enhance our credibility with health professional organizations, policymakers, and other stakeholders
- Seek collaborative partnerships that promote the profession and improve patient health
- Increase demand for AAPA and CO products and services by amplifying and/or linking AAPA and CO brands
- Strengthen advocacy initiatives through collaborative efforts
- Develop and utilize leaders and content experts
- Develop and disseminate best practices through experience and knowledge exchange
- Provide an avenue for the development of policies establishing the collective values, philosophies, and principles of the PA profession through the AAPA House of Delegates

This **Affiliation Agreement**, effective [January 1, 2023] is made between the American Academy of Physician Associates (“AAPA”) and [Full Name] (“CO”, each a “Party” and together, the “Parties”).

## **Agreement**

To facilitate the mutual benefits, promises and considerations of this Agreement, the parties agree as follows:

### **I. Affiliation**

AAPA, acting in accordance with its articles of incorporation, bylaws, and policies, hereby grants affiliation with CO, along with the rights, privileges, services, and benefits outlined in AAPA bylaws and policies. CO shall be authorized to use the designation, “AAPA [Affiliated Caucus][Chartered Chapter][Affiliated Special Interest Group][Recognized Specialty Organization],” “AAPA Affiliated Constituent Organization” and PA Constituent Organization and as applicable.

### **II. Obligations of AAPA to CO**

- A. Build PA community and engagement by providing CO’s name and contact information in the list of affiliated constituent organizations on AAPA’s website and by connecting members who express interest in becoming involved in CO’s mission.
- B. Advocate for the profession by working in collaboration with CO to remove PA practice barriers and assist CO alignment with AAPA messaging conventions by making available appropriate resources for this purpose.
- C. Pursue collaborative opportunities on programs and projects within areas of mutual interest and expertise.
- D. Grant CO a limited right to use certain intellectual property of AAPA, such as its trademarks or copyrights, subject to the terms and conditions in this Agreement.

### **III. Obligations of CO to AAPA**

- A. Uphold and operate in accordance with AAPA’s bylaws and policies as adopted by the AAPA House of Delegates and the AAPA Board of Directors and AAPA’s vision, mission, and values.
- B. If CO or AAPA identifies a conflict between CO and AAPA bylaws and/or policies, vision, mission, or values, either will communicate the conflict and work within AAPA’s and the CO’s governing structure to resolve the conflict. If a conflict cannot be resolved, then this Agreement may be severed and continued acknowledgment and support from AAPA may discontinue.

- C. Advocate for the profession by working in collaboration with AAPA to remove PA practice barriers and by aligning with AAPA messaging conventions as directed by AAPA.
- D. Fully complete and submit Constituent Organization Update Form annually in accordance with established deadlines and when there is a change in leadership. Further, CO will notify AAPA of changes to its articles of incorporation, bylaws, tax exempt status or leadership by electronic mail within 30 days of such change.
- E. Ensure compliance with AAPA policies (e.g., BA-2300.1 -2300.7, as applicable) that all officers of the CO be and remain fellow members or student members in good standing of the AAPA for the duration of their term in office.
- F. If incorporated, CO shall remain in good standing under the laws of the state or territory of its incorporation. CO shall conduct all of its programs in accordance with the highest legal and ethical standards and shall have as its purposes those established in the organization's articles and bylaws
- G. Build PA community and engagement by including AAPA's name, contact information and CO's affiliation with AAPA on CO's website.

#### **IV. Covenants and Conditions**

##### **A. Record Keeping**

- 1. CO shall post to its website and maintain all records related to its corporate and tax-exempt status and shall forward to AAPA, if it has not yet done so, copies of its articles of incorporation, bylaws and determination letter from the Internal Revenue Service and annual federal and state tax return submissions, as applicable.

##### **B. Insurance**

CO shall obtain and maintain appropriate insurance to support its activities.

##### **C. Limited License**

- 1. The Parties shall not use, or permit to be used by any person, the logos, trademarks, service marks, trade names or copyrighted materials of the other Party without their prior written consent, other than the limited use of such items in connection with performance of the specific activities authorized in this Agreement.

##### **D. Confidential Information**

- 1. The Parties shall maintain the confidentiality of any or all of the Party's confidential or proprietary information or data.

## **E. Separate Entities**

This Agreement requires and encourages cooperation in specific activities but does not alter the autonomy of each organization to govern and control its own activities, as well as to remain solely responsible for its own liabilities and assets. Unless expressly agreed to in writing, neither Party is authorized to incur any liability, obligation, or expense on behalf of the other. No partnership is created by this Agreement.

## **F. Indemnification**

1. Each Party (the “Indemnifying Party”) agrees to defend, indemnify and hold harmless each other party (each, an “Indemnified Party”) and all employees, representatives, directors, officers, and persons affiliated with the Indemnified Party against all claims, damages, losses, liabilities, costs and expenses (including, without limitation, settlement costs and any reasonable legal, accounting or other expenses for investigating or defending any actions or threatened actions) (collectively “Losses”) incurred by the Indemnified Party to the extent that such Losses are due to (a) the gross negligence, willful misconduct or fraud of the Indemnifying Party or (b) a breach by the Indemnifying Party of its representations and warranties, covenants or other obligations under this Agreement.

## **V. Additional Memoranda of Understanding**

The Parties may enter into supplemental Memoranda of Understanding to pursue joint projects that are outside the terms of this Agreement. (For example, agreements to develop joint CME activities; pursue business opportunities and/or jointly create products.)

## **VI. Revocation of Affiliation**

- A. AAPA may revoke CO’s affiliation and terminate this Agreement if the AAPA Board of Directors determines that conduct of CO is in violation of this Agreement or any provision of AAPA’s policies concerning constituent organizations.
- B. Any action by AAPA to revoke CO’s affiliation shall be initiated by the sending of a notice to CO specifying the grounds upon which such revocation would be based. AAPA shall give CO 60 days from such notice to disprove or correct any alleged breach of the Agreement or violation of the provisions of policy.
- C. In the event AAPA determines that CO has not disproven or corrected the condition leading to its decision to take action to revoke CO’s affiliation, such decision will become final unless CO files a notice to appeal such determination. Upon the filing of such notice of appeal, CO shall have the opportunity to present its case by written communication or in person, pursuant to such rules or procedures as the AAPA Board of Directors prescribes.

D. Following any appeal, the decision of the board shall be final, and further appeal may not be taken to any other forum.

**VII. Surrender of Affiliation**

CO may surrender its affiliation (including its charter, if applicable) by delivering notice of its intention to do so at least 60 days in advance of the effective date of such action.

**VIII. Notice**

Any notice contemplated by or made pursuant to this Agreement shall be in written or electronic form and addressed or directed to AAPA or CO, as the case may be, at the address on record and to the individual contact on record.

**IX. Term and Termination**

The term of this Agreement shall commence on the effective date set forth above and shall continue for one year and automatically renew until revoked by AAPA or surrendered by CO, pursuant to the terms of this Agreement and AAPA policy. This document replaces all previous agreements.

The undersigned representatives, acting with the authority of AAPA and on behalf of CO, mutually adopt this Agreement.

American Academy of Physician Associates      [Full Name of CO]

By \_\_\_\_\_  
Lisa M. Gables, CPA  
Chief Executive Officer

By \_\_\_\_\_  
Name:  
Title:  
Contact (email and phone):

## **Recognition Agreement of [Full Name of Specialty Organization] (SO)**

### **Preamble**

The American Academy of Physician Associates (AAPA) is committed to advancing the role, reach and impact of the PA profession. A strong network of specialty organizations is vital to the profession's success in reducing PA practice barriers and creating new opportunities for PAs. The AAPA understands and appreciates the unique mission, role, organizational structure and perspectives of each specialty organization (SO). AAPA also recognizes the importance of developing and sustaining a mutually beneficial relationship with each specialty organization in order for all to thrive and collectively contribute to advancing the PA profession and improving patient health.

Similarly, SO acknowledges the leadership role that AAPA plays on behalf of the profession and seeks to join with AAPA and other PA specialty organizations in pursuit of our common goals.

Therefore, AAPA and SO agree to collectively amplify the PA voice, move the profession forward, create mutually beneficial opportunities, and disseminate information like PA-positive stories or action alerts to advance the PA profession and improve patient health.

### **Mutual Benefits of Collaboration**

As a community of PA leaders aligned through common organizational vision and strategy, we are able to:

- Create one voice and speak authoritatively on behalf of the entire profession
- Enhance our credibility with health professional organizations, policymakers, and other stakeholders
- Seek collaborative partnerships that promote the profession and improve patient health
- Increase demand for AAPA and SO products and services by amplifying and/or linking AAPA and SO brands
- Strengthen advocacy initiatives through collaborative efforts
- Develop and utilize leaders and content experts
- Develop and disseminate best practices through experience and knowledge exchange
- Provide an avenue for the development of policies establishing the collective values, philosophies, and principles of the PA profession through the AAPA House of Delegates

This **Recognition Agreement**, effective [January 1, 2023] is made between the American Academy of Physician Associates (“AAPA”) and [Full Name] (“SO”, each a “Party” and together, the “Parties”).

## **Agreement**

To facilitate the mutual benefits, promises and considerations of this Agreement, the parties agree as follows:

### **I. Recognition**

AAPA, acting in accordance with its articles of incorporation, bylaws, and policies, hereby grants recognition to SO, along with the rights, privileges, services, and benefits outlined in AAPA bylaws and policies. SO shall be authorized to use the designation, “AAPA [Recognized Specialty Organization],” “AAPA Recognized Constituent Organization” and PA Constituent Organization and as applicable.

