

Policies and Statements
Kentucky Academy of Eye Physicians and Surgeons

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GUIDELINES FOR THE AVOIDANCE OF INADVERTENT ANTICOMPETITIVE CONDUCT

Policy:

The Kentucky Academy of Eye Physicians and Surgeons, Inc. (KAEPS), with the advice of legal counsel, has adopted guidelines to help prevent inadvertent anticompetitive conduct. These guidelines apply to all of the KAEPS's fellows, members, trustees, officers, committee members, representatives, and employees.

Background:

Antitrust laws prohibit certain types of behavior and agreements, even among professionals and professional societies. KAEPS members have dedicated years of study and effort to developing their skills and professional reputations, and the KAEPS does not want these tarnished by even the appearance of inappropriate behavior. Nor does the KAEPS want its members or the KAEPS exposed to criminal penalties (for individuals, up to \$350,000 and imprisonment up to three years for each offense, or up to \$10,000,000 for organizations) or treble-damage civil lawsuits. These guidelines are intended to help you be aware of the basic rules and protect against the real risk that you, your practice group, or the KAEPS could face needless litigation.

The exposure to antitrust litigation and expense – even if you and the KAEPS ultimately prevail – is real. For example:

- ✓ In 1999 the U.S. Justice Department sued the Federation of Certified Surgeons and Specialists, Inc. and obtained a court order preventing it from negotiating with any payers on behalf of its physician members, and from facilitating any agreement or understanding between competing physicians about any competitively sensitive information.
- ✓ In 1996 the Federal Trade Commission sued the Montana Associated Physicians, Inc. and obtained an order preventing it from negotiating or refusing to deal with third-party payers; determining the terms upon which physicians deal with such payers; or raising, maintaining, or adjusting the fees charged for any physician's services.
- ✓ AMA was reminded of the risks in 1990 when chiropractic prevailed in protracted and very expensive litigation. The court ruled that AMA had led an unlawful boycott of chiropractors and that AMA's conduct could not be justified by patient-care concerns. The court ordered AMA to take specific steps so that physicians could freely decide whether to have professional relationships with chiropractors.

Guidelines:

KAEPS members compete with one another in providing quality care to the public.¹ As competitors, there are certain types of agreements that KAEPS members cannot lawfully make.

¹ A contract, combination, or conspiracy can exist only if there are two or more separate economic entities acting together. Two ophthalmologists with competing, independent practices would each be considered a separate economic

- Members must not make any agreement to fix, raise, or stabilize prices or fees (or any element of prices or fees) or restrict services that a member can offer.
 - Example: Dr. Ford and Dr. Callahan, who practice in the same community, run into one another at a social hour sponsored by a pharmaceutical company. After they discuss some recent developments in refractive surgery, their conversation turns to the rates that they charge LASIK patients. Dr. Ford says that he would like to raise his rates for such patients, but he needs to know what Dr. Callahan would do. Dr. Callahan says that it is “a great idea whose time has come.” Two weeks later, Dr. Ford raises his rates. The following week, Dr. Callahan likewise raises his rates.
 - Problem: From these facts a jury might conclude that the two members made an agreement to fix prices, which would be a clear violation of the antitrust laws. Although a price-fixing agreement is illegal whether or not it is effective, here the fact that one doctor specifically “needed” to know how the other would respond would probably make it easier to demonstrate that an illegal agreement had been made.
 - Example: Dr. Freeport has decided to offer free screening for seniors in nursing homes. At the local Society meeting, several members sponsor a resolution condemning the practice of free screenings under penalty of expulsion or disciplinary action.
 - Problem: This resolution, if adopted, would constitute an illegal agreement to restrict service.
- Members must not make any agreement to allocate or divide geographic or service markets, customers, or patients.
 - Example: Dr. Harris and Dr. Wesley see one another at a lecture program at the medical school. Dr. Harris mentions that over the last several months, two patients have stopped seeing him and have gone to Dr. Wesley instead. Dr. Wesley says that he understands Dr. Harris’s point, and that he will not accept as new patients anyone who was seeing Dr. Harris, and that he knows Dr. Harris will extend the same courtesy, should it ever be needed.
 - Problem: In addition to the ethical issues that this raises, it also appears to be an agreement to refrain from competing for patients – and thus a violation of the antitrust laws.
- Members must not make any agreement to collectively refuse (or encourage others to refuse) to do business with a provider, a third-party payer, managed care organization, a supplier, a purchaser, a patient, or any groups of such persons or companies.
 - Example: An insurance company announces that it will no longer pay for a certain procedure. The issue comes up at a meeting of the local Society, and during the cocktail hour several leading members announce that they will not accept patients

entity for this purpose. Those same two ophthalmologists, practicing together in one partnership or professional corporation, would be considered just one economic entity for this purpose. Thus, the two independent ophthalmologists could not agree with each other to fix their fees at specified levels for certain procedures, but the two ophthalmologists in partnership could agree on the prices that their partnership will charge, but they could not make any agreements with a third, independent ophthalmologist.

whose coverage is provided by that insurance company. Others in the group say that this is a great idea, and they support it.

