



New Jersey State
Funeral Directors
Association, Inc.

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NJSFDA CONSTITUTION AND BYLAWS

Effective April 4, 2017

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NJSFDA BYLAWS

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NJSFDA CONSTITUTION

ARTICLE ONE—NAME AND EMBLEM

Section 1. Name. The Corporation shall be known as the NEW JERSEY STATE FUNERAL DIRECTORS ASSOCIATION, INC. (NJSFDA).

Section 2. Emblem.

The Board of Directors shall authorize and approve an emblem.

Section 3. Emblem Use.

The emblem of the NJSFDA shall be used by members in good standing only.

ARTICLE TWO—AIMS AND PURPOSES; AUTHORITY

Section 1. Objectives.

The objectives of the NJSFDA are as follows:

- To promote and cultivate the art of mortuary science; to elevate the professional character and education of funeral directors; to encourage mutual improvement and goodwill; and to foster high professional ideals of public service.
- To enlighten and direct public opinion for the purpose of developing and enacting proper, just and uniform laws on funeral directing and embalming in New Jersey in the best interest of the public.
- To acquire and administer property and to create and utilize such legal entities as are necessary for the purposes for which this corporation was organized.
- To recognize, safeguard, and stimulate the common economic and business interests of its members and to publish reports in support of these interests.

Section 2. Authority.

Supreme authority for the organization is vested in the membership in the convention.

ARTICLE THREE—DISTRICT ASSOCIATIONS

Section 1. Definition.

A District Association (District) shall be comprised of a group of funeral directors, historically defined by, but not limited to, certain geographic regions of the State.

Section 2. Recognition.

A District may be recognized by the Board of Directors upon application, with the total number of Districts not to exceed eleven.

Section 3. Autonomy.

The District shall have exclusive legal and operational autonomy subject to the requirements of Article Three, Section 5.

Section 4. Representation.

The representative to the NJSFDA Board of Directors from a District shall be the President of the District, whose term shall commence July 1, with a report made thereof to the Executive Director.

Section 5. Criteria for Recognition.

To be recognized, a District must:

- a. Be organized as a federal Internal Revenue Code (IRC) 501(c)(6) non-profit corporation or association within the State of New Jersey.
- b. Adopt a Constitution and Bylaws that does not conflict with the NJSFDA Constitution and Bylaws.
- c. Annually adopt a written anti-trust policy and provide Directors and Officers (D&O) liability insurance coverage for its officers, trustees, and committee members.
- d. Provide that the term of the elected district officers will commence July 1 and conclude June 30.
- e. When conducting the affairs of the District, follow a written agenda and be governed by Robert's Rules of Order when applicable except when they are inconsistent with the District's Constitution and Bylaws.
- f. Provide for membership of any funeral director upon the receipt of dues and verification of licensure.
- g. Adopt one of the following membership requirements and no other as a condition of membership: that all future applicants be a:
 - i. funeral director, or
 - ii. funeral director who either resides or is employed within the District.

A District's adoption of a geographic specific criteria shall neither require membership in that District nor exclude a funeral director from electing membership in another District provided he or she meets the other District's membership criteria.

- h. Establish a document retention program for the safekeeping of District minutes, communications, and financial records. A copy of the District's mailings must be forwarded to the NJSFDA upon dissemination to its members.

Section 6. Failure to Comply.

Any District failing to meet the criteria of Article Three, Section 5, will forfeit its vote on the Board of Directors until such a time that all requirements have been fulfilled.

- a. Any District failing to meet the criteria of Article Three, Section 5 for more than ninety days will no longer be recognized by the Board of Directors as an affiliate District until such a time that all requirements have been fulfilled.

ARTICLE FOUR—MEMBERSHIP AND DUES

Section 1. Commencement.

Unless otherwise provided herein, all membership in the NJSFDA will commence upon receipt of the applicant's State and District dues and proof or verification of the applicant's current licensure. Unless otherwise provided herein, membership in a District shall be a condition of membership in the NJSFDA and membership in the NJSFDA shall be a condition of membership in a District, irrespective of the manner in which membership has been solicited or processed. A funeral director is limited to membership in one District.

Section 2. Membership.

There shall be the following classes of membership in the NJSFDA:

- a. *Fully Privileged Membership:* Any funeral director licensed to practice in the State of New Jersey may apply for Fully Privileged Membership. A Fully Privileged Member shall have all rights and privileges of membership.
- b. *Emeritus Membership:* A Fully Privileged Member who has completed twenty-five years continuous membership, has ceased to practice as a funeral director, has no active interest in the funeral directing profession and whose license, after September of 2009, has been classified as inactive by the New Jersey State Board of Mortuary Science, may be allowed, upon recommendation of his or her District, to become an Emeritus Member. An Emeritus Member shall only be a member of the District and NJSFDA, shall not be entitled to hold office or vote, be appointed to a standing committee, or be a delegate to the NFDA Convention, but shall be entitled to all other benefits of membership.
- c. *Newly Licensed Membership:* Newly Licensed Membership of one-year's duration will commence on January 1 and expire December 31, for the year following the year in which the applicant was licensed. An applicant must apply for a Newly Licensed Membership in the year in which the license is granted, and said application must be sponsored by an elected officer of the District in which the application is made. Newly Licensed Membership applies only to those persons who are receiving a funeral director's license for the first time in any jurisdiction and shall not include those persons who have previously been licensed in another state. Newly Licensed members shall not pay dues, shall not be entitled to vote, hold office, be appointed to a standing committee, or be a delegate at the National Funeral Directors Association (NFDA) Convention.