### **II. Obligations of AAPA to SO**

- A. Build PA community and engagement by providing SO’s name and contact information in the list of recognized specialty organizations on AAPA’s website and by connecting members who express interest in becoming involved in SO’s mission.
- B. Advocate for the profession by working in collaboration with SO to remove PA practice barriers and assist SO alignment with AAPA messaging conventions by making available appropriate resources for this purpose.
- C. Pursue collaborative opportunities on programs and projects within areas of mutual interest and expertise.
- D. Grant SO a limited right to use certain intellectual property of AAPA, such as its trademarks or copyrights, subject to the terms and conditions in this Agreement.

### **III. Obligations of SO to AAPA**

- A. Uphold and operate in accordance with AAPA’s bylaws and policies as adopted by the AAPA House of Delegates and the AAPA Board of Directors and AAPA’s vision, mission, and values.
- B. If SO or AAPA identifies a conflict between SO and AAPA bylaws and/or policies, vision, mission, or values, either will communicate the conflict and work within AAPA’s and the SO’s governing structure to resolve the conflict. If a conflict cannot be resolved, then this Agreement may be severed and continued acknowledgment and support from AAPA may discontinue.

- C. Advocate for the profession by working in collaboration with AAPA to remove PA practice barriers and by aligning with AAPA messaging conventions as directed by AAPA.
- D. Fully complete and submit Constituent Organization Update Form annually in accordance with established deadlines and when there is a change in leadership. Further, SO will notify AAPA of changes to its articles of incorporation, bylaws, tax exempt status or leadership by electronic mail within 30 days of such change.
- E. Ensure compliance with AAPA policies (e.g., BA-2300.1 -2300.7, as applicable) that all officers of the SO be and remain fellow members or student members in good standing of the AAPA for the duration of their term in office.
- F. If incorporated, SO shall remain in good standing under the laws of the state or territory of its incorporation. SO shall conduct all of its programs in accordance with the highest legal and ethical standards and shall have as its purposes those established in the organization's articles and bylaws
- G. Build PA community and engagement by including AAPA's name, contact information and SO's recognition by AAPA on SO's website.

#### **IV. Covenants and Conditions**

##### **A. Record Keeping**

- 1. SO shall post to its website and maintain all records related to its corporate and tax-exempt status and shall forward to AAPA, if it has not yet done so, copies of its articles of incorporation, bylaws and determination letter from the Internal Revenue Service and annual federal and state tax return submissions, as applicable.

##### **B. Insurance**

SO shall obtain and maintain appropriate insurance to support its activities.

##### **C. Limited License**

- 1. The Parties shall not use, or permit to be used by any person, the logos, trademarks, service marks, trade names or copyrighted materials of the other Party without their prior written consent, other than the limited use of such items in connection with performance of the specific activities authorized in this Agreement.

##### **D. Confidential Information**

- 1. The Parties shall maintain the confidentiality of any or all of the Party's confidential or proprietary information or data.

## **E. Separate Entities**

This Agreement requires and encourages cooperation in specific activities but does not alter the autonomy of each organization to govern and control its own activities, as well as to remain solely responsible for its own liabilities and assets. Unless expressly agreed to in writing, neither Party is authorized to incur any liability, obligation, or expense on behalf of the other. No partnership is created by this Agreement.

## **F. Indemnification**

1. Each Party (the “Indemnifying Party”) agrees to defend, indemnify and hold harmless each other party (each, an “Indemnified Party”) and all employees, representatives, directors, officers, and persons affiliated with the Indemnified Party against all claims, damages, losses, liabilities, costs and expenses (including, without limitation, settlement costs and any reasonable legal, accounting or other expenses for investigating or defending any actions or threatened actions) (collectively “Losses”) incurred by the Indemnified Party to the extent that such Losses are due to (a) the gross negligence, willful misconduct or fraud of the Indemnifying Party or (b) a breach by the Indemnifying Party of its representations and warranties, covenants or other obligations under this Agreement.

## **V. Additional Memoranda of Understanding**

The Parties may enter into supplemental Memoranda of Understanding to pursue joint projects that are outside the terms of this Agreement. (For example, agreements to develop joint CME activities; pursue business opportunities and/or jointly create products.)

## **VI. Revocation of Recognition**

- A. AAPA may revoke SO’s recognition and terminate this Agreement if the AAPA Board of Directors determines that conduct of SO is in violation of this Agreement or any provision of AAPA’s policies concerning specialty organizations.
- B. Any action by AAPA to revoke SO’s recognition shall be initiated by the sending of a notice to SO specifying the grounds upon which such revocation would be based. AAPA shall give SO 60 days from such notice to disprove or correct any alleged breach of the Agreement or violation of the provisions of policy.
- C. In the event AAPA determines that SO has not disproven or corrected the condition leading to its decision to take action to revoke SO’s recognition, such decision will become final unless SO files a notice to appeal such determination. Upon the filing of such notice of appeal, SO shall have the opportunity to present its case by written communication or in person, pursuant to such rules or procedures as the AAPA Board of Directors prescribes.

D. Following any appeal, the decision of the board shall be final, and further appeal may not be taken to any other forum.

**VII. Surrender of Recognition**

SO may surrender its recognition (including its charter, if applicable) by delivering notice of its intention to do so at least 60 days in advance of the effective date of such action.

**VIII. Notice**

Any notice contemplated by or made pursuant to this Agreement shall be in written or electronic form and addressed or directed to AAPA or SO, as the case may be, at the address on record and to the individual contact on record.

**IX. Term and Termination**

The term of this Agreement shall commence on the effective date set forth above and shall continue for one year and automatically renew until revoked by AAPA or surrendered by SO, pursuant to the terms of this Agreement and AAPA policy. This document replaces all previous agreements.

The undersigned representatives, acting with the authority of AAPA and on behalf of SO, mutually adopt this Agreement.

American Academy of Physician Associates      [Full Name of SO]

By \_\_\_\_\_  
Lisa M. Gables, CPA  
Chief Executive Officer

By \_\_\_\_\_  
Name:  
Title:  
Contact (email and phone):



2021-2025

# Strategic Plan



## Our Vision

PAs transforming health through patient-centered, team-based medical practice.

## Our Mission

AAPA leads the profession and empowers our members to advance their careers and enhance patient health.

## Our Values

### LEADERSHIP AND SERVICE

We inspire a shared vision to lead the profession, emphasize service to our members, and enhance the ability of PAs to serve patients and their communities.

### UNITY AND TEAMWORK

We embrace the strength of our members and constituent and partner organizations to speak with one voice for the profession and work together to transform health.

### ACCOUNTABILITY AND TRANSPARENCY

We listen, deliver results, take ownership for our actions, and operate in an environment of openness and trust.

### EXCELLENCE AND EQUITY

We commit to the highest standards and seek to eliminate disparities and barriers to quality healthcare.

## Strategic Pillars

To learn more about the initiatives under each of the strategic pillars, please visit [AAPA.org/StrategicPlan](https://www.aapa.org/StrategicPlan)

### PARTNERING WITH PURPOSE

Building the relationships that empower tomorrow's successes.

AAPA will be more intentional in how we provide value to and derive value from our vast stakeholder network.

We will move toward an enhanced model of relational, integrated, and proactive partnerships that will dismantle barriers to practice, articulate PA contributions, and build financial capacity to continue investing in member benefits and capabilities that move the profession forward.

### ADVANCING THE CORE

Evolving capabilities to meet new demands and preferences.

AAPA will be more agile to advance the mission of the organization.

We will make investments to evolve, strengthen, and expand our core capabilities to meet the dynamic needs of members and the PA profession.

We will use data and insights, along with experimentation and action, to guide our work, to strengthen our technology and culture, and to support people who do the work to drive AAPA's success.

### BUILDING A MOVEMENT

Developing increasingly sophisticated ways to unify, organize, and empower PAs.

AAPA will expand upon the last 50 years of growth of the PA profession.

We will identify opportunities to further invigorate, mobilize, diversify, and empower PAs while delivering resources so that they can blaze new paths in an evolving healthcare marketplace in areas such as telemedicine and administration.

We will create greater value for the profession and for patients through increasing levels of leadership and responsibility.

AAPA is committed to advancing diversity, equity, and inclusion (DEI) at our organization and within the PA profession. AAPA is working to enhance the diversity of the PA profession, address health inequities among patients, and foster a staff culture that is committed to DEI.



## **VOLUNTEER DISCLOSURE AND CONFLICT OF INTEREST POLICIES & PROCEDURES**

### **General**

The Directors and AAPA volunteer leaders (collectively referred to as “Leaders”) of the American Academy of Physician Associates (“AAPA” or “Academy”) have a fiduciary duty to act at all times in the best interest of AAPA. This fiduciary responsibility requires Leaders to avoid engaging in any real or potential conflict of interest or creating the perception of conflict of interest. In their capacity as Leaders, they must subordinate personal, business, third-party and other interests to the interests of AAPA. Moreover, the Board of Directors (“BOD”) has an obligation to ensure that the organization is transparent and maintains an unbiased decision-making process.

All capitalized terms used herein shall have the meanings ascribed to them as defined in this Volunteer Disclosure and Conflict of Interest Policies and Procedures (“Policy”).