- Problem: These members appear to have agreed to refuse to deal with the insurance company (and its patients). Although each member had the right to make a unilateral decision not to accept such patients, the collective agreement is a per se violation of the antitrust laws.
- Members must not make any agreement to discourage entry into or competition in any segment of the health care market.
 - Example: Dr. Greene and Dr. Waugh are busy LASIK surgeons in competing practices. In response to what they perceive to be improper demands from referring optometrists, Drs. Greene and Waugh agree that in the future they will not co-manage with any optometrists.
 - Problem: Drs. Greene and Waugh have made an illegal agreement to refuse to deal with the optometrists. (Note that the problem here is the agreement – any individual member and any practice group can make unilateral decisions as for the conduct of their own practice, so long as they do not make an agreement with members outside their own practice group.)
- Members must not make any agreement to restrict, limit, or prohibit truthful advertising.

An “agreement” does not have to be formal or written in order to be unlawful; it does not even have to be explicit. In fact, what often matters is not whether there actually is an agreement, but whether others might perceive that there is an agreement based on what they see (or think they see). For this reason, KAEPS members should avoid ambiguous situations. For example:

- Members should use caution in discussing whether the practices of a particular member or other person (that is, an actual or potential competitor) are “unethical” or “anticompetitive” – this might be perceived as an attempt to unlawfully exclude someone from providing health care services.
- Members should also be cautious in any group discussions about the safety, quality or efficacy of the products or services of other health care providers. This does not mean that members should avoid reasonable discussion and assessment of the safety or efficacy of technology, drugs, and devices – but the discussion should not sound like members will collectively refuse to refer business.
- Members should not discuss the benefits of jointly withholding business from some firm or group of people, or discouraging others from doing business with one or more people. This, too, can very easily be misconstrued as a group boycott.

All KAEPS meetings should be conducted in a manner consistent with these guidelines. Moreover, care should be taken to be able to demonstrate that members followed these guidelines in their meetings. For example, all meetings should follow written outlines or an agenda, and minutes should be prepared and preserved. Except for matters protected by the attorney-client privilege, all discussions conducted and all decisions reached at those meetings should be reflected in the

minutes of those meetings. KAEPS representatives to other organizations should take reasonable steps to ensure that such organizations follow the same practice.

Statements made by individuals apparently acting on behalf of the KAEPS are particularly dangerous. Such statements (e.g., issuing any statement on KAEPS letterhead or speaking at a conference without stating that the views expressed are solely your own) may be construed as demonstrating an unlawful agreement when in fact no agreement exists at all. KAEPS members should particularly refrain from statements suggesting they have agreed not to deal with a particular group of suppliers or competitors.

The antitrust laws do not prohibit the KAEPS or its members from asking the legislature or other governmental bodies to establish rules affecting the profession, even if those rules when adopted may have some effects on competition – because petitioning the government is one of our fundamental rights and duties as citizens. But just because citizens can ask the government for something does not mean that they can “jump the gun” by agreeing to adopt the requested measure among themselves before the government acts. KAEPS members should be careful to ensure that their discussions do not look like a prohibited form of private agreement. KAEPS members should not use the KAEPS’s name in connection with collective political action unless it has been approved by the KAEPS’s Board or an appropriate Board committee.

KAEPS members are strongly encouraged to consult with competent antitrust counsel before undertaking any collective activity that might have competitive implications. KAEPS members, especially those in leadership positions, may also benefit from attending antitrust compliance programs.

COMPENSATION POLICY

In compliance with Internal Revenue Service guidelines for approval of senior management compensation, the Board of Directors of The Kentucky Academy of Eye Physicians and Surgeons (“KAEPS”) will follow the following review and approval guidelines.

Individuals Subject to this Policy (defined as “Covered Individuals”):

Chief Employed Executives: The individual or individuals who have the ultimate responsibility for implementing the decisions of KAEPS’s governing body or for supervising the management, administration, or operations of KAEPS, including KAEPS’s Executive Director. If this ultimate responsibility resides with two or more individuals who may exercise such responsibility in concert or individually, then each individual should be included.

Officers: Any person identified under Article II of the KAEPS Bylaws.

Key Employees: Individuals who are not a Chief Employed Executive or an officer of KAEPS, but who meet both of the following criteria:

1. *\$150,000 Threshold.* The individual receives reportable compensation from KAEPS and all related organizations in excess of \$150,000 for the KAEPS tax year or the calendar year; and
2. *Responsibility Criteria.* The individual:
 - a. has responsibilities, power or influence over KAEPS as a whole that is similar to those of officers, directors, or trustees;
 - b. manages a discrete segment or activity of KAEPS that represents 10% or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or
 - c. has or shares authority to control or determine 10% or more of KAEPS’s capital expenditures, operating budget, or compensation for employees.

Procedure for Approving Compensation

In reviewing and approving the compensation of any Covered Individuals, the KAEPS Board of Directors, or a delegated committee of the Board (referred to as the “Approval Body” below), will utilize the following process:

1. *Impartial Decision Makers.* The compensation arrangement must be approved in advance (before any payment is made) by the Approval Body of KAEPS composed entirely of individuals who do not have a conflict of interest with respect to the compensation arrangement (example: neither the executive whose compensation is being determined nor any of his/her family members may be present during the discussion/debate or participate in the vote).
2. *Comparability Data.* When the Approval Body is considering compensation in excess of \$150,000 to Covered Individuals, it must rely on comparability data that demonstrate the fair market value of the compensation in question. For example, when crafting compensation packages, the Approval Body must secure

data that documents compensation levels for similarly qualified individuals in like positions at like organizations. This data may include the following:

- a. expert compensation studies by independent firms;
- b. written job offers for positions at similar organizations;
- c. documented telephone calls about similar positions at both nonprofit and for-profit organizations; and
- d. information obtained from the IRS Form 990 filings of similar organizations.