Newly Licensed Members shall be counted as members of the District and NJSFDA. After the one-year membership, Newly Licensed Members are expected to become Fully Privileged Members.

- d. *Dual Membership:* A funeral director who is licensed to practice in another State and who is not licensed to practice in New Jersey may apply for Dual Membership. A Dual Member shall not be required or prohibited from being a member of a District, providing a District allows for said membership. A Dual Member shall not be allowed to vote, hold office in the NJSFDA, be appointed to a standing committee, or be a delegate to the NFDA Convention.

- e. *Non-Resident Membership*: A New Jersey licensed funeral director who neither resides nor works in New Jersey may apply for Non-Resident Membership. A Non-Resident Member shall not be required or prohibited from being a member of a District providing a District allows for said membership. A Non-Resident Member shall not be allowed to vote, hold office in the NJSFDA, be appointed to a standing committee, or be a delegate to the NFDA Convention.
- f. *Honorary Membership*: Honorary Membership may be conferred upon any member of the NJSFDA at such times and under such conditions as the Board of Directors may determine.
- g. *NFDA Membership*: Membership eligibility in the NFDA shall be governed exclusively by the NFDA's Constitution and Bylaws. The NFDA shall be solely responsible for its own membership and dues solicitation, collection, and administration. Membership in the NJSFDA shall not be a condition of membership in the NFDA, nor the reverse.

Section 3. Dues Rates.

- a. *Base Rate*. Base Rate dues shall be applied as follows:
 - 1. *Fully Privileged Members*. Fully Privileged Members shall be assessed the full Base Rate, except when a firm has more than one funeral director on its staff entitled to Fully Privileged Membership, then the second member of that firm will pay 75% of the Base Rate, with the third and all subsequent members paying 50%.
 - 2. *Emeritus*. An Emeritus Member shall pay 25% of the Base Rate.
 - 3. *Dual*. A Dual Member shall pay a rate as established by the Board of Directors.
 - 4. *Non-Resident*. A Non-Resident Member shall pay a rate as established by the Board of Directors.
- b. *NJFD-PAC Rate*. New Jersey Funeral Directors Political Action Committee (PAC) dues shall be applied as follows:
 - 1. *Fully Privileged Members*. Fully Privileged Members shall be assessed the PAC Rate in addition to the Base Rate, except when a firm has more than one funeral director on its staff entitled to Fully Privileged Membership, then the second and subsequent members of that firm shall not be subject to the PAC Rate.
 - 2. Every Fully Privileged Member subject to the PAC Rate shall have the option of declining to have the dues collected under this provision used for the purposes of the NJFD-PAC, provided however that such declination shall not relieve the Fully Privileged Member of the obligation to pay PAC dues, which shall then be applied to the general purposes of the organization with their Base Rate Dues.

Section 4. Dues Increases.

- a. Increases in the Base Rate and NJFD-PAC Rate dues shall be established by the membership at the Annual Convention, except that the Board of Directors shall have the authority to raise each category of dues by a percentage no larger than the change in the Consumer Price Index (CPI) for any subject year.

Section 5. Responsibility for Collection.

Each District and the NJSFDA shall each have responsibility for establishing their respective dues rates, which rate setting shall occur by October 1 of the year preceding the year in which the dues are applicable. The NJSFDA shall then have the responsibility for the direct billing, collection and deposit of said dues dollars, including District dues, and the transmission of moneys owing to the District and reports concerning same, through a process of continued collaboration with the Secretary and/or Treasurer of the District. All dues shall be due and payable on January 1 of each calendar year.

Section 6. Non-Payment of Dues.

If dues are not paid and reported by the due date, all privileges of membership shall be terminated 90 days thereafter, provided that at least 30 days notice of termination has been given.

Section 7. Member Conduct.

- a. Provision shall be made for a Code of Member Conduct to regulate the interactions among members and staff, a process for reporting and hearing alleged violations of same, and a procedure for corrective and disciplinary action.

ARTICLE FIVE—OFFICERS AND EXECUTIVE DIRECTOR

Section 1. Officers.

The elected officers of the NJSFDA shall be as follows:

- a. President
- b. President-Elect
- c. First Vice President
- d. Second Vice President
- e. Secretary/Treasurer
- f. Four Delegates-at-Large
- g. Immediate Past President

Section 2. Responsibilities.