### **Purpose**

The purpose of this Policy is to inform Leaders about what constitutes a conflict of interest, assist them in identifying and disclosing actual and potential conflicts, help them to avoid conflicts of interest where necessary, and ensure that all deliberations and decisions of Leaders protect the interests of AAPA, particularly when a Leader contemplates entering into a transaction or arrangement that may directly or indirectly benefit the Leader (i.e., through business, family, or investment). A Leader may not use his or her position with respect to AAPA, or confidential information relating to AAPA to achieve a benefit for himself or herself or for a third party, including another nonprofit or charitable organization. This Policy is intended to supplement but not replace any applicable laws governing conflicts of interest in nonprofit and charitable organizations.

### **Definitions**

“Compensation” means any direct or indirect remuneration, including gifts or favors, given in exchange for a good, service or other activity.

“Director” means any member of the BOD.

“Family Member” means a spouse (including former spouses within last five years), ancestor, sibling, child, stepchild, grandchild, great-grandchild, or the spouse (or former spouse) of such persons and any individual who is defined as “Family” in AAPA policy HP-9220<sup>1</sup>.

“Financial Interest” means an interest, directly or indirectly, through business, investment or a Family Member, in an existing or potential ownership or investment interest in any entity.

“Leaders” means any Director or Academy volunteer leader of AAPA.

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<sup>1</sup> HP-9220 (formerly HP-3700.1.7) AAPA defines family as any person or persons who play a significant role in an individual’s life. This may include persons not legally related to the individual. AAPA recognizes that PAs are obligated to follow state and federal laws regarding family, however, AAPA encourages PAs to acknowledge, respect and consider any non-legally or non-genetically related family members. [Adopted 2010, reaffirmed 2015, 2020]

“Volunteer Leader” means anyone who holds an elected or appointed position on an Academy or Student Academy board, committee, commission, work group or task force, or who serves in AAPA’s House of Delegates.

### **What is a Conflict of Interest?**

A conflict of interest arises when a Leader has some interest—which may be a Financial Interest or other interest—that may appear to be advanced, or may compete, with AAPA’s interests, or otherwise may appear to affect their objectivity or independence in fulfilling their duties to AAPA.

Conflicts and related confidentiality issues come in various forms. Below are three common types of conflict/confidentiality issues. Guidance on managing these issues can be found under “Administering the Policy” below.

1. Direct Conflict - Where AAPA is considering a decision on a transaction or other arrangement in which the interests of a Leader could, in fact or in appearance, be advanced (directly or indirectly through an affiliate or Family Member) or when the Leader’s interests could reasonably be viewed as affecting his or her objectivity or duty of loyalty to AAPA. Typically, this involves an existing or potential ownership or investment interest in, or compensation arrangements with, any entity whose business or operation has been or will be directly affected by a decision or action of AAPA.
2. Informational Conflict - Where AAPA information is provided to a Leader that could, in fact or in appearance, advance the interests of a Leader or potentially be used to harm AAPA.
3. General Duty of Confidentiality - Where confidential or proprietary AAPA information is shared with Leaders, Leaders have an obligation only to use the information for AAPA purposes and to refrain from disclosing it.

### **Duty to Disclose, Refrain from Influence, and Recuse**

In a robust business environment that relies on rigorous volunteer efforts, potential conflicts often arise. The fact that a potential conflict exists may not be problematic if it is identified, disclosed, and if appropriate, mitigated and managed. Disclosure and (if necessary) removal of the Leader with the conflict from the decision-making process is essential to managing conflicts of interest.

When a Leader becomes aware of a previously undisclosed current or potential conflict, the Leader has a duty to immediately disclose the material facts concerning the conflict, in writing, to the appropriate person (See “Appendix A: Administering the Policy”).

Any Leader who has a conflict shall:

- (a) refrain from using personal influence to encourage AAPA to enter into the transaction or other arrangement, or make any attempt to influence improperly the deliberation or voting on such transaction or other arrangement;
- (b) seek to be physically excused from participation in any discussions regarding the transaction or other arrangement with other Leaders, officers and employees of AAPA and at meetings of the BOD or any applicable committee, except to respond to requests for information about the transaction or other arrangement; and
- (c) not participate in voting or other decision-making related to the transaction or

arrangement.

### **Disclosure in House of Delegates**

In accordance with the Bylaws, AAPA's House of Delegates (HOD) has the sole authority to enact policies establishing the collective values, philosophies, and principles of the PA profession. The HOD's strength is rooted in the broad diversity of perspectives and interests that are brought together through its delegates. To preserve the integrity of the HOD's deliberative process, disclosure of any conflicts that exist on both the individual *and* constituent organization (CO) level is essential to prevent delegates or delegations from benefitting or appearing to benefit financially from HOD policies, testimony, or other HOD activities. To that end, HOD delegates should be aware of and disclose their own conflicts as well as any of their CO's which might be relevant to HOD business.

### **Annual Disclosure Form**

Each Leader is required to annually complete and submit a Disclosure Form and Confidentiality Agreement (a "Disclosure Form") provided by AAPA, detailing any relevant Financial Interest, as well as paid and unpaid positions and relationships with third party organizations, and arrangements or relationships with AAPA and other Leaders. Leaders are also required to update the Disclosure Form if any material changes or additions to the submitted information arise during the course of the year or in a BOD, HOD or Committee meeting where a potential conflict arises.

On the Disclosure Form, the Leader must list the following:

- ownership of other proprietary interests, responsibilities, relationships, or other circumstances that may lead to an actual, potential or perceived conflict of interest
- whether the Leader or any Family Member has personal or business relationships, activities, or interests which could potentially appear to the public as impairing their objectivity making decisions on AAPA matters; or
- whether the Leader or any Family Member receives compensation (not including expense reimbursement) or other material financial benefits from AAPA.

Each Leader is encouraged to disclose a relationship if there is any uncertainty as to whether the relationship should be disclosed.

### **Evaluating Conflict of Interest**

- When evaluating whether a particular transaction or relationship ("Covered Transaction") constitutes an actual, potential or perceived conflict of interest, the reviewing body shall consider the following:
  - Whether the Leader abuses their role for personal or third-party gain or pleasure (including, but not limited to, the solicitation or acceptance of non de minimis gifts or other items of value and indirect inducement to provide special treatment on organizational matters).
  - Whether the Covered Transaction places self-interest, interest of one's company, organization or another entity for which the individual serves in a leadership, employment or ownership capacity, or the interest of any third party above the interests of AAPA.

- Whether engaging in the Covered Transaction is directly or indirectly materially adverse to AAPA.
- Whether the Leader is providing goods and services to AAPA as a paid vendor.
- If the reviewing body determines that an actual, potential or perceived conflict of interest arises from a Covered Transaction, the following policies shall apply:
  - AAPA may enter into a Covered Transaction when the reviewing body determines that the transaction is fair and reasonable and in the best interests of AAPA. In making its determination, the reviewing body may consider factors such as:
    - a) market data on comparable transactions,
    - b) alternative transactions that do not involve a conflict, and
    - c) whether the transaction may be subject to any federal or state laws that apply to such transactions.
  - The reviewing body may determine that the individual Leader should *resign/be removed* from service to AAPA, because the actual, potential or perceived conflict of interest is such that it would prevent the Leader from being able to serve the best interests of the AAPA.
- In determining how to deal with a conflict, potential conflict, or a confidentiality issue, the reviewing body may use the following principles as a guide:
  - Direct Conflict - Where there is a direct conflict (e.g., AAPA is considering a transaction with a consulting company in which a Director or a Director's Family Member has a Financial Interest), the Leader with the conflict should recuse from any consideration of, or work regarding, the transaction, including documents, deliberation, and voting. If it is determined that the conflict is such that the Leader cannot continue with AAPA, he/she should resign or be removed from his/her service to the AAPA.
  - Informational Conflict - Where information is provided or available to a Leader that could benefit the Leader or potentially harm AAPA (e.g. where a Leader has a Financial Interest in a consulting company and AAPA has decided to operate a program that would compete with the consulting company), the Leader with the conflict shall not have access to documents and discussions that could provide a material advantage. The Leader could still receive general updates on the matter in question, but nothing that could provide a material advantage to the Leader.
  - General Confidentiality Requirement - Where information is provided to an AAPA Leader that would not necessarily benefit the outside interests of a Leader, there is still an obligation for the Leader to only use the information for AAPA purposes and to refrain from disclosing it. Leaders are required to certify their compliance with the general confidentiality requirement by executing the Disclosure Form in accordance with this Policy.
- The reviewing body will accept testimony from the Leader and discuss options with the Leader, including timeframe to take action and possible actions (see above: waive, recuse, resign/be removed).

### **Records of Proceedings**

The minutes of any meeting at which a committee or the BOD determines that an actual, potential or perceived conflict of interest exists, where a Covered Transaction was approved, or where any mitigation or management of a conflict was determined, shall contain:

- The names of persons found to have an actual, potential or perceived conflict of interest; the nature of the actual, potential or perceived conflict; the actions taken to determine whether a conflict of interest was present; and the decision as to whether a conflict of interest, in fact, exists.
- The names of the persons who were present for discussions, any alternatives to the proposed transaction or arrangement that were considered, and the votes relating to the actual potential, or perceived conflict of interest.

Per the AAPA Board Manual (Section VIII.A.4), the BOD may enter into an Executive Session and record confidential actions in executive session meeting minutes.

### **Periodic Reviews**

The BOD, through its Internal Affairs Committee (IAC), shall periodically consider whether and how this Policy should be revised or amended to better meet the Policy's objectives in order to mitigate risk to both the organization and volunteers.