3. *Concurrent Documentation.* The Approval Body must document how it reached its decisions, including the data on which it relied. To qualify as concurrent documentation, written or electronic records of the Approval Body (such as meeting minutes) must note:

- a. the terms of the compensation and the date it was approved;
- b. the members of the Approval Body who were present during the debate on the compensation that was approved and those who voted on it;
- c. the comparability data obtained and relied upon and how the data were obtained; and
- d. any actions taken with respect to consideration of the compensation by anyone who is otherwise a member of the Approval Body but who had a conflict of interest with respect to the decision on the compensation.

DEPRECIATION POLICY

Capitalized assets will be depreciated over a straight-line method. Listed below is the schedule that will be used:

Furniture	7 years
Equipment	5 years
Computer Equipment and Software	3 years

Fully depreciated fixed assets will remain on the organization's Statement of Financial Position until they are disposed of or otherwise deemed worthless. Assets will be capitalized in accordance with the organization's capitalization cut-off points policy.

DIVERSITY POLICY

The Board of Directors of the Kentucky Academy of Eye Physicians and Surgeons recognizes that this organization is best served by representation from the broadest possible diversity of member background, experience and thoughts. As a policy, the Board of Directors is committed to diverse representation on the Board of Directors, its committees, and staff without regard to race, religion, national origin, sexual orientation, age, gender, or physical disability.

EXPENSE REIMBURSEMENT POLICY AND PROCEDURES

The KAEPS will reimburse the Executive Director, members of the staff, speakers, lecturers, and others as appropriate, for reasonable and necessary out-of-pocket expenses incurred in connection with meetings, professional development seminars, or other KAEPS business. All requests for reimbursements must be supported by a standard expense report form. Reimbursement must be approved by the Executive Director. Specific types of expenses to be reimbursed, documentation requirements, and other KAEPS policies to be observed are set forth below.

TRANSPORTATION COSTS

Transportation charges paid for by an individual on KAEPS business should be included on the regular expense reports and should be supported by attached receipts. The business purpose for the travel should be clearly indicated.

AUTOMOBILE MILEAGE ALLOWANCES

A mileage allowance up to the maximum amount permitted by IRS will be given for the use of privately owned automobiles on KAEPS business. Where out-of-town travel is involved, the mileage allowance should not exceed the cost of commercial airfare. The expense report should include the date of travel.

JOINT VENTURE POLICY

In compliance with Internal Revenue Service guidelines for approval and management of any joint venture entered into by the Kentucky Academy of Eye Physicians and Surgeons Inc. (KAEPS), the Board of Directors adopts the following guidelines.

Activities Subject to this Policy

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

Approval and Management of Joint Activities

Before making any decision to participate in a Joint Venture, KAEPS will ensure that the Joint Venture furthers KAEPS’s exempt purposes and will negotiate at arm’s length contractual and other terms of participation that safeguard KAEPS’s exemption from federal income tax. Such terms shall be in writing in the operating agreement of the Joint Venture and shall include the following minimum requirements:

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- With respect to any whole joint venture (that is, a joint venture in which KAEPS contributes substantially all of its assets to the enterprise), KAEPS’s control over the Joint Venture through fifty-one percent (51%) or more of the voting rights and/or veto power;
- With respect to any ancillary joint venture (that is, a joint venture to which a portion of KAEPS’s resources are contributed), KAEPS would, at a minimum, maintain sole control over the tax-exempt aspects of the Joint Venture and would have voting and ownership interests in the Joint Venture that are consistent with KAEPS’s capital contributions;
- A requirement that any subsequent contract with KAEPS’s partner in the Joint Venture be negotiated at arm’s length and for fair market value;
- A requirement that the Joint Venture give priority to KAEPS’s tax-exempt purposes over maximization of profit for the participants of the Joint Venture; and
- A prohibition on activities that would jeopardize KAEPS’s tax-exempt status.

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

POLICY FOR KENTUCKY ACADEMY OF EYE PHYSICIANS AND SURGEONS LEADERS

Policy:

It is the policy of the Kentucky Academy of Eye Physicians and Surgeons (KAEPS), subject to ongoing review and periodic modification by the Board of Directors, that each KAEPS Officer, Director, Committee Chair and committee member owes to the KAEPS and its members a duty of loyalty and fairness, and an obligation to discharge the duties of an KAEPS Leader in good faith and in a manner that is in the best interests of the KAEPS and its members.

Background:

The Kentucky Academy of Eye Physicians and Surgeons and its membership has benefited enormously from the countless hours of volunteer work KAEPS Leaders have devoted in service to KAEPS programs and activities. The quality and value of these programs are a direct reflection upon these leaders and the staff.

In nominating members to serve on the Board of Directors, and in selecting members to serve on its committees and task forces, the KAEPS seeks individuals with the experience, skills, and knowledge needed to do the job. Equally important, the KAEPS selects those individuals with a reputation for excellence, both in the quality of their efforts and in their ethical standards.

In recent years, physicians' roles have expanded beyond traditional parameters of clinical care. In many instances, physicians are assuming leadership, consulting or significant equity positions in business, which potentially impact or are impacted by KAEPS activities. If the KAEPS were to select only leaders not involved in such business ventures, it would seriously limit its ability to use the most capable and experienced individuals, which would not be in the best interests of KAEPS members.

Evaluation:

This Policy Statement is intended to maintain the standard of excellence demonstrated by all KAEPS Leaders, and to protect these Leaders from allegations of wrongdoing in the discharge of their duties.