The officers of the NJSFDA shall possess primary responsibility for the governance of the NJSFDA between meetings of the Board of Directors, to include, in addition to the execution of their elected offices, ensuring the effective communication of NJSFDA policy and programs. Additionally, they shall be responsible for the initiation of policy issues for consideration by the Board of Directors, and shall fulfill the responsibilities assigned to them as the Executive Committee.

Section 3. Qualifications.

The officers of the NJSFDA shall be Fully Privileged Members in good standing of the District from which they were nominated.

Section 4. Terms.

The terms of office for each officer shall be one year with four exceptions. Two Delegates-at-Large will be elected each year to serve a two-year term; the current President will automatically become the Immediate Past President after the election of the new President; and the President-Elect shall automatically succeed to the Presidency.

Section 5. Succession.

In the absence of the President the duties of the President shall be assumed in the following order: President-Elect, First Vice President and Second Vice President.

Section 6. Duties of the President.

The President shall serve as the chief elected officer of the NJSFDA and shall preside at all meetings of the Board, the membership and the Executive Committee.

He or she shall have the power and authority to appoint members to all committees with the advice of the Executive Committee and the Board of Directors. The President shall be a member ex-officio of all committees.

He or she shall see that all orders and directions of the membership and the Board of Directors are carried out and that the NJSFDA's current goals and objectives are consistent with the long-range interests of the NJSFDA.

Section 7. President-Elect.

The President-Elect shall automatically assume the office of the President at the end of his or her term.

Section 8. Duties of the Secretary/Treasurer.

The Secretary/Treasurer shall be responsible to see that accurate records and documents are maintained and, in the case of Board of Directors minutes, that they accurately reflect the proceedings. At Board of Directors Meetings, he or she shall call the roll and monitor all roll call votes.

The Secretary/Treasurer shall have primary responsibility for the monitoring of all financial activities of the NJSFDA to include, but not be limited to, the accurate recording of income, the authorized disbursement of funds, the use and maintenance of adequate financial instruments and bank accounts, the integrity of special funds, and the forms of financial reporting.

He or she shall present semi-annual financial reports to the Board of Directors and to the membership at the Annual Convention in conjunction with the Audit Committee.

Section 9. Duties of the Immediate Past President.

The Immediate Past President shall preside over meetings of the Past President's Council and shall assist the President in transition as is necessary.

Section 10. Duties of the Executive Director.

The Executive Director shall be the Chief Executive Officer responsible for the effective administration and execution of the programs and policies of the NJSFDA and its related companies, and shall be responsible to the Board of Directors. The position of Executive Director shall be a salaried position. The Executive Director shall assist the Officers and Board of Directors in the formation of goals, objectives, policies and activities and shall plan, organize, and coordinate all NJSFDA programs. The Executive Director shall be responsible for the operation of the NJSFDA Office and shall supervise and delegate duties to the office staff and shall otherwise fulfill such capacities as provided for in a position description.

Section 11. Executive Committee.

There shall be an Executive Committee, composed of the officers and the Executive Director. The Executive Committee shall have overall working responsibility for the operations of the NJSFDA between meetings of the Board of Directors. To the extent not otherwise defined, the primary duties of the officers shall be to fulfill their obligations as members of the Executive Committee and to support the President in the discharge of his or her duties.

Section 12. Vacancies.

Should a vacancy occur in an office or should an office be declared vacant for good cause, the Board of Directors shall have the power to fill the vacancy until the next election cycle, at which time a general election shall be held for duly nominated candidates seeking to fill the duration of any term of office. The above does not apply to any vacancies that may occur in positions appointed by the President nor does it usurp the President's right to appoint.

Section 13. Term Commencement.

The elected officers shall take office September 1 of each year.

ARTICLE SIX—BOARD OF DIRECTORS

Section 1.

The Board of Directors shall be composed of the elected officers of the NJSFDA and the President of each District. If a District president is unable to attend a Board of Directors' Meeting, the District in question may be represented by the next District officer in line. The said designee must advise the Board upon arrival of his or her designation and no other representative shall be permitted to vote at that meeting. The representative shall have the full powers of a Board member at the specific meeting. If the President or the next officer in line fails to attend the Board of Directors' Meeting, the District will forfeit its vote.

Section 2.

The Board of Directors shall be responsible for the operation of the NJSFDA between conventions.

Section 3. Meetings.

The Board of Directors shall meet at least three times a year.

Section 4. Special Meetings.

The President may call a Special Meeting of the Board whenever necessary for the welfare of the NJSFDA. The President will be required to call a Special Meeting whenever at least five Board members submit a written request to the President stating their need for a Special Meeting.

Section 5. Notice.

All Regular and Special Meetings shall require at least three days written notice.

Section 6. Time and Place of Annual Convention.

The Board shall determine the date, time, and place of the Annual Convention.

Section 7. Duties of Committees: Determination.

The Board shall have the power to determine the duties of all the committees, except standing committees and as otherwise directed by the membership.

Section 8. Board Powers.

The Board shall have the power to exercise all functions of the NJSFDA except those expressly prohibited.

Section 9. Appointment of Executive Director.

The Board shall have the power to appoint the Executive Director, with or without a contract, for a maximum of three years. At the end of three years the Board shall have the power to re-appoint the existing Executive Director, or appoint a successor.