## **Appendix A: Administrating the Policy**

The BOD is responsible for the AAPA Conflict of Interest and Disclosure Policies. All Leaders are subject to the Policy, including completion of the Disclosure Form included as part of this Policy.

The Internal Affairs Committee (IAC) of the AAPA BOD will administer and monitor compliance with this policy for all Leaders. The HOD is responsible for the administration of the policy among HOD Delegates. However, any Delegate found to have an unresolvable conflict will be brought to the attention of the IAC for subsequent review.

The IAC, with the aid of legal counsel, will make the initial determination of whether a particular transaction, relationship or other arrangement may constitute an actual, potential or perceived conflict of interest and will communicate its finding the Leader in question.

### **Current Board of Directors**

- Directors will receive a copy of this Policy and shall complete the Disclosure Form at the beginning of each leadership year.
- Directors shall update their Disclosure Forms as soon as they are aware of any new potential conflict.
- BOD meeting agendas will include this statement from the Chair of the BOD:  

“It is my duty to remind you that the American Academy of PAs maintains an official policy with respect to the disclosure of bias and potential conflicts of interest, and related party transactions. If you are about to participate in a meeting where a conflict may apply, you should disclose the conflict to the chair of the meeting and ask the chair of the meeting whether you should recuse yourself or not participate in the discussion for its duration.”
- Conflicts disclosed by current Directors will be referred to the IAC.

### **Board of Directors Candidates**

- Candidates for all elected Director positions will receive a copy of this Policy. Each candidate is responsible for completing the Disclosure Form prior to election.
- Successful write-in candidates are responsible for complying with this policy and shall submit a Disclosure Form immediately following their election.
- Conflicts disclosed by Director Candidates will be referred to the IAC

### **Delegates Serving in the HOD**

- See the HOD Standing Rules in the AAPA Policy Manual

### **All Other Leaders**

- Other Leaders will receive a copy of this Policy and shall complete the Disclosure Form at the start of each leadership year, or prior to beginning service on behalf of the Academy if the appointment does not align with the leadership year.
- Leaders shall update their Disclosure Forms as soon as they are aware of any new potential conflict.
- Governance staff may support the IAC's work by screening the volunteer Disclosure Forms. Those disclosures that are determined to potentially require mitigation will be referred to the IAC for review.

The IAC will report to the AAPA BOD at least quarterly regarding its findings. Significant findings will be presented at the next regular BOD meeting.



## WHISTLEBLOWER POLICY

### 1. General

The American Academy of Physician Assistants (**AAPA**) is committed to honest, ethical and lawful conduct, and compliance with applicable laws, rules and regulations. In furtherance of these commitments, all directors, officers, employees and volunteers of AAPA (each, an **AAPA Representative**) must act in accordance with all applicable laws and regulations, and with the policies of AAPA at all times, and assist in ensuring that AAPA conducts its business accordingly.

This Whistleblower Policy:

- (a) Establishes procedures for reporting and handling concerns (each, a **Concern**) regarding action or suspected action, taken by or within AAPA, that is or may be:
  - a. Illegal
  - b. Fraudulent
  - c. In violation of any policy of AAPA, including the AAPA Standard Code of Conduct Policy for staff and the Board of Directors Code of Conduct (all such policies, **AAPA Policy**); or
  - d. Any other matter that could cause serious damage to AAPA's reputation; and
- (b) Prohibits retaliation against any AAPA Representative who reports a Concern in good faith.

By appropriately responding to Concerns, AAPA can better support an environment where compliance is valued and ensure that AAPA is meeting its ethical and legal obligations.

### 2. Reporting Responsibility

It is the responsibility of all AAPA Representatives to comply with all AAPA Policies and all applicable laws and regulations, and to report Concerns in accordance with this Whistleblower Policy.

### 3. No Retaliation

This Whistleblower Policy is intended to encourage and enable AAPA Representatives to raise Concerns within AAPA prior to seeking resolution outside of AAPA. This Whistleblower Policy is also intended to protect those who communicate bona fide Concerns from any retaliation for such reporting.

No adverse employment action may be taken, and retaliation is strictly prohibited. This includes, without being limited to intimidation, harassment, discrimination, coercion, or otherwise, whether express or implied, against any AAPA Representative who in good faith reports any Concern. Any AAPA Representative who assists in an investigation of, or the fashioning or implementation of any corrective action or response made in connection with any Concern shall also be protected from retaliation. Any person who violates this prohibition against retaliation will be subject to appropriate disciplinary action, which may include termination of employment or other relationship with AAPA.

### 4. Reporting Violations

Concerns may be submitted either in writing or orally. No form is required to submit a Concern, but as

much information and detail as possible should be provided. A Concern may be submitted:

- a) To a supervisor or manager;
- b) To the Vice President, Human Resources (**VP HR**); or
- c) To the CEO or President of AAPA.

Concerns may be raised anonymously; however, any individual reporting his or her own violation should not remain anonymous.

## **5. Confidentiality**

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent reasonable and practicable under the circumstances and consistent with the need to conduct an adequate investigation.

## **6. Procedures for Receiving and Reviewing Concerns**

Reported Concerns shall be forwarded to the VP HR, who may utilize whatever internal and/or external resources are considered necessary for further action.

The VP HR will assess each Concern on a preliminary basis to determine to what extent an investigation into the Concern is required. The action taken by AAPA in response to a Concern will depend on the nature of the Concern. The VP HR or his/her designated agent will notify the complainant and acknowledge receipt of the Concern within five business days.

All investigations will be conducted in a confidential and sensitive manner, so that information will be disclosed only as needed to facilitate review of the investigation materials or otherwise as required by law.

The VP HR shall advise the CEO or the President of AAPA of reported Concerns accordingly. The CEO or President of AAPA have the authority to extend the investigation and/or to delegate the investigation of the matter. This may include engaging internal and/or external resources as necessary to ensure that the issue is thoroughly and fairly examined.

In the event a Concern involves or implicates the VP HR, the VP HR will promptly recuse himself or herself from the investigation and inform the CEO or President of the AAPA Board of Directors in writing who may investigate such Concern or take other appropriate action.

In the event a Concern involves or implicates a member or officer of AAPA, the CEO or President of AAPA may refer the matter to the AAPA Board of Directors or the Judicial Affairs Commission for further action in accordance with the AAPA Judicial Affairs Manual.

## **7. Acting in Good Faith**

Anyone who reports a Concern must act in good faith and have reasonable grounds for believing the information disclosed warrants the report. Any Concerns that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary

offense.

\* \* \*

For additional information, contact the VP HR. *AAPA reserves the right to modify or amend this policy at any time as it may deem necessary.*

*Adopted by the AAPA Board of Directors on December 12, 2020*



**The American Academy of Physician Assistants**

**INVESTMENT POLICY STATEMENT**

**Amended July 17, 2020**

**Table of Contents**

EXECUTIVE SUMMARY .....3

INVESTMENT POLICY DISCUSSION .....4

INTRODUCTION .....6

OVERVIEW COMMENTARY .....6

INVESTOR CIRCUMSTANCES .....7

INVESTMENT OBJECTIVES .....7

TIME HORIZON .....7

TAX POLICY .....7

RISK TOLERANCE .....8

ASSET ALLOCATION .....8

INVESTMENT PHILOSOPHY .....9

FREQUENCY OF IPS REVIEW ..... 11

LIQUIDITY ..... 11

DIVERSIFICATION AND INVESTMENT CONSTRAINTS ..... 11

SELECTION/RETENTION CRITERIA FOR INVESTMENTS ..... 12

INVESTMENT MONITORING AND CONTROL PROCEDURES ..... 13

DUTIES AND RESPONSIBILITIES ..... 14

## EXECUTIVE SUMMARY

<b>Name:</b>	The American Academy of Physician Assistants (AAPA)
<b>Primary Objective:</b>	Primary emphasis on moderate capital growth with some focus on income
<b>Target Rate of Return:</b>	Absolute return of 7%
<b>Time Horizon:</b>	More than 10 years
<b>Spending Policy:</b>	Distributions are determined in conjunction with the AAPA Board Secretary/Treasurer, the AAPA Chief Executive Officer (CEO) and the AAPA Chief Financial Officer (CFO).

**Asset Allocation:**

Asset Class	Minimum	Maximum	Preferred
U.S. Equities – Large Cap	30%	50%	40%
U.S. Equities – Mid Cap	0%	10%	2.5%
U.S. Equities – Small Cap	0%	10%	2.5%
International Developed Countries	5%	20%	10%
Emerging Markets	0%	15%	5%
U.S. Core Bonds	15%	50%	30%
Non US Bonds	4%	12.5%	5%
High Yield Bonds	0%	10%	5%

The maximum allowable allocation of the aggregate portfolio to illiquid securities is 0%.

<b>Rebalancing Procedures:</b>	Portfolio is rebalanced when the portfolio exceeds the minimum or maximum constraints (reviewed quarterly).
<b>Cash Limits:</b>	The Investor wishes to maintain no minimum liquidity needs within the investment portfolio. Cash and money market accounts are maintained separately.
<b>Restrictions:</b>	<p>Bond quality rated A or better (other than high yield portion)</p> <p>Maximum Average Bond Maturity: 10 years</p> <p>Maximum Individual Bond Maturity: 30 years</p> <p>Maximum Fund Portion: N/A</p> <p>Maximum Individual Security Portion: 10.0%</p>
<b>Meeting Frequency:</b>	As needed, but at least annually.