Recommendation:

All references herein to an KAEPS Leader means the KAEPS Leader, a relative of the Leader, an organization in which the Leader or a relative has a material financial interest, and an organization of which the Leader or a relative is a director, trustee, officer, or employee. The term commercial excludes pursuits that are predominantly clinical, scientific, or academic.

Each KAEPS Leader, as a condition of eligibility for initial election or appointment to a position of KAEPS leadership and for continued service in that position, shall:

1. Disclose to the KAEPS the existence and nature of any personal or family interest in any activity that is, or reasonably could be expected to be, subject to this Policy Statement;

2. Disclose to the KAEPS board or committee on which the KAEPS Leader serves the existence and nature of any personal commercial interest of the Leader, with respect to any actual or proposed contract or arrangement between the KAEPS and the KAEPS Leader, or any proposed endorsement by the KAEPS of any product or service of the KAEPS Leader, in advance of any discussion of or decision regarding the proposed contract, arrangement or endorsement by that body, and abstain from the discussion and the decision;
3. Refrain from misusing the Leader's position as an KAEPS Leader to solicit, directly or indirectly, commercial opportunities for the Leader, such as
 - a) by accepting the invitation of any professional or other organization to speak, at an educational or scientific meeting of the KAEPS or other organization, in the Leader's capacity as an KAEPS Leader and, in connection with that activity, referring to or soliciting, or causing or permitting others to refer to or solicit on the Leader's behalf, commercial opportunities for the KAEPS Leader,
 - b) by soliciting or carrying on commercial opportunities for the KAEPS Leader and, in connection with that activity, referring to or causing or permitting others to refer to the leader's position as an KAEPS Leader. In order to avoid the appearance of impropriety, there must be a clear separation by time and locale between the activities undertaken as a leader of the KAEPS and those activities undertaken as a commercial interest,
4. Honor and keep confidential all privileged or confidential information of or involving the KAEPS that is obtained by the KAEPS Leader by reason of or in connection with that person's position of KAEPS leadership, and shall not use any of such information in connection with the Leader's commercial activities or disclose any of such information to any person or organization for any purpose whatsoever;
5. In the case of an KAEPS Officer or Board member only, avoid and refrain from any personal appearance by, or causing or permitting others to refer to, the KAEPS Officer or Board member as an KAEPS Leader in connection with an exhibit at any KAEPS meeting that promotes the commercial services or products of the KAEPS Officer or Board member.

PRIVACY POLICY

Our Commitment To Privacy

Your privacy is important to us. To better protect your privacy we provide this policy explaining our information collection and storage practices and the choices you can make about the way your information is collected and used. We have developed this policy to be consistent with the privacy principles in current practice of the organization. This policy may change over time. We will indicate at the "Effective Date" section when such changes take place.

The Information We Collect

We ask for information when you apply for membership, sign up for our programs, and on the website on any page on which you can order products, make requests, update company or personal information, and register to receive materials. The types of personal and company information that may be collected and the types of information covered by this policy include:

- Name
- Practice Name
- Title
- Email
- Practice and/or Home Address
- Practice and/or Home Phone Number
- Practice Manager Name
- Practice Manager Email
- Fax Number
- Mobile Number
- Date of Birth
- Credit Card Information

The Way We Use Personal Information

In order to provide you with better service, we may disclose or share information with selected business partners or other authorized third parties. It is always our intent to only release practice information. However, in some cases a personal or home address is the only information we have and it has not been indicated by you as such. These third parties are prohibited from selling, renting, or sharing any data that they receive. These partners are prohibited from using this information in any manner outside of the scope of the service that they have partnered with us to provide. All data shared in this manner is only used in accordance with our privacy policy.

When submitting a registration or dues payment, your information will be stored on our system in order to complete the requested transaction and must be shared with an outside party (our credit card processing vendor) in order to complete your transaction. We do not share this credit card information with any outside parties except for such purposes. We also record information about your transaction in our database; however, credit card numbers are not maintained in our database.

The Way We Use Member Information

The Academy maintains an Online Member Directory which lists information about our members, including name, practice name, address, satellite office locations, phone numbers, and a practice focus description that is self-reported.

Security

The Academy has security measures in place (including shredding of registration materials with credit card information or other personal information) in place to protect the loss, misuse, and alteration of the information under our control.

Email Address

The Academy will protect your email address from inappropriate use. The Academy will communicate with you through email with your permission.

Website Privacy

The Academy website provides restricted and unrestricted information. Unrestricted information is available to any user browsing our site. Restricted information is reserved for members of the Academy and can only be accessed through an established username and password. We do deploy technology to protect the information you send us. When visiting our site, your IP address is recorded. We use this information to create aggregate statistical reports, to track errors on the site, and for security reasons.

Website Copyright

The Academy owns the copyright in all contents of its website unless otherwise indicated. We present all such copyrighted material for personal use only as long as the copyright notice and permission notice is included in your reproduction. We expressly prohibit reprints or electronic reproduction of any document in part or in its entirety, unless you obtain prior written consent from the Academy or the owner of the material. Address all applications and inquiries to the contact cited on a particular page.

Disclaimer

The Academy provides on-line information and services on the Internet as a benefit to its members and the public and to further its educational mission. The information published on the Academy website is not intended to replace consultation with an ophthalmologist. The Academy cannot answer specific medical questions or refer you to a particular ophthalmologist.

Unless specifically stated otherwise, the opinions expressed and statements made by various authors on this website reflect the authors' observations and do not imply endorsement by the Academy.