Section 10. Multiple Positions.

No member of the Board shall have more than one vote regardless of the number of positions he or she may hold on the Board.

Section 11. Quorum.

A quorum of ten Board members is required in order for the Board to transact the business of the NJSFDA.

Section 12. Period of Office.

The District Presidents shall take office on the Board of Directors on July 1 of each year.

Section 13.

No person may serve on the Board of Directors who is not a Fully Privileged Member in good standing of the NJSFDA.

ARTICLE SEVEN—STANDING COMMITTEES

Section 1.

The Standing Committees are as follows:

- a. *Audit Committee.* Provision shall be made for an Audit Committee with a membership and scope sufficient to meet the audit and internal controls oversight of the NJSFDA and its related intercompany and contractual interests. The Audit Committee shall retain such auditor(s) as it requires to meet its obligations under prevailing standards of performance, and shall maintain a charter that delineates its duties and provides for its self-governance, subject to the authority of the Board of Directors. The Audit Committee shall report annually to the membership.
- b. *Constitution and Bylaws.* The Constitution and Bylaws Committee shall, as necessary, review the Constitution and Bylaws, making appropriate recommendations to the Board when needed or as directed.
- c. *Board of Trustees.* There shall be a Board of Trustees composed of five members, appointed by the President with the consent of the Board of Directors, with each member serving in staggered three-year terms. The Board of Trustees shall oversee activities and functions of a fiduciary nature and/or as related to the investment of assets consistent with a prudent investment policy or as dictated by law. The Board of Trustees shall establish a charter that

delineates its duties and provides for its self-governance, subject to the assignments and direction of the Board of Directors, so long as they do not conflict or abrogate their legal duties or obligations under any trust or other agreements.

- d. *Resolutions Committee.* The Resolutions Committee shall read properly filed resolutions at the Convention at such time as designated in the program and shall at the same time announce the time and place for a public hearing. The Resolutions Committee shall give all parties a fair hearing and shall report their recommendations for action to the Convention.
- e. *Election Committee.* The Election Committee shall be responsible for conducting, monitoring, tabulating, and reporting the results of elections.

ARTICLE EIGHT—MEETINGS AND CONVENTION

Section 1. Annual Convention.

There shall be an Annual Convention and it shall be the governing body of the NJSFDA. It shall consist of all Fully Privileged Members. No member shall be entitled to more than one vote.

Section 2. Special Convention.

A Special Convention may be called by the Board of Directors, upon the request of four members of the Board, provided all four members are each a member of a different District.

Section 3. Quorum.

The minimum number of members to constitute a quorum at a regular session of any Convention shall be ten.

Section 4. Notice.

Notice of any Convention shall be given at least sixty days prior to its commencement.

ARTICLE NINE—ELECTIONS, RESOLUTIONS, NOMINATIONS

Section 1. Nominations.

Nominations for officer positions must be submitted in writing to the Executive Director no later than June 1 of each year by the District through which the nominee holds his or her membership. In the event that a vacancy should occur by death or resignation between June 1 and September 1, this provision shall be waived. If there have been no nominations for an office prior to June 1, nominations will be accepted from the floor of the Annual Convention and an election held then and there at a General Session by all of the members present and voting.

Section 2. Resolutions.

A District may file a resolution with the Executive Director no later than thirty days prior to any convention.

Section 3. Elections.

- a. When two or more nominations are received for any Officer position there shall be an election conducted by mail or such other electronic means authorized by the Election Committee and distributed or made available to the members with voting privileges by July 15 of each year, with an election end date of August 15. The election shall be conducted upon such terms and conditions as may be established in the Bylaws, or by the Election Committee in the absence of Bylaws provisions on any matter of procedure relating to the conduct of same.
- b. Any existing officer of the NJSFDA, as defined in Article Five, Section 1, that secures a nomination for a new officer position, shall be required to resign an existing officer position following the election for the new officer position, regardless of the term of the old officer position, and regardless of whether the election for the new officer position is won or lost.
 - (1) Upon receipt of the nomination of an existing officer for a new officer position as provided in paragraph b above, nominations will immediately be opened for election to the existing officer position and term.
- c. In the event of a tie for any contested election for an NJSFDA officer position, the President shall convene a Special Meeting of the Board of Directors within ten days for the purpose of casting closed ballots to determine the winner of the vote.

ARTICLE TEN—BUSINESS PRACTICES

Section 1. Fiscal Year.

The fiscal year of the NJSFDA shall be January 1 to December 31.

Section 2. Procedure.

Robert's Rules of Order shall govern the NJSFDA when applicable except when it is inconsistent with the Constitution and Bylaws of the NJSFDA.

Section 3. Due Notice.

Publication in the FORUM may constitute due notice for the NJSFDA as may any other method of direct written or electronic notification.

Section 4. Bonding.

Any member or employee of the NJSFDA acting in a fiduciary capacity shall be bonded.

Section 5. Budget.