## INVESTMENT POLICY DISCUSSION

### ***What Is an Investment Policy Statement?***

An Investment Policy Statement (IPS) describes the investment philosophies and investment management procedures to be utilized for the assets as further described below, as well as the long-term goals for AAPA.

### ***The Need for an IPS***

The principle reason for developing an investment policy statement is to enable AAPA and its Investment Managers to protect AAPA's portfolio from ad hoc revisions of a sound long-term policy. Without an investment policy, in times of market turmoil, investors are often inclined to make impromptu investment decisions that are inconsistent with prudent investment management principles. AAPA's investment policy is intended to provide a well thought out framework from which sound investment decisions can be made.

### ***Steps to Take to Establish an Investment Policy***

1. Assess your financial situation—identify organizational goals and needs.
2. Determine AAPA's tolerance for risk and time horizon for achieving returns.
3. Set long-term investment objectives.
4. Identify any restrictions on the portfolio and its assets.
5. Determine the asset classes and appropriate mix (the "Asset Allocation") to maximize the likelihood of achieving the investment objectives at the lowest level of risk.
6. Determine the investment methodology to be used with regard to investment (manager) selection, rebalancing, buy-sell disciplines, portfolio reviews and reporting, etc.
7. Implement the decisions.

The Uniform Management of Institutional Funds Act ("UMIFA") was originally promulgated in 1972 with revisions in 2004 and provides guidance to institutional nonprofits of investment authority, permits delegation of authority to independent financial advisors, and authorizes the expenditure of appreciation of investment funds.

The Uniform Prudent Investor Act ("UPIA") was approved for use in all states at the 1994 annual Conference of Commissioners on Uniform State Law and by the American Bar Association in 1995. The Act is applicable to all trusts (including irrevocable trusts, by-pass trusts, QTIPs, ILITs, CRTs, QPRTs, QDTs, and GRTs) and sets forth appropriate practices for the management of trust assets. Noncompliance with these rules can expose a fiduciary to significant personal liability.

***Key provisions of the UPIA include:***

- No investment is inherently prudent or imprudent, except in how its inclusion or exclusion impacts the portfolio as a whole.
- Fiduciaries are expected to use all reasonably available strategies to improve the risk-reward relationship of the portfolio.
- Under most circumstances, the assets of the trust must be diversified.
- Fiduciaries are obliged to spread portfolio investments across asset classes to enhance performance and reduce risk.
- The possible effect of inflation must be considered as part of the investment strategy. As a result, use of equities is encouraged to allow the possibility that the portfolio's growth will outpace inflation.
- Fiduciaries have a duty to either demonstrate investment skill in managing trust assets or to delegate investment management to another, more qualified party.

***Definitions***

1. "Finance Committee" shall refer to the decision-making body established to administer the portfolio as specified by applicable ordinance.
2. "Investment Manager" shall mean any individual, or group of individuals, employed to manage the investments of all or part of the portfolio's assets.
3. "Advisor" shall mean any individual, or organization employed to provide advisory services, including advice on investment objectives and/or asset allocation, manager search and performance monitoring.
4. "Fiduciary" shall mean any individual or group of individuals that exercise discretionary authority or control over the fund management or any authority or control over management, disposition or administration of portfolio assets.

***This Investment Policy Statement:***

- Establishes the Finance Committee's expectations, objectives and guidelines in the investment of the Portfolio's assets.
- Creates the framework for a well-diversified asset mix that can be expected to generate acceptable long-term returns at a level of risk suitable to the Finance Committee, including:
  - describing an appropriate risk posture for the investment of the Portfolio

- specifying the target asset allocation policy
- establishing investment guidelines regarding the selection of investment managers, permissible securities and diversification of assets
- specifying the criteria for evaluating the performance of the Portfolio's assets
- Defines the responsibilities of the Board, Finance Committee, CEO, CFO, Advisor and Investment Manager(s).
- Encourages effective communication between the Investment Manager(s) and the Finance Committee.

This IPS is intended to be a summary of an investment philosophy and the procedures that provide guidance for the Finance Committee. The investment policies described in this IPS should be dynamic. These policies should reflect the Finance Committee's current status and philosophy regarding the investment of the Portfolio. These policies will be reviewed and revised periodically to ensure they adequately reflect any changes related to the Portfolio, to the Finance Committee or the capital markets.

It is understood that there can be no guarantee about the attainment of the goals or investment objectives outlined herein.

## **INTRODUCTION**

One of the important purposes of this Investment Policy Statement (IPS) is to establish a clear understanding as to the investment goals, objectives and management policies applicable to AAPA's investment portfolio ("Portfolio").

## **OVERVIEW COMMENTARY**

### ***Investor Information:***

The American Academy of PAs

### ***Committee Members:***

A current list of committee members is maintained on file with AAPA.

### **Authorized Decision Makers**

The AAPA Board Secretary/Treasurer, the AAPA CEO and the AAPA CFO are the authorized decision makers for the assets under this IPS. Any changes made to the IPS must be approved by the AAPA Board of Directors.

## **INVESTOR CIRCUMSTANCES**

AAPA's projected outlook for its financial situation is:

- Neutral or negative over the next one-year period.
- Positive over the next five years.
- Very positive over the next ten years.

The Finance Committee's expectation with regard to inflation is:

- Over the next year it will increase.
- Over the next five years it will increase.
- Over the next ten years it will increase.

## **INVESTMENT OBJECTIVES**

The investment objectives addressed in this investment policy statement represent the portfolio's overall investment objectives.

The Finance Committee's objective for this investment portfolio is primary emphasis on moderate capital growth with some focus on income.

The long-term objective for the assets under this policy is to achieve after fees and expenses, an absolute return of 7%.

## **TIME HORIZON**

AAPA's objectives for this portfolio are currently anticipated to continue without significant modification for a period of more than 10 years.

## **TAX POLICY**

Tax minimization is not a concern for this investment portfolio.

## RISK TOLERANCE

Investment theory and historical capital market return data suggest that, over long periods of time, there is a relationship between the level of investment risk assumed and the level of return that can be expected. In general, in order to attain higher returns one must accept higher risk (e.g. volatility of return).

Given this relationship between risk and return, a fundamental step in determining the investment policy for the Portfolio is the determination of the amount of risk the Finance Committee can tolerate.

A comfort level with investment risk influences how aggressively or conservatively a portfolio can be invested. Like a scale, risk needs to be balanced with the need for returns to achieve the investment goals. The Finance Committee desires long-term investment performance sufficient to meet the objectives. The Finance Committee understands that to achieve such performance the portfolio may experience periods of decline. The Finance Committee further understands that in a severe market, the potential recovery period could be extensive.

Although the Finance Committee prefers to limit the portfolio's volatility, they are more concerned with increasing the value of their account than limiting volatility, and can tolerate declines in value through a market cycle.

## ASSET ALLOCATION

Academic research offers considerable evidence that the asset allocation decision far outweighs security selection and market timing in its impact on portfolio variability and performance. After reviewing the long-term performance and risk characteristics of various asset classes and balancing the risk and rewards of market behavior, the following asset classes were selected to achieve the objectives of the AAPA portfolio.

Asset Class	Minimum	Maximum	Preferred
U.S. Equities – Large Cap	30%	50%	40%
U.S. Equities – Mid Cap	0%	10%	2.5%
U.S. Equities – Small Cap	0%	10%	2.5%
International Developed Countries	5%	20%	10%
Emerging Markets	0%	15%	5%
U.S. Core Bonds	15%	50%	30%
Non US Bonds	4%	12.5%	5%
High Yield Bonds	0%	10%	5%

The maximum allowable allocation of the aggregate portfolio to illiquid securities is 0%.

### *Portfolio Returns and Volatility*

The Finance Committee's willingness to accept risk and their expectation for investment growth have a direct bearing on the rate of return objective for this portfolio.

It should be recognized that the portfolio will invest in a variety of securities and that the actual weighting of these securities can and will vary. It is also important to note that future returns of the securities with the portfolio and the portfolio itself can be expected to vary from the historical returns.

The portfolio's historical rate of return is not a guarantee of future investment returns, nor an indication of expectation regarding future results. Future returns could differ significantly and capital loss is possible. This Investment Policy Statement shall not be construed as offering a guarantee.

### ***Updated Allocations***

Over time, it may be desirable to amend the basic allocation. When such changes are made, updates will be considered part of this Investment Policy Statement.

### ***Rebalancing Procedures***

From time to time, market conditions may cause the Portfolio's investment in various asset classes to vary from the approved allocation. To remain consistent with the asset allocation guidelines established by this Investment Policy Statement, the Advisor shall periodically review the portfolio and each asset class in which the Portfolio is invested.

This portfolio will be rebalanced periodically as follows: when the portfolio exceeds the minimum or maximum constraints (reviewed quarterly or at the direction of the Advisor).

### ***Adjustment in the Target Allocation***

Modifications to the approved allocation may be needed from time to time for a variety of reasons. When such a change to the approved allocation needs to occur, it shall only be made with the concurrence of the Finance Committee.

## **INVESTMENT PHILOSOPHY**

AAPA seeks to maintain an investment portfolio that is broadly diversified in domestic and global markets with consideration for socially conscious/impact investments while producing a long-term growth strategy.