The Academy does not exert editorial control over and has not participated in the development of other Internet websites. The Academy does not support, endorse, or hold any responsibility for hyperlink pointers, their website content, any of their expressed views, any services they offer or hyperlinks they mention. The Academy does not endorse any of the products or companies mentioned in the Academy website.

Our Commitment To Data Security

To prevent unauthorized access, maintain data accuracy, and ensure the appropriate use of information, we have put in place physical, electronic, and managerial procedures to safeguard and secure the information we collect physically and online. However, while we strive to protect your personal information, we cannot ensure the security of the information you transmit to us. Your use of our website is at your own risk.

How To Contact Us

Should you have any questions or concerns about these privacy policies, please send us an email at help@amplus.us or call 317-578-7768.

Changes to Our Privacy Statement

This privacy policy relates to our current privacy standards. We reserve the right to vary our privacy policy from time to time and will update the "Effective Date" section when such changes take place. Regardless of later changes, we will never use your information in a way materially different than stated in this current privacy notice without first offering you a meaningful opportunity to opt-out or otherwise prevent those new uses.

RELATIONSHIPS WITH OTHER ORGANIZATIONS

A primary goal of the Kentucky Academy of Eye Physicians and Surgeons (KAEPS) is to provide continuing medical education to enhance the ophthalmologist's ability to furnish the highest possible quality of eye care for patients. Therefore, relationships with other organizations must not jeopardize the KAEPS's standing as a respected organization.

Policy

When appropriate and desirable, the KAEPS may solicit or accept financial or other support from both for-profit and not-for-profit organizations in order to develop and/or improve activities and programs that are consistent with the KAEPS's mission statement. All arrangements for financial or other support must fall within the guidelines of this policy statement or be reviewed by the Board of Directors or the Executive Committee acting on behalf of the Board of Directors. Support for all continuing medical education programs and activities must adhere to the Standards for Commercial Support of Continuing Medical Education (CME) of the Accreditation Council for Continuing Medical Education (ACCME). In addition, with regard to gifts to physicians and the conflicts inherent in such gifts, the Board of Directors has adopted the American Medical Association's (AMA) guidelines as outlined in the AMA publication entitled "Gifts to Physicians from Industry."

Background

Financial and other support from corporations, foundations and other organizations can contribute significantly to both the quality and scope of KAEPS programs, activities and services. The KAEPS shares many common goals with other organizations, including corporations in ophthalmic industry, and it is appropriate for the KAEPS to cultivate and maintain appropriate and ethical relationships with these organizations. Such relationships must not pose conflicts of interest for the KAEPS, its officers, staff, members or the sponsoring organizations, and they must be consistent with the goals and objectives of the KAEPS's strategic plan.

Definitions

The KAEPS may enter into different types of relationships or arrangements with other organizations as defined below.

Sponsorship: A financial donation to the KAEPS to support an KAEPS product or service with appropriate recognition for the donor.

Joint Sponsorship: A joint effort in which both (or all) organizations or institutions are integrally involved in planning and developing an KAEPS program.

Joint Sponsorship for CME: KAEPS receives CME credits through the Kentucky State Medical Association. The ACCME publication Essentials and Standards includes definitions and requirements specific to the joint sponsorship of CME.

Cooperative Relationship: A relationship in which the degree of involvement of one organization or institution in the planning, developing or implementing a program or service is

less than that of the primary sponsoring organization or institution. The terms "in cooperation with" or "cooperating organizations" are used to describe such relationships.

Endorsement: Approval by the KAEPS of, or the loan of the KAEPS name to, a program or service developed by another organization. Endorsements must be approved by the Board of Directors.

Alliance or Collaboration: A joint effort of two entities that benefit from sharing profit, cost-savings, service, royalties, license or name recognition.

Guidelines

1. In general, the KAEPS will proactively choose its priorities for entering into relationships and arrangements with other organizations; however, the KAEPS will also consider opportunities presented by other organizations.
2. All proposed arrangements and relationships must fit the guidelines outlined here or be reviewed by the KAEPS Board of Directors or the Executive Committee acting on behalf of the Board of Directors, in order to ensure that acceptance of funds or use of KAEPS funds would not have a negative influence on KAEPS programs or policy or be inconsistent with the KAEPS's mission and goals.
3. Proposed arrangements and relationships must not compromise the KAEPS's good name, its reputation, the privacy of its members, the existence or identity of the KAEPS, its tax status, or its trademarks.
4. Participation in a specific arrangement or relationship does not in any way imply KAEPS approval of an organization's general policies, nor does it imply that the KAEPS will exert any influence to advance the organization's interests outside the substance of the arrangement itself. The KAEPS's name and logo may not be used in a manner that would express or imply KAEPS endorsement of the organization or its policies.
5. The KAEPS accepts funds or royalties only if acceptance does not pose a conflict of interest and in no way impacts the objectivity of the KAEPS, its members, officers or employees.
6. The KAEPS does not endorse or certify health or medical products or medical services produced by other companies and marketed to consumers.
7. The KAEPS does not endorse programs developed by other organizations or institutions, except as determined by the Board of Directors.
8. The KAEPS does not actively seek endorsements of KAEPS programs or services from other organizations or institutions except as determined by the Board of Directors.
9. In accordance with ACCME standards, the KAEPS will conduct all CME programs independently and without influence or control from other supporting organizations. Supporting organizations shall not influence or control the program planning, program content

or execution of the activity; the program must be free of commercial bias for or against any product; and any product discussion must be objective, balanced and scientifically rigorous. Corporate sponsors may not engage in promotional activities in the CME program location or in the CME materials, and no promotional materials may be disseminated during the CME activities.