An annual income and expense budget shall be prepared by the Executive Director and adopted by the Board of Directors prior to the opening of the subject year. At least one copy of the budget shall be provided to each District. The budget shall serve as a spending guide and may be subsequently modified to further the purposes of the NJSFDA.

Section 6. Financial Reports.

The financial report shall be audited annually by a Certified Public Accountant.

Section 7. Inurement.

No assets or net earnings of the NJSFDA shall inure to the benefit of the members.

Section 8. Authorized Expenditures.

The Board of Directors shall have the authority to establish such means for the disbursement of funds and conduct of financial business as sound business practice dictates and the programs of the NJSFDA necessitate.

ARTICLE ELEVEN—NFDA DELEGATES

Section 1. District Officials as Delegates.

The President and Secretary of a District shall represent the NJSFDA as, respectively, a delegate and an alternate delegate. The Districts may designate other members in place of the President and Secretary upon due notice to the Secretary/Treasurer.

Section 2. Fewer Delegates than Districts.

In the event that the NJSFDA is not entitled to as many delegates as there are Districts, the Board of Directors shall select the delegates and alternates from the names of those submitted by the Districts. Any District not represented at one convention shall be represented at the next subsequent one.

Section 3. Additional Delegates.

If the NJSFDA is entitled to more delegates than there are Districts, additional delegates and alternates shall be selected by the President from the membership-at-large with first preference given to the State Officers.

Section 4. Delegates Unable to Attend.

If a designated delegate or alternate is unable to attend the NFDA Convention, the President shall select another delegate or alternate from the membership-at-large, giving first consideration to the District of the first delegate selected.

ARTICLE TWELVE—AMENDMENT

Section 1. Constitution.

The Constitution shall not be altered or amended except at the Annual Convention of the NJSFDA or at a Special Convention by a two-thirds vote of the members voting provided the amendment proposed shall have been submitted in writing to the members at least thirty days prior to the meeting date.

ARTICLE THIRTEEN—BYLAWS

Section 1. Duty to Develop and Maintain.

The Board of Directors shall cause to be developed and maintained Bylaws of the NJSFDA that enunciate basic operating procedures in the best interests of the NJSFDA.

Section 2. Bylaws Amendment.

The Bylaws shall not be altered or amended except by the Board of Directors, provided the amendment proposed shall have been submitted in writing to the members of the Board at least thirty days prior to the meeting date.

ARTICLE FOURTEEN—INDEMNIFICATION

Section 1. Indemnification.

A person and the heirs and legal representatives of such person who serves or has served as a Director, Trustee, or Employee of the NJSFDA shall be indemnified by the NJSFDA against all liability and reasonable expenses, including but not limited to: counsel fees and disbursements and amounts of judgments; fines or penalties incurred or imposed upon him or her in connection with any claims, action, suit, or proceeding, actual or threatened, whether civil, criminal, administrative, or investigative; and appeals in which he or she may become involved as a party; or otherwise, by reason of acts or omissions in his or her capacity as and while a Director, Trustee, or Employee.

Section 2. Standard of Conduct.

The standards of conduct necessary for a Director, Trustee, or Employee to be entitled to indemnity here under is that such person acted in good faith for the purpose which he or she reasonably believed to be in the best interest of the NJSFDA, and, in addition, in any criminal action or proceedings, had no reasonable cause to believe that his or her conduct was unlawful.

Section 3. Exclusions.

This indemnification shall not include those claims of criminal or fraudulent behavior directed against the NJSFDA.

NJSFDA BYLAWS

CHAPTER ONE—EMBLEM

Section 1. Emblem.

The emblem of the NJSFDA shall be:



CHAPTER TWO—DISTRICT ASSOCIATIONS

Section 1. Districts.

The District Associations with representation on the Board of Directors are historically defined by, but not limited to, the following geographic regions of the State and representing licensed funeral directors.

Bergen County Funeral Directors Association, comprising Bergen County and accepting any funeral director.

Burlington County Funeral Directors Association, comprising Burlington County and accepting any funeral director.

The Funeral Directors Association of Essex, Union, and West Hudson Counties, comprising Essex, Union, and the portion of Hudson County west of the Hackensack River and accepting any funeral director.

Hudson County Funeral Directors Association, comprising Hudson County, excluding that portion of Hudson County west of the Hackensack River and accepting any funeral director.

Mercer County Funeral Directors Association, comprising Mercer County and accepting any funeral director.

Middlesex & Somerset Funeral Directors Association, comprising Middlesex and Somerset Counties accepting any funeral director.

Monmouth and Ocean County Funeral Directors Association, comprising Monmouth and Ocean Counties and accepting any funeral director.

Morris County Funeral Directors Association, comprising Morris County and accepting any funeral director.

Passaic County Funeral Directors Association, comprising Passaic County and accepting any funeral director.

Tri-County Funeral Directors Association, comprising Hunterdon, Warren, and Sussex Counties accepting any funeral director, who either resides or is employed within the District boundaries.

West Jersey Funeral Directors Association, comprising Camden, Cumberland, Gloucester, Atlantic, Salem, and Cape May counties and accepting any funeral director.