***The basic tenets under which this Policy will be managed include the following:***

- Modern Portfolio Theory, as recognized by the 1990 Nobel Prize, will be the philosophical foundation for how the portfolio will be structured and how subsequent decisions will be made. The underlying concepts of Modern Portfolio Theory include:

- Investors are risk averse. The only acceptable risk is that which is adequately compensated by potential portfolio returns
- Markets are efficient. It is virtually impossible to anticipate the future direction of the market as a whole or of any individual security. It is, therefore, unlikely that any portfolio will succeed in consistently “beating the market”
- The design of the portfolio as a whole is more important than the selection of any particular security within the portfolio. The appropriate allocation of capital among asset classes (stocks, bonds, cash, etc.) will have far more influence on long-term portfolio results than the selection of individual securities. Investing for the long term (preferably longer than ten years) becomes critical to investment success because it allows the long-term characteristics of the asset classes to surface
- For a given risk level, an optimal combination of asset classes will seek to maximize returns. Diversification helps reduce investment volatility. The proportional mix of asset classes determines the long-term risk and return characteristics of the portfolio as a whole
- Portfolio risk may be decreased by increasing diversification of the portfolio and by lowering the correlation of market behavior among the asset classes selected. (Correlation is the statistical term for the extent to which two asset classes move in tandem or opposition to one another)
- Investing globally helps to minimize overall portfolio risk due to the imperfect correlation between economies of the world. Investing globally has also been shown historically to enhance portfolio returns, although there is no guarantee that it will do so in the future.
- Equities have historically offered the potential for higher long-term investment returns than cash or fixed income investments. Equities are also more volatile in their performance. Investors seeking higher rates of return must increase the proportion of equities in their portfolio, while at the same time accepting greater variation of results (including occasional declines in value).
- Picking individual securities and timing the purchase or sale of investments in the attempt to “beat the market” are highly unlikely to increase long-term investment returns; they also can significantly increase portfolio operating costs. Such practices are, therefore, to be avoided.

Given these tenets, the underlying approach to managing this portfolio shall be to optimize the risk-return relationship appropriate to the Investor’s needs and goals. The portfolio will be diversified globally employing a variety of asset classes. Mutual funds or managed portfolios will be employed to implement the portfolio and the chosen asset classes will be periodically re-balanced to maintain a more consistent risk/reward profile. In managing investment assets, every advisor has a unique style.

## FREQUENCY OF IPS REVIEW

The Finance Committee recognizes that all investments go through cycles and therefore there will be periods of time in which the investment objectives are not met or when specific managers fail to meet their expected performance expectations. The Finance Committee accepts the principle that, in the absence of specific circumstances requiring immediate action, patience and a longer-term perspective will be employed when evaluating investment performance.

The Advisor and Finance Committee will meet periodically to review and update this IPS.

## LIQUIDITY

Investor's liquidity requirements are: no minimum liquidity needs within the investment portfolio. Cash and money market accounts are maintained separately.

The length for which these needs apply is described as: Until notice is given by the Board.

## DIVERSIFICATION AND INVESTMENT CONSTRAINTS

*Investment of AAPA funds shall be limited to securities in the following categories:*

### Assets Classes

U.S. Short Term Taxable Bonds  
U.S. Intermediate Term Taxable Bonds  
U.S. Long Term Taxable Bonds  
Foreign Bonds  
High Yield Bonds  
Treasury Inflation Protected Securities  
U.S. Large-Cap Value  
U.S. Large-Cap Growth  
U.S. Mid-Cap  
U.S. Small-Cap  
World Stocks (Ex. U.S.)  
Liquid Real Estate Investment Trusts (REITs)

### Investment Types

Managed Separate Accounts – portfolios of individual securities that are discretionarily managed  
Open End Mutual Funds – pooled ownership of fund shares that are discretionarily managed with daily liquidity  
Exchange Traded Funds (ETFs) – mutual funds that trade actively on an exchange with intraday liquidity

***Portfolio Limitations and Restrictions***

Maximum average bond maturities: 10 year(s).

Maximum individual bond maturities: 30 year(s).

Maximum portion of portfolio in a single diversified fund: N/A.

Maximum portion of portfolio in a single security: 10%, excluding mutual funds and exchange traded funds.

Portfolio is prohibited from investing in illiquid securities.

**SELECTION/RETENTION CRITERIA FOR INVESTMENTS**

***Investment Management Selection***

Investment managers (including mutual funds, separate account managers and limited partnership sponsors) shall be chosen using the following criteria:

- Past performance, considered relative to other investments having the same investment objective. Consideration shall be given to both performance rankings over various time frames and consistency of performance
- Costs relative to other funds with like objectives and investment styles
- The manager's adherence to investment style and size objectives
- Size of the proposed fund
- Length of time the fund/manager has been in existence and length of time it has been under the direction of the current manager(s) and whether or not there have been material changes in the manager's organization and personnel
- The historical volatility and downside risk of each proposed investment
- How well each proposed investment complements other assets in the portfolio
- The current economic environment
- The likelihood of future investment success, relative to other opportunities

## INVESTMENT MONITORING AND CONTROL PROCEDURES

### ***Benchmarks***

The following benchmarks will be used to evaluate performance: 60% S&P 500/40% Barclays (Lehman) Aggregate Bond. Depending upon allocation, the MSCI EAFE, MSCI Emerging Markets and other indices will also be used to evaluate performance.

### ***Reports***

- The investment custodian shall provide the Finance Committee with monthly statements for each account held by AAPA and subject to this Investment Policy Statement. Such reports shall show values for each asset and all transactions affecting assets within the portfolio, including additions and withdrawals.
- The Advisor shall provide the Finance Committee the following management reports on a periodic basis:
  - Portfolio performance results over varying time periods
  - Performance results of comparative benchmarks over varying time periods
  - Review of current asset allocation versus policy guidelines
  - Any recommendations for changes of the above

### ***Meetings and Communication between Finance Committee and Advisor***

As a matter of course, the Advisor shall keep the Finance Committee apprised of any material changes in the Advisor's outlook, recommended investment policy, and tactics.

In addition, Advisor shall meet with the Finance Committee on an as-needed basis, but at least annually to review and explain the Portfolio's investment results and any related issues. Advisor shall also be available on a reasonable basis for telephone and email communication as needed.

## DUTIES AND RESPONSIBILITIES

### ***The Advisor***

The Advisor is a Registered Investment Advisor and shall act as the investment advisor to the Finance Committee until the Finance Committee decides otherwise. AAPA seeks a fee arrangement that minimizes conflict of interest, and appropriately aligns the interests of the Advisor with the interests of the organization. A percentage management fee is preferred to commissionable transactions.

Advisor shall be responsible for:

- Assisting in the development and periodic review of investment policy.
- Designing and implementing an appropriate asset allocation plan consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Advising the Finance Committee about the selection of and the allocation of asset categories.
- Identifying specific assets and investment managers within each asset category.
- Providing “due diligence”, or research, on the Investment Manager(s).
- Monitoring the performance of all selected assets the Advisor consults to.
- Recommending changes to this Investment Policy Statement.
- Periodically reviewing the suitability of the investments for the Finance Committee.
- Being available to meet with the Finance Committee on an as-needed basis, but at least annually.
- Being available at such other times within reason at the Finance Committee's request.
- Preparing and presenting appropriate reports.

### ***Discretion and Title***

- Advisor will not have any discretionary control.
- Advisor shall have no authority to withdraw funds from AAPA accounts, except to cover payment of previously agreed to fees or at Investor's specific direction.
- Advisor may not change AAPA's investment policy, including the targeted asset allocation, without the Finance's Committee's prior approval.

### ***The Finance Committee***

Finance Committee shall be responsible for:

- The oversight of the Portfolio.
- Defining the investment objectives and policies of the Portfolio.
- Directing Advisor to make changes in investment policy and to oversee and to approve or disapprove Advisor's recommendations with regards to policy, guidelines, and objectives on a timely basis.
- Providing Advisor with all relevant information on AAPA's financial conditions and risk tolerances and shall notify Advisor promptly of any changes to this information.
- Reading and understanding the information contained in the prospectus and each investment in the Portfolio.
- Being responsible for exercising all rights, including voting rights, as is acquired through the purchase of securities.

### ***The Investment Manager(s)***

Each Investment Manager will have full discretion to make all investment decisions for assets placed under its jurisdiction, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement. Specific responsibilities of the Investment Manager(s) include:

- Discretionary investment management including decisions to buy, sell, or hold individual securities, and to alter asset allocation within the guidelines established in this statement.
- Reporting, on a timely basis, periodic investment performance results.
- Communicating any major changes to economic outlook, investment strategy, or any other factors, which affect implementation of investment process, or the investment objective progress of the Fund's investment management.
- Informing the Advisor regarding any qualitative change to investment management organization: Examples include changes in portfolio management personnel, ownership structure, investment policy, etc.
- Voting proxies, if requested by the Finance Committee, on behalf of AAPA and communicating such voting records to the Investment Committee on a timely basis.

### ***Proxy Voting***

The Finance Committee has transferred the voting of proxies to the individual investment managers.

***Adoption: Approved by the AAPA Board of Directors on July 17, 2020***

# BakerHostetler

**TO:** American Academy of Physician Associates  
("AAPA")

**FROM:** Matthew R. Elkin

**DATE:** April 15, 2024

**SUBJECT:** Allocation of Authority and Fiduciary Duties

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This memorandum describes the allocation of authority between the AAPA Board of Directors ("Board"), members, and the House of Delegates ("House"); the duties and responsibilities applicable to fiduciaries of AAPA; and practical ramifications of breaching such fiduciary duties.