10. In accordance with the AMA's guidelines on "Gifts to Physicians from Industry" and the ACCME Standards for Commercial Support (an element of the KAEPS's accreditation to provide CME), funding from industry to underwrite the costs of CME conferences or professional meetings should be made to the KAEPS and not to individual physicians. Subsidies from industry should not be accepted to pay for the costs of travel, lodging or other personal expenses of the physicians who are attending CME conferences or meetings. Subsidies for hospitality should not be accepted outside of modest meals or social events that are held as part of a continuing medical education conference or meeting. Industry support for the costs of travel and lodging for attendees who might not otherwise be able to participate in an KAEPS event (e.g., ophthalmologists from countries or regions with developing economies) may in certain circumstances be considered appropriate; such situations will be addressed on a case-by-case basis.
11. Organizations that provide financial support to the KAEPS may be recognized. Such corporate or foundation recognition regularly occurs in KAEPS publications and other appropriate forums. Recognition does not include any reference to the organizational products. The institutional acknowledgment may state the name, mission and areas of clinical involvement of the company or institution, and it may include corporate logos and slogans if they are not product promotional in nature.
12. The KAEPS retains editorial control over any information produced as part of relationships or arrangements with other organizations. All intellectual property resulting from sponsorship by another organization will be the property of the KAEPS unless the Board has approved an agreement to the contrary. In every case, all materials in print, broadcast or electronic media prepared by the supporting organization must be submitted to the KAEPS for written approval prior to release.

TAX FILINGS

The Executive Director shall ensure that tax payments and other government-ordered payments or filings are filed in a timely and accurate manner.

The Treasurer (or Executive Director at the request of the Treasurer) shall sign and certify that the IRS Form 990 is accurate and complete.

The Finance Committee shall review and approve the IRS Form 990 annual tax filing prior to submission and at their request, the Board shall receive a copy of the IRS Form 990.

Consistent with the requirements of Section 6104(d) of the Internal Revenue Code and the regulations there under, electronic copies of the organization's Form 990 shall be made available, upon request, in a timely manner, and without charge to any individual who requests it.

WHISTLEBLOWER POLICY

Background

Understanding two provisions of the Sarbanes Oxley Act of 2002 points to reasons for adoption of whistleblower policies:

- The act calls for the imposition of criminal penalties, including fines and prison sentences of up to 10 years, for anyone who retaliates against someone who provides truthful information relating to the commission or possible commission of a federal offense.
 - Audit committees of publicly traded companies are required to establish procedures for receiving and dealing with complaints related to accounting and auditing and for anonymous complaints. Highly publicized corporate scandals have led many associations to voluntarily review their corporate governance structure and policies.
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Purpose

To provide a mechanism for employees, directors and volunteers to raise good faith concerns regarding suspected violations of law on the part of the Association, to cooperate in an inquiry or investigation by a court, agency, law enforcement, or other governmental body; or to identify potential violations of Association policy; and to protect employees who take such actions from retaliation.

The Kentucky Academy of Eye Physicians and Surgeons is committed to maintaining a workplace where directors and employees are free to raise good faith concerns regarding the Association's business practices, specifically:

- (1) Reporting suspected violations of the law on the part of the Association
- (2) Providing truthful information in connection with an inquiry or investigation by a court, agency, law enforcement, or other governmental body
- (3) Identifying potential violations of Association policy, specifically the policies contained in the KAEPS Policies and Procedures Manual.

An employee, director or volunteer who wishes to report a suspected violation of law or Association policy should discuss the concern with the Association's executive director. If the executive director is the subject of the concern, the concern should be taken to the Board President. Concerns also may be submitted anonymously, in writing, to the board president.

The Association expressly prohibits any form of retaliation, including harassment, intimidation, adverse employment actions, or any other form of retaliation, against employees who raise suspected violations of law, cooperate in inquiries or investigations, or identify potential violations of Association policies. Anyone who engages in retaliation will be subject to discipline, up to and including termination of employment or dismissal from a volunteer position.

Any employee who believes that he or she has been subjected to any form of retaliation as a result of reporting a suspected violation of law or policy should immediately report the retaliation to either the Association's executive director or president of the board.

Reports of suspected violations of law or policy and reports of retaliation will be investigated promptly as assigned by the board president in a manner intended to protect confidentiality, consistent with a full and fair investigation. Appropriate corrective action will be recommended to the board of directors, who will resolve all reported complaints and allegations. The board of directors will notify the concerned individuals of their findings and prepare other reports as indicated by the circumstances.

Accounting and Auditing Matters

The executive committee of the board of directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The board president shall immediately notify the executive committee of any such complaint and work with the committee until the matter is resolved.

Acting in Good Faith

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

CONFLICTS OF INTEREST, FINANCIAL DISCLOSURE AND CONFIDENTIAL INFORMATION AGREEMENT

As a member (“Member”) of either the Board of Directors of the Kentucky Academy of Eye Physicians and Surgeons, Inc. (“KAEPS”) or one of KAEPS’s committees, and in recognition of the undersigned’s leadership position within KAEPS, the receipt of confidential information while associated with KAEPS and other good and valuable consideration, the undersigned agrees as follows:

Section 1. Conflicts of Interest. Each member of KAEPS’s board, committees and staff, shall strive to avoid any conflict between his or her own respective individual interests and the interests of KAEPS in each action taken on behalf of KAEPS.