CHAPTER THREE—ADMINISTRATION AND RELATEDNESS OF MEMBERSHIPS

Section 1. Definitions.

- a. *Funeral Establishment.* A “funeral establishment” shall be defined as a mortuary registration with the State Board of Mortuary Science, and not as a physical or mailing address.
- b. *Funeral Enterprise.* A “funeral enterprise” shall be defined as more than one funeral establishment under common ownership and control, defined as a 50% or greater interest in each such funeral establishment held by the same person, persons or entity.

Section 2. Administration.

- a. For the purposes of administering Article Four, Section 3 of the Constitution as it relates to multiple funeral directors associated with the same funeral establishment or funeral enterprise, the dues calculations and billings shall be administered on a District Association basis. That is, where a funeral enterprise has multiple establishments in different Districts, the dues shall be recalculated for each District, starting with a Fully Privileged membership being assessed the full Base Rate before the second, third and subsequent member discounts are applied to the remaining funeral directors associated with the funeral enterprise in that District.
- b. No funeral director with a controlling interest in a funeral establishment shall be permitted to hold a Fully Privileged membership with another funeral establishment in which the funeral director does not have a controlling interest, unless the related membership is in addition to one associated with the funeral director’s own funeral establishment.

Section 3. Membership and Firm Based Services.

Whenever the Association or any of its related entities shall provide goods or services designed to benefit, be used by, identify, list or otherwise serve a funeral establishment, then the eligibility for the use of said services as it relates to membership shall be as follows:

- a. For each funeral establishment there shall be associated on the books and records of the NJSFDA at least one Fully Privileged member.

CHAPTER FOUR—SOLICITATION

Section 1. No member, officer or director shall solicit any gift, sponsorship, or other item of significant value in the name of the NJSFDA without the express authorization of the Chief Executive Officer.

CHAPTER FIVE—CODE OF MEMBER CONDUCT

Section 1. In accordance with the NJSFDA Constitution, Article Four, Section 7, the following Code of Member Conduct shall apply to all members of the NJSFDA.

Section 2. Definitions.

- a. “Appropriate behavior” is any reasonable conduct to advocate for members and consumers, to recommend improvements in the NJSFDA, or to participate in the operations, leadership or activities of the NJSFDA. Appropriate behavior is not subject to discipline under this code of member conduct.
- b. “Inappropriate behavior” is conduct that is unwarranted and is reasonably interpreted to be demeaning or offensive.
- c. “Harassment” is conduct based on race, religion, gender, sexual orientation, nationality or ethnicity, which has the purpose or effect of unreasonably interfering with a staff member’s work performance or which creates a hostile environment that diminishes the quality of a member’s experience in the receipt and enjoyment of member benefits.
- d. “Sexual harassment” includes any unwelcome conduct of a sexual nature which has the purpose or effect of unreasonably interfering with a staff member’s work performance or which creates a hostile environment that diminishes the quality of a member’s experience in the receipt and enjoyment of member benefits.
- e. “Unacceptable behavior” is any abusive conduct including sexual or other forms of harassment, or other forms of conduct, including repeated, persistent inappropriate behavior, that harms or intimidates others to the extent that the quality of the experience of other members in the receipt and enjoyment of member benefits is diminished, or which interferes with NJSFDA staff members or other agents, consultants or guests of the NJSFDA in the performance of their duties.

Section 3. Examples of Types of Conduct.

- a. *Appropriate Behavior.* Members cannot be subject to discipline for appropriate behavior. Examples of appropriate behavior include, but are not limited to, the following:
 - (1) Criticism communicated in a reasonable manner and offered in good faith with the aim of improving member and/or consumer benefits;
 - (2) Encouraging clear communication;
 - (3) Expressions of dissatisfaction with policies through appropriate grievance channels or other non-personal means of communication;
 - (4) Constructive criticism conveyed in a respectful and professional manner;

- (5) Professional comments to staff or members of the Board of Directors about member and/or consumer treatment;
- (6) Active participation in NJSFDA meetings where conduct otherwise comports with the standards of these policies; and
- (7) Seeking legal advice or the initiation of legal action for cause.

b. *Inappropriate Behavior.* Inappropriate behavior by members is discouraged. Persistent and repeated inappropriate behavior may constitute “unacceptable behavior.” Examples of inappropriate behavior include, but are not limited to, the following:

- (1) Belittling or berating statements;
- (2) Name calling;
- (3) Use of profane, disrespectful or condescending language;
- (4) Inappropriate comments written for public dissemination;
- (5) Personal sarcasm or cynicism; and
- (6) Intentionally degrading or demeaning comments regarding members, staff, consultants, agents, guests and the NJSFDA itself.

c. *Unacceptable Behavior.* Unacceptable behavior by members is prohibited and subject to corrective action. Examples of unacceptable behavior include, but are not limited to, the following:

- (1) Physically threatening language;
- (2) Physical contact that is threatening or intimidating;
- (3) Throwing things;
- (4) Threats of violence or retribution;
- (5) Sexual harassment; and,
- (6) Other forms of harassment including, but not limited to, persistent inappropriate behavior and repeated threats of litigation.