## **I. Summary of Structure and Allocation of Authority to Members, the House of Delegates, and the Board of Directors**

AAPA has three groups involved in its governance structure: the voting members, the House of Delegates, and the Board of Directors.

The voting members elect certain officers and the directors-at-large. The members are not otherwise involved in the governance, management, or policies of AAPA.

The House of Delegates is an extension of the members. Acting on behalf of the members, the House has the sole authority "to enact policies establishing the collective values, philosophies, and principles of the physician associate profession."<sup>1</sup> The House may also make recommendations on other matters to the Board, as specified in the bylaws.

The Board has all corporate powers and authority over the affairs of AAPA except for the specific authority to enact policies of the profession as described above.<sup>2</sup>

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<sup>1</sup> AAPA Articles Section 6; Bylaws, Article VI, Section 1. N.C. Stat. Ann. § 55A-6-40(a) ("A corporation may provide in its articles of incorporation or bylaws for delegates having some or all of the authority of members.")

<sup>2</sup> N.C. Stat. Ann. § 55A-8-01 ("All corporate powers shall be exercised by or under the authority of, and the affairs of the corporation managed under the direction of, its board of directors, except as otherwise provided in the articles of incorporation. (c) A corporation may dispense with or limit the authority of a board of directors by describing in its articles of incorporation who will perform some or all of the duties of a board of directors").

## **II. Procedures for Actions by Members, the House of Delegates, and the Board of Directors**

Each of these bodies can take formal action through a meeting (including by telephone conference where all can hear and be heard) with a quorum. The Board can utilize a unanimous written consent,<sup>3</sup> while fellow members can take formal action by written consent or by written ballot.<sup>4</sup>

In the case of the House, when the House is enacting policies, i.e., exercising the power delegated to the House by AAPA Articles, the House must take action consistent with the procedures outlined in AAPA Bylaws Article VI, Section 4 and other House procedural policies.

## **III. Background law and AAPA Governance Documents on Allocation of Authority to the House and the Board**

Regarding the creation of the House, North Carolina law states:

A corporation may provide in its articles of incorporation or bylaws for delegates having some or all of the authority of members. The articles of incorporation or bylaws may set forth provisions relating to: (1) The characteristics, qualifications, rights, limitations, and obligations of delegates, including their selection and removal; (2) Calling, noticing, holding, and conducting meetings of delegates....<sup>5</sup>

Regarding the authority of the House, AAPA's articles of incorporation state:

The House of Delegates shall exercise the sole authority on behalf of the Corporation to enact policies establishing the collective values, philosophies, and principles of the physician associate profession.<sup>6</sup>

AAPA's bylaws provide further details on the House:

The Academy shall have a House of Delegates, which shall represent the interests of the membership. The House of Delegates shall exercise the sole authority on behalf of the Academy to enact policies establishing the collective values, philosophies, and principles of the PA profession. The House of Delegates shall make recommendations to the Board for granting charters to Chapters and for granting official recognition to specialty organizations. The House of Delegates shall make recommendations to the Board for the establishment of Academy commissions and work groups and shall establish such committees of the House of Delegates as necessary to fulfill its duties. The House of Delegates shall be entitled to vote on amendments to these Bylaws on behalf of the members in accordance with Article XIV of these Bylaws. The House of Delegates shall be solely

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<sup>3</sup> AAPA Bylaws, Article VII, Section 6(a)-(c),(e); *see also* N.C. Stat. Ann. §§ 55A-8-21, 55A-7-04.

<sup>4</sup> N.C. Stat. Ann. §§ 55A-7-04, 55A-7-08.

<sup>5</sup> N.C. Stat. Ann. §§ 55A-6-40.

<sup>6</sup> AAPA Restated Articles of Incorporation, Article 6.

responsible for establishing such rules of procedure, which are not inconsistent with these Bylaws, the Articles of Incorporation, or existing law, as may be necessary for carrying out the activities of the House (i.e., House of Delegates Standing Rules).<sup>7</sup>

North Carolina law provides that all corporate powers of a nonprofit corporation are to be exercised by the board of directors, except to the extent that the corporation's articles of incorporation provides otherwise.<sup>8</sup>

Under these provisions, the House of Delegates, acting on behalf of the members, has authority over the policies establishing the collective values, philosophies, and principles of the PA profession. The Board has all other authority and corporate powers, including the authority to direct management of AAPA, establish other AAPA policies, and exercise control over the AAPA assets.

The bylaws describe additional areas where the House of Delegates has the authority to “develop and recommend” and “make recommendations to the Board.”<sup>9</sup> The articles of incorporation therefore grant the House of Delegates authority to take unilateral action within a specified area while the bylaws grant the House of Delegates the ability to make recommendations to the Board regarding additional areas outside the House of Delegates specified authority, but not to take unilateral action with respect to such additional areas. It is within the authority of the Board to accept, reject or modify recommendations from the House of Delegates.

#### **IV. Fiduciary Duties**

Fiduciary duties are imposed on directors and officers,<sup>10</sup> and require that these fiduciaries act in the best interests of the corporation when acting in their fiduciary capacity. The primary fiduciary duties are the duty of care, the duty of loyalty, and the duty of obedience.

If a fiduciary breaches any of his or her fiduciary duties, he or she may be personally liable for that breach. Such a breach can be the subject of civil action brought by the corporation directly, a member or director in a derivative action, or by the North Carolina Attorney General for failure to comply with the provisions of the North Carolina Nonprofit Corporation Act.<sup>11</sup>

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<sup>7</sup> AAPA Bylaws, Article VI, Section 1.

<sup>8</sup> N.C. Stat. Ann. § 55A-8-01 (“All corporate powers shall be exercised by or under the authority of, and the affairs of the corporation managed under the direction of, its board of directors, except as otherwise provided in the articles of incorporation.”).

<sup>9</sup> See, e.g., AAPA Bylaws Article VII, Section 1(a), Article X, Section 2(a).

<sup>10</sup> N.C. Stat. Ann. § 55A-8-30; § 55A-8-42.

<sup>11</sup> N.C. Stat. Ann. §§ 55A-1-31, 55A-7-40.

### **A. The Duty of Care**

The duty of care requires a fiduciary to be informed prior to making business decisions and to act with the degree of diligence, care and skill of an ordinarily prudent person. The fiduciary's duty of care applies both to decision-making functions and oversight functions. To satisfy their duty of care, directors and officers should:

1. Demonstrate a strong interest in and understanding of the organization's mission, goals and business within the context in which the organization operates;
2. Attend and participate actively at all meetings of the body on which they participate;
3. Review meeting materials and agendas in advance;
4. Request appropriate information before making decisions or taking actions;
5. Protect the corporation's confidences and privileges (e.g., attorney-client privilege); and
6. Be sensitive to indications of potential problems or concerns and make further inquiry until reasonably satisfied that those concerns are addressed appropriately.

### **B. The Duty of Loyalty**

The duty of loyalty requires a fiduciary to act in the interest of the organization and not in their own interest or in the interest of any other entity, particularly one with which they have a formal relationship. When acting on behalf of the organization, fiduciaries must put the interests of the organization before their personal or professional interests. This requires, among other things, that fiduciaries:

1. Disclose any conflicts of interest,
2. Avoid the use of organizational opportunities for individual personal gain or benefit, and
3. Not disclose confidential information about the organization.

### **C. The Duty of Obedience**

The duty of obedience requires a fiduciary to ensure that the mission of the organization is upheld and perpetuated. A fiduciary must ensure that the organization's activities are reasonably focused on the mission and must avoid activities that do not support the mission. The duty of obedience

also requires that fiduciaries of a nonprofit organization comply with all documents governing the organization and its operation, such as the articles of incorporation, bylaws, and policies.

#### **D. Confidentiality**

A specific duty derived from the duty of care and duty of loyalty is that fiduciaries have a duty to protect corporate information and to maintain the confidences of the corporation. Corporate information provided to fiduciaries in their role as fiduciaries should only be used to inform discussion among fiduciaries and to inform the action taken by the body. Fiduciaries have an obligation to keep confidential all non-public information obtained in their role as a fiduciary. Fiduciaries must not use or disclose such information to any person or entity during or after service, except with written authorization of the Board or as may be otherwise required by law or regulation (e.g., during a legal proceeding). Unauthorized disclosure can damage the trust among the directors and officers, discourage open discussions in connection with meetings and otherwise, and jeopardize effectiveness and collaboration among the fiduciaries.

#### **V. Minutes**

Minutes of meetings should clearly state the actions that took place at the meeting and the basis for the actions that were taken, such as the reports or advisors relied on by the meeting participants. However, it is recommended that the minutes avoid verbatim transcripts or even detailed descriptions of discussions.

Audio recordings are generally not recommended because of the potential to stifle open and frank conversation during the meeting and the inability to control the dissemination of such recordings.

It is also recommended that meeting minutes:

- Reflect the general nature of the discussion and not identify specific comments by specific directors;
- Reflect the thoughtful, deliberate and informed process to make important decisions;
- Document any advice given by outside professionals such as counsel or accountants, noting the name of the professional, his or her position, and a brief description of the subject matter;
- List any written materials provided in connection with an important decision (e.g., draft agreements, reports by management or advisors);
- Document compliance with the conflict of interest policy. For example, the minutes should record that a member disclosed that they had a potential conflict with respect to a matter, the conflicted member recused themselves from the discussion and decision making, and the remaining disinterested members voted on the matter and determined how to manage any conflict.