If any such person (a) stands to derive personal gain or benefit from a transaction with KAEPS or (b) has any direct or indirect interest in or relationship with any individual or organization which

- (i) may be seen as competing with the interests or concerns of KAEPS; or
- (ii) proposes to render or employ services, personal or otherwise, to KAEPS or to employ any members of its board, committee or staff, or
- (iii) proposes to enter into any financial transaction with KAEPS,

such person shall give immediate notice of such interest or relationship to the Board of KAEPS and shall refrain from voting or otherwise attempting to affect any decision for KAEPS to participate or not to participate in such transaction and the manner or terms of such participation. Once the Board of Directors is notified of a potential or actual conflict of interest, the Board may determine that the person may continue his or her KAEPS duties or activities, subject to appropriate limitations with regard to the conflict matter.

Minutes of appropriate meetings should reflect that such disclosure was made and that such person abstained from voting and absented him or herself from the final review and vote on the matter. However, such person should not be prevented from briefly stating his or her position on the matter or from answering pertinent questions from Board or committee members or from staff if that person’s knowledge on the matter may be helpful in reaching a decision.

KAEPS strongly encourages each member of its Board, committees and staff to consider all personal and professional affiliations in light of their leadership positions within KAEPS.

Section 2. Statements, Actions and Affiliations. No member of KAEPS’s board, committees or staff shall issue a report, make a public announcement or publicly advocate a position in the name of the KAEPS without the express approval of the Executive Committee or the Board of Directors.

Member agrees to refrain from statements and actions which are in conflict, or which may be perceived to be in conflict, with IAO’s policies and positions unless the individual clearly states that his or her statement or action does not reflect an official position or policy of KAEPS and that he or she has no authority to speak for KAEPS.

All members of KAEPS’s board, committees and staff shall consider all statements, actions and affiliations in light of their leadership positions within KAEPS because such statements, actions and affiliations may affect KAEPS’s public perception and credibility.

Section 3. Financial Interest

I do not have any relevant financial relationships with any commercial interests.		
Commercial Interest	Nature of Relevant Financial Relationship (Include all those that apply – <i>more information may be listed on additional sheets</i>)	
	What was received	For What Role?
<i>Example: Company ‘X’</i>	<i>Honorarium</i>	<i>Speaker</i>
Example terminology		
What was received: Salary, royalty, intellectual property rights, consulting fee, honoraria, ownership interest (e.g., stocks, stock options or other ownership interest, excluding diversified mutual funds), or other financial benefit.	Role(s): Employment, management position, independent contractor (including contracted research), consulting, speaking and teaching, membership on advisory committees or review panels, board membership, and other activities (please specify).	

Section 4. Confidential Information. Except for necessary disclosures made in the ordinary course of the performance of Member’s services to KAEPS and except as is otherwise expressly authorized by KAEPS in writing, Member agrees and promises that Member will not, during the term of his or her service on the Board of Directors or committee or at any time thereafter, directly or indirectly disclose or use, on Member’s own behalf or on behalf of any third party, whether as an agent, officer, director, principal, consultant, or partner, confidential information of KAEPS; provided, however, that this Section 3 shall not preclude Member from use or disclosure of information known generally to the public (provided that Member was not, without KAEPS’s consent, directly or indirectly responsible for such information becoming known generally to the public) or from disclosure required by law or court order.

Section 5. Remedies. Member acknowledges that any breach of Member's obligations under Section 3 of this Agreement would cause irreparable damage to KAEPS, that such damage would be incapable of precise measurement, and that no adequate remedy at law would exist for such breach. Therefore, Member agrees that, in the event or threat of a breach of Section 3 of this Agreement by Member, KAEPS shall, in addition to all other remedies available, be entitled to injunctive relief. Additionally, Member agrees that KAEPS shall be entitled to recover from Member KAEPS's costs and expenses, including reasonable attorneys' fees, incurred in successfully enforcing this Agreement.

Section 6. Severability. Should any clause, portion or section of this Agreement be unenforceable or invalid for any reason, such unenforceability or invalidity shall not affect the enforceability or validity of the remainder of this Agreement. Should any particular covenant in this Agreement be held unreasonable or unenforceable for any reason, including, without limitation, the time period or scope of activity covered by such covenant such covenant shall be given effect and enforced to whatever extent would be reasonable and enforceable.

Section 7. Governing Law. This Agreement shall be construed in accordance with and governed by Kentucky law. The provisions of this Agreement are intended to supplement, but not displace, their respective rights and responsibilities under the Kentucky Uniform Trade Secrets Act as such statute may be amended from time to time.

BOARD OF DIRECTORS - STATEMENT OF ROLE AND RESPONSIBILITIES

As a member of the Board of Directors, I acknowledge that I have received and read the following statement of roles and responsibilities:

- Abide by the Mission, Bylaws and policies of KAEPS.
- Be an advocate of the Mission of KAEPS, its members, its policies, its services and its environment.
- Actively foster a clear understanding of the organization, its direction, and its leadership decisions among the membership; promote and facilitate open lines of communication.
- Maintain the confidentiality of information so designated by KAEPS and release its content only with the express authorization of KAEPS or as required by law.
- Be well-informed regarding current & emerging issues within the profession and KAEPS.
- Prepare for, attend, and engage in thoughtful, objective participation in all Board and other meetings and project teams as assigned.
- Publicize the value and work of KAEPS; broaden interest in the Society by using opportunities to explain its mission and services to relevant audiences.
- Be loyal to the organization, its staff and other volunteer leaders. Be tolerant of differences of opinion but recognize that we must speak with one voice. Support Board actions publicly.
- Actively participate in the meetings and activities of KAEPS.
- Serve the Society by representing KAEPS during official activities and not engaging in self-promotion during official events.
- Be cognizant of, and seek to understand, the special interest, legal and other factors that may affect KAEPS policy and position.
- Participate in development of policy and issues positions in the context of fulfilling the Mission.