Section 4. Interventions.

Interventions should initially be non-adversarial in nature, if possible, with a focus on restoring trust, placing accountability on and correcting the behavior of the offending member, and protecting an environment conducive to professional advancement. The NJSFDA supports tiered, non-confrontational intervention strategies, starting with informal discussion of the matter with the Executive Director or elected officer.

Further interventions can include an apology directly addressing the problem, a letter of admonition, or a final written warning, if the behavior is or becomes unacceptable.

If there is reason to believe inappropriate or unacceptable behavior is due to illness or impairment, the matter may be evaluated and managed confidentially.

Section 5. Complaint Procedure.

Complaints about a member's allegedly inappropriate or unacceptable behavior shall be made in writing, signed and directed to the Executive Director for referral to the Disciplinary Committee, and shall include:

- a. the date(s), time(s) and location(s) of the inappropriate or unacceptable behavior;
- b. a factual description of the inappropriate or unacceptable behavior;
- c. the circumstances which precipitated the incident(s);
- d. the name of any person or member who was involved in or witnessed the incident(s);
- e. the consequences, if any, of the inappropriate or unacceptable behavior as it relates to impairing members in the enjoyment of their benefits or interfering with a staff person's performance of duties; and
- f. any action taken to intervene in, or remedy, the incident(s), including the names of those intervening.

The complainant will be provided a written acknowledgement of the complaint.

The subject of the complaint shall be provided a copy of this Code of Conduct and a copy of the complaint in a timely fashion, but in no case more than 30 days from receipt of the complaint. The member will be notified that attempts to confront, intimidate, or otherwise retaliate against the complainant is a violation of this Code of Conduct and may result in corrective action against the member.

Section 6. Policy Superseded by Employment Law.

To the extent that any inappropriate or unacceptable behavior constitutes harassment against an employee of the NJSFDA, state and federal employment law shall take precedence over this policy.

Section 7. Disciplinary Committee Composition.

The Disciplinary Committee shall be composed of the President, President-Elect, First Vice President, Second Vice President, and Secretary/Treasurer. In the event that one or more of these officers must recuse him or her self from proceedings due to a potential conflict of interest, alternate(s) shall be selected from the District Presidents by the remaining members of the committee or, at the request of the complainant, by the Board of Directors.

Section 8. Investigation and Corrective Action.

The Disciplinary Committee will make a determination of the authenticity and severity of the complaint. The Disciplinary Committee shall dismiss any unfounded complaint and may dismiss any complaint if it is not possible to confirm its authenticity or severity, and will notify both the complainant and the subject of the complaint of the decision reached.

If the Disciplinary Committee determines the complaint is well founded, the complainant and the subject of the complaint will be informed of the decision, and the complaint will be addressed as follows:

- a. If this is the first incident of inappropriate behavior, the Executive Director or a member of the Disciplinary Committee shall discuss the matter with the offending member, and emphasize that the behavior is inappropriate and must cease. The offending member may be asked to apologize to the complainant. The approach during this initial intervention should be collegial and helpful.
- b. If the Disciplinary Committee determines the offending member has demonstrated persistent, repeated inappropriate behavior, constituting unacceptable behavior, or has engaged in unacceptable behavior on the first offense, a letter of admonition will be sent to the offending member by the Disciplinary Committee. Further isolated incidents that do not constitute persistent, repeated inappropriate behavior will be handled by providing the offending member with notification of each incident, and a reminder of the expectation that the individual comply with this Code of Conduct.
- c. If, in spite of this admonition and intervention, unacceptable behavior recurs, the Disciplinary Committee shall meet with and advise the member such behavior must immediately cease. This “final warning” shall be sent to the offending member in writing.
- d. If after the “final warning” the unacceptable behavior recurs, corrective action (including suspension, termination or other conditioning of membership privileges) shall be initiated, and the offending member shall have the right to a hearing before the Disciplinary Committee.
- e. If a single incident of unacceptable behavior or repeated incidents of unacceptable behavior constitute an imminent danger to any individual, the offending member may be summarily suspended by the Disciplinary Committee pending a hearing.
- f. The Disciplinary Committee shall notify any member of place, date and time of any hearing of a complaint, which shall take place at least ten to thirty calendar days after service of such notice on the member. The member may be represented by counsel at his or her own expense, provided that notice of same is provided at least five days prior to the date of the hearing.
- g. The Disciplinary Committee shall determine by a majority vote whether membership privileges shall be suspended, terminated or otherwise conditioned. The decision of the Disciplinary Committee shall be final and un-appealable.

Section 9. Recordkeeping.

A confidential memorandum summarizing the disposition of the complaint, along with copies of any written warnings, letters of apology, or other supporting documentation, shall be retained in the files of the NJSFDA for three years. Such records shall be destroyed if no related action is taken or pending.

Section 10. Abuse of Process.