## AAPA Board of Directors

### Travel Policy

*Effective April 1, 2026*

#### I. GENERAL:

These policies ensure that board members are reimbursed for reasonable expenses while engaged in official AAPA business. The policies are intended as a guide for reimbursement and credit card usage by creating reasonable limits while allowing flexibility.

#### II. POLICY:

- A. Travel should be arranged using the most cost-effective option that reasonably accommodates the board member's schedule and meeting requirements.
- B. The Travel Reimbursement Form is used to track and reimburse eligible expenses incurred by board members when conducting AAPA business.
- C. AAPA provides board members with an AAPA corporate credit card to use for the following non-food & beverage expenses:
  1. **Air/Rail.** All travel fares should be economy/main class. Business and first class are prohibited. Fares (to include seat selection fees) exceeding \$650 require pre-approval by the AAPA Governance department. The approval threshold may be periodically reviewed and adjusted.
  2. **Ground transportation** (e.g. taxi, Uber or Lyft). Expenses will be covered for standard fare when directly related to AAPA business.
  3. **Baggage.** One checked bag for each leg of travel when not included in the class of ticketed airfare.
  4. **Lodging** (unless otherwise paid for by AAPA). This does not include room charges for food and/or beverages.
  5. **Parking.** Reasonable parking expenses related to AAPA business travel are reimbursable.
- D. Eligible per diem for food & beverage (when dinner is not otherwise provided) and incidental expenses will also be pre-filled based on [GSA guidelines](#) for the location and number of days. The AAPA credit card **shall not be used for food and beverage**. It is not necessary to keep or submit receipts for food and beverages.
- E. Personal auto mileage will be reimbursed at the current [IRS standard mileage rate](#). Board members must submit documentation for personal auto miles in the form of

an image by an internet mapping site (e.g. Google Maps). Personal auto travel, in lieu of plane or rail, is permitted if the cost of mileage does not exceed the cost of a plane or rail ticket.

- F. Vehicle rental will be covered only if approved in advance.
- G. Toll fees are reimbursable.

### **III. PROCEDURES**

- A. AAPA staff will include the location-specific per diem allowance rate in the advanced Call to Meeting communication for in-person meetings as well as the authorized travel dates. Travel dates are subject to exception based on flight availability but require pre-approval by the AAPA Governance department.
- B. The AAPA Travel Reimbursement Form must be submitted to AAPA within 7 (seven) business days of the end of each month the expense was incurred.
- C. Receipts for all AAPA credit card expenses must be submitted to AAPA within 7 (seven) business days of the end of each month the expense was incurred.
- D. Failure to submit the required documentation by this deadline will result in the temporary suspension of the board member's AAPA-issued credit card until all required documentation is received.
- E. Staff will process credit card payment and expense reimbursement forms in a timely manner to ensure quick processing and disbursement of funds.

# BakerHostetler

**TO:** American Academy of PAs (“AAPA”)  
**FROM:** Matthew R. Elkin  
**DATE:** June 22, 2022  
**SUBJECT:** Disclosure Requirements

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This memo summarizes the legal requirements regarding disclosure of certain corporate records and financial information to members of AAPA and the public.

## **I. Disclosure Required upon Request**

### **A. Records the Public Can Request**

#### **1. Federal Returns and Exemption Application**

The Internal Revenue Service (“IRS”) requires all exempt organizations to make available for public inspection Forms 990 from the previous three years and applications for exemption, and requires the organization to provide copies of such returns and applications to individuals who request them. To meet the public inspection requirement, AAPA must:

- provide copies of its Forms 990 and exemption application to anyone requesting such copies either in person or in writing;<sup>1</sup>
- make its Forms 990 available on [guidestar.com](https://www.guidestar.com) so that if an individual requests a copy of AAPA’s Forms 990, AAPA can simply refer that individual to its Forms 990 posted on [guidestar.com](https://www.guidestar.com).

#### **2. Financial Statements**

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<sup>1</sup> If the request is made in person, it must be fulfilled the same day. If made in writing, the request should be fulfilled within 30 days. Reasonable fees for copying and mailing may be charged.

A corporation that receives over \$5,000 of government funding within a year must make its financial statements available to the public, upon written request, as well as additional details about the amount of public funds received and how those funds were used.<sup>2</sup>

This requirement cannot be satisfied by providing the Form 990. The financial statements should be provided including the auditor's report.<sup>3</sup>

## **B. Records Members Can Request**

If a member of AAPA makes a written request, AAPA must allow the requesting member to inspect and copy the following corporate records:

- a) articles of incorporation;
- b) bylaws;
- c) member or director resolutions that relate to the number or classification of directors or relate to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;
- d) member meeting minutes and member actions taken without a meeting for the past three years;<sup>4</sup>
- e) all written communications sent to the entire membership within the past three years;<sup>5</sup>
- f) a list of the names and business address of its current directors and officers;<sup>6</sup> and
- g) financial statements, including the balance sheet and statement of operations.<sup>7</sup>

While there is no explicit rule or regulation in North Carolina regarding complying with the member disclosure requirements by making these documents widely available, such as by posting them on the AAPA website, it is reasonable for AAPA to take the same approach as that suggested for complying with the IRS requirements above. Specifically, AAPA may wish to make certain corporate records, such as its articles of incorporation and bylaws, available on its website and

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<sup>2</sup> N.C. Stat. Ann. § 55A-16-24(a).

<sup>3</sup> N.C. Stat. Ann. § 55A-16-20(b).

<sup>4</sup> North Carolina laws allows members to act either at a meeting or by a written consent executed without a meeting. N.C. Stat. Ann. § 55A-7-04.

<sup>5</sup> Written communications typically means all communication using mailed letters, distributed papers or pamphlets, emails and faxes and all other writings, but would not include unwritten conversations and speeches.

<sup>6</sup> N.C. Stat. Ann. §§ 55A-16-02(a), 55A-16-01(e). For items a-f, the request must be received at least five business days before the date on which the member wishes to inspect and copy the corporate records.

<sup>7</sup> N.C. Stat. Ann. § 55A-16-20.

refer members to those documents if a request for a copy is made. AAPA must still, however, keep all of the covered corporate records available for inspection at its office. Other specified corporate records, such as member meeting minutes, certain director resolutions described above, and written communications to the membership need not be posted on the AAPA website. These documents should only be kept at the AAPA office and made available upon request.

For requests related to AAPA's financial statements, AAPA should provide the actual financial statements rather than the financial information contained on the Form 990.<sup>8</sup>

AAPA is not required to make unaudited monthly financial statements available, even upon request. Further, because the annual audited financial statements have received the advice and review of AAPA's accountant and provide a more complete and accurate picture of the organization's financial position, it is more appropriate to provide these statements upon a request for financial statements.

The disclosure requirements above only cover the actual minutes or records of actions of the membership and certain director resolutions. Associated meeting materials like board books are not part of the minutes and therefore should not be disclosed as they may contain business-sensitive or confidential material.<sup>9</sup>

If a member makes a written demand in good faith and for a proper purpose that describes with reasonable particularity the purpose and the records desired, AAPA must provide the following additional information that is directly connected to the described purposes:

- a) excerpts from board meeting minutes and actions taken by the directors without a meeting, and actions taken by committees of the board of directors;
- b) accounting records of the corporation; and
- c) the membership list containing an alphabetical list of the name, address, and number of votes each member is entitled to cast.<sup>10</sup>

A "proper purpose" is any purpose to assist in satisfying their role as a member, while improper purposes would be a purpose for something unrelated to their role as member (e.g., to obtain the membership list to direct sales solicitations to the members). Members may not use this information for improper purposes such as to solicit members for commercial purposes.<sup>11</sup>

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<sup>8</sup> N.C. Stat. Ann. § 55A-16-20.

<sup>9</sup> AAPA Bylaws, Article VII, Section 5(e); see also N.C. Stat. Ann. §§ 55A-8-21.

<sup>10</sup> N.C. Stat. Ann. § 55A-16-02(b), 55A-16-01(c).

<sup>11</sup> N.C. Stat. Ann. §§ 55A-16-05, 55A-7-20(a).

These disclosure requirements only cover specific excerpts from board meeting minutes that are specifically required for a proper purpose. Associated meeting materials like board books and full copies of minutes are not required to be disclosed.

North Carolina law does not allow members to opt out of being on the membership list, and as such, members may request the membership list (as described in (c) above) for any proper purpose (also described above).<sup>12</sup>

## **II. Disclosure Required If Indemnification Payments are Made**

If a corporation makes indemnification payments or advances expenses to a director, the corporation must notify all members of such indemnification of a director in writing with or before the notice of the next meeting of members.<sup>13</sup>

An indemnification payment is a payment made to a director which generally compensates a director for any expenses incurred from involvement in any action, suit or proceeding by reason of the director's position as a director of AAPA. A payment made to reimburse a director for any such expenses is an indemnification payment, but AAPA may also advance such amounts to the director before the expenses are incurred. Either an indemnification payment or such an advance to cover future expenses would trigger this disclosure requirement. Reimbursements of any other expenses not pursuant to AAPA's indemnification policy, such as reimbursements for travel or meals, would not trigger this disclosure requirement.

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<sup>12</sup> N.C. Stat. Ann. § 55-A-16-02(b), (c).

<sup>13</sup> N.C. Stat. Ann. § 55A-16--21.