Print Name: _____

Signature: _____

Date: _____

IRS Form 990 Relationship Report

Your name: _____

Check one:

- I have no family or business relationships with another director or key employee.
 I have the following family or business relationships with another director or key employee:

Director's or key employee's name: _____

Describe the relationship: _____

Director's or key employee's name: _____

Describe the relationship: _____

Director's or key employee's name: _____

Describe the relationship: _____

Under penalties of perjury, I declare that, to the best of my knowledge and belief, the above information is true, correct, and complete.

Signature: _____

Printed Name: _____

Date: _____

RECORD RETENTION POLICY ASSOCIATION MANAGEMENT PLUS, LLC

Background

In light of the harsh criminal sanctions imposed by Sarbanes-Oxley's document-destruction provisions, it is wise for all associations to consider the following measures to avoid running afoul of these provisions:

1. Adopt a document-management policy, factoring in the type of documents generated and the type of work performed by the association. Specify retention intervals for specific classes of documents, including e-mail, backup tapes, and paper files.
 2. Monitor policy compliance by conducting periodic audits as well as through review and updates of the policy.
 3. Train employees on proper compliance – the policy will only be effective if applied.
 4. Suspend document destruction when an investigation appears imminent.
 5. Avoid altering metadata; i.e. electronic info that shows when a file was created, altered, etc.
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Policy

The purpose of this policy is to ensure that necessary records and documents are adequately protected and maintained and to ensure that records no longer needed are discarded at the appropriate time. Records and documents outlined in this policy include paper, electronic files (including emails) and voice mail records regardless of where the document is stored, including network servers, desktop or laptop computers and handheld computers and other wireless devices with text messaging capabilities. Electronic files should be stored backed up to CDs and appropriately coded and stored with other records. Any employee of the Society, or any other person who is in possession of records belonging to the Society who is uncertain as to what records to retain or destroy, when to do so, or how to destroy them, should seek assistance prior to taking any action.

In accordance with 18 U.S.C. §1519 and the Sarbanes Oxley Act, the Society shall not knowingly destroy a document with the intent to obstruct or influence an "investigation or proper administration of any matter within the jurisdiction of any department, agency of the United States...or in relation to or contemplation of such matter or case". If an official investigation is under way or even suspected, document purging must stop in order to avoid criminal obstruction. In the event of a government audit, investigation, or pending litigation, records disposal may be suspended at the direction of either partner.

In order to eliminate accidental or innocent destruction, Association Management Plus, LLC has the following policy. This policy applies to Association Management Plus, LLC as well as any association under current management.

All financial documents, documents containing any personal member information, or any personal health information submitted, shall be shredded at the expiration of the retention period/end of use.

End of use may be defined as the end of a consulting engagement, end of a seminar or program, or resolution of an issue.

Permanent Records

Articles of Incorporation
Audit records
Annual reports filed with the Secretary of State
Board policy statements
By-Laws
Chart of accounts
Charter
Copyrights
Correspondence on legal and other important matters
Correspondence with the IRS
Depreciation schedules
Employee benefits records --Life of the Employee

General Ledgers
Insurance records, current accident reports, claims, policies, etc.
Minutes of board of directors and general membership meetings
Record of actions by members or directors without a meeting
Registered agent name and address on file with Secretary of State
Tax exempt letter
Tax returns and worksheets
Trademark registrations
Year-end financial statements

7 Year Retention

Accident reports and claims (settled)
Accounts payable ledgers and schedules
Accounts receivable ledgers and schedules
Bank statements
Canceled checks
Contracts, leases and agreements
Deposit and general ledger books
Employment tax reports
Expired contracts and leases

Expense analysis and expense distribution schedules
Expense reports
General journals
Invoices to members and vendors
Payroll records and summaries
Sales records
Subsidiary ledgers
1099 and 1042 Reports

3 Year Retention

Bank reconciliations
Duplicate bank deposit slips
Employment applications
Expired insurance policies
General correspondence

Individual personnel files - While active + 3 years
Internal audit reports
Inventory records
Membership applications
Terminated employee records

1 Year Retention

Employment applications
Purchase orders
Job announcements and advertisements
Budget records

Immediate Destruction

Certain documents shall be destroyed immediately. For the purposes of this policy, these documents shall be destroyed at the end of their use/end of the project as identified below. All consultants of Association Management Plus, LLC or any association under management have agreed to immediate destruction of these records.

Help Forms containing personal health information or any other personal or confidential information

Individual client documents and supporting information containing personal health information (the end of use shall be considered 6 months from the date of the encounter or final report)

Documents submitted by any individual or entity in error containing the personal information of any type of any individual or entity (end of use shall be immediately following a personal or fax contact with the person or entity to report the erroneous submission)

Any documents containing credit card information except those required for financial documentation.

The retention periods described herein are guidelines. There are circumstances under which a record or document may have to be maintained longer than the guidelines. This will be a decision made by either partner.