Threats or actions directed against the complainant by the subject of the complaint will not be tolerated under any circumstance. Retaliation or attempted retaliation by a member against any

complainant will give rise to corrective action. Similarly, any individual who falsely submits a complaint shall be subject to the remedies provided for hereunder as a form of harassment.

Section 11. Promoting Awareness.

Continuing awareness of this Code of Conduct among the members shall be accomplished by:

- a. Disseminating this Code of Conduct to all members upon its adoption and to all new applicants for membership;
- b. Encouraging any member of the NJSFDA to assist other members exhibiting inappropriate or unacceptable behavior to obtain counseling or other assistance to help attain the desired conduct;
- c. Encouraging the adoption of this Code of Conduct by the District Associations.

CHAPTER SIX—COMMITTEES AND APPOINTMENTS

Section 1. Policy.

It shall be the policy of the Board of Directors to establish and staff Committees, in addition to the Standing Committees, only when it is determined that the matter under consideration is not being addressed by a Standing Committee, and that practitioner input is necessary to formulate the best policy and/or plan of action.

Section 2. Committee Membership.

Any member appointed to a Committee position, who shall be absent from two consecutive meetings of the Committee, shall have his or her membership on the Committee terminated automatically, unless the President specifies otherwise.

Section 3. Committee Duration.

All Committees except Standing Committees shall automatically disband upon the fulfillment of their charge or upon direction of the Board of Directors.

Section 4. Authority.

All Committees receive their authority from, report to and are responsible to the Board of Directors.

Section 5. Restrictions.

No Committee shall publish any report or commit any act purporting to speak for, bind the NJSFDA, or incur any indebtedness or pecuniary obligation on behalf of the NJSFDA, except to the extent previously authorized by the Board of Directors or by the President in an emergency.

Section 6. Ongoing.

The following committees and appointments and their purposes have been traditionally utilized and established on an on-going basis:

- a. *Past President's Council.* The Past President's Council is to take up such discussions as will fulfill an advisory capacity to the Board of Directors at the request of the President.
- b. *Disaster and Emergency Preparedness.* The Disaster and Emergency Preparedness Committee shall be responsible for developing a plan of action in the event of a major disaster.

- c. *NFDA Policy Board Representative.* The NFDA Policy Board Representative shall be responsible for serving as the primary information conduit to the NFDA. He or she shall voice the established positions and vote on behalf of the NJSFDA assisting the NFDA in policy development. The Policy Board Representative shall be appointed to a three-year term and shall not serve more than two consecutive terms. The Policy Board Representative shall have served on the NJSFDA Board of Directors in the preceding twenty-four months in order to be considered for initial appointment, and shall be considered a non-voting member of the NJSFDA Board during his or her appointment. In the event that the NFDA Policy Board Representative is a seated NJSFDA Board member, his or her appointment shall not nullify their ability to vote as provided for in the position concurrently held on the Board.
- d. *State Mortuary Board Nominating Committee.* The State Mortuary Board Nominating Committee shall periodically receive the names of members interested in obtaining appointments to the State Board of Mortuary Science. It shall be the duty of this Committee to make recommendations to the Governor from the names submitted.

CHAPTER SEVEN—BUSINESS PRACTICES

Section 1.

The business practices of the NJSFDA with respect to the management of its financial transactions shall be established, maintained and periodically reviewed by the Audit Committee.

Section 2. Expense Reimbursement.

In conjunction with the budget process, the Board of Directors shall periodically review the expense reimbursement policy of the NJSFDA and republish it for distribution to the Board of Directors.

No expense reimbursement will be provided for undocumented expenses and no expense reimbursement not specifically authorized in the expense policy shall be permitted without the express permission of either the President or Executive Director.

When consent for expenditures are given, good judgment must be exercised when a fixed cost is not known, and the NJSFDA reserves the right to deny payment when, in its judgment, the expense is not reasonable.

Section 3.

No NJSFDA moneys shall be raised in the name of the NJSFDA or maintained outside of the operating accounts in the possession of the Executive Director.

CHAPTER EIGHT—FUND ACCOUNTING

Section 1. Principles of Fund Accounting.

The NJSFDA shall abide by the principles of Fund Accounting.

Section 2. Fund Purposes.

The Funds and purposes of the Funds as of September, 1997 are:

- a. *Reserve and Legal Defense Fund.* A corpus intended to fund:
 - i. any operating liabilities of the NJSFDA in the event that any financial sources of revenue suffer an unusual or catastrophic decline which cannot reasonably be made up through other sources of revenue; and
 - ii. to be utilized for the legal defense of a broad business or professional interest of funeral service.

The earnings of this fund shall accumulate to itself.

- b. *Operating Fund.* The Operating Fund shall be general accounts of the NJSFDA through which the bulk of income and disbursements shall be deposited and paid out, with a sufficient base so as to provide adequate cash flow to the operations of the NJSFDA.

Section 3. Policy.

Nothing herein shall be construed as a rigid configuration, but rather as the basic optimum policy of the Board of Directors as established through practice and experience tied to the articulation of the NJSFDA's long- and short-range objectives.