



## **BYLAWS OF THE HASS AVOCADO BOARD**

### **ARTICLE 1**

#### **Name**

**Section 1.** The organization governed by these Bylaws shall be known officially as the Hass Avocado Board, hereinafter referred to as the "Board." The Board administers the Hass Avocado Promotion, Research, and Information Order [7 CFR part 1219], hereinafter referred to as the "Order." The Board and the Order are authorized by the Hass Avocado Promotion, Research, and Information Act of 2000. (7 U.S.C. 7801-7813)

### **ARTICLE 2**

#### **Purpose**

**Section 1.** The purpose of the Board, the Order, and these Bylaws shall be to implement the provisions of the Hass Avocado Promotion, Research, and Information Act of 2000 (the "Act") and to carry out an effective national program of promotion, research, consumer information, and industry information for Hass avocados, and to establish a fair and orderly procedure whereby adequate funds can be assembled to fulfill the provisions of this program, the Act, and the Order according to USDA policies, and Agricultural Marketing Service ("AMS") guidelines. The Board is an instrumentality of the U.S. Department of Agriculture (the "Department") and is authorized to make recommendations to the Secretary of Agriculture as specified under the Order.

### **ARTICLE 3**

#### **Principal Place of Business**

**Section 1.** The Board's principal place of business shall be located at the HASS AVOCADO BOARD offices located at 25212 Marguerite Parkway, Suite 250 Mission Viejo, CA 92692 or any other location designated by the Board.

## ARTICLE 4

### Officers and Their Duties

**Section 1.** The Board's officers shall consist of a Chairperson, Vice-Chairperson, Secretary, and Treasurer.

**Section 2.** The Board's officers shall be elected by the Board from among the voting Board members for a term of one year or until their successors are elected.

**Section 3.** The election shall be held during the regular Annual Meeting, provided that the Secretary has completed appointments for that year.

**Section 4.** Nominations and elections will be conducted using the following procedures: (a) USDA representative, or the Executive Director in his or her absence, will call the meeting to order and conduct roll call; (b) USDA representative will call for nominations in the following order: Chairperson, Vice-Chairperson, Secretary, and Treasurer. (c) Board members may nominate members, a nomination does not require a second. (d) Nominees will be given the opportunity to accept or decline the nominations; (e) Nominees and Board members will be given the opportunity to speak on behalf of nominees before the vote; (f) If there is only one nominee, a motion to dispense with balloting and cast a unanimous ballot is in order. If there are multiple nominees, a secret ballot is conducted with each Board member voting for one nominated person. If one nominee receives a majority of the vote, that person is elected. If no nominee receives a majority of the votes cast, a run-off ballot will be conducted with the two nominees receiving the greatest number of votes.

**Section 5.** To be eligible to serve as an officer, a Board member is strongly recommended to fulfill at least three of the following requirements: (a) serve on at least two committees for a period of one year; (b) serve as a mentor to a new board member; (c) in the year preceding his or her candidacy for an officer position, attend orientation and any trainings offered; or (d) possess a strong understanding of the governing responsibilities of the Board and the

officer duties. The requirement to serve on two committees for a period of one year (a) may be fulfilled concurrently. To be eligible to serve as Chairperson, a Board member is strongly recommended to fulfill at least three of the requirements in (a) through (d) above and serve on either the finance or governance committee for at least one year.

**Section 6.** Officers may be re-elected annually to the office held or to any other office of the Board but shall not serve for more than three (3) consecutive terms in any one (1) office. No member shall hold more than one office at a time. In the event of death, resignation, or disqualification of an officer or an Executive Committee member a successor shall be elected by the Board members as soon as practical, with any such successor to serve until the next Annual Meeting or when their successor is elected. In the event that the departing member was the Chairperson, the Vice-Chairperson shall become the new Chairperson and a new Vice-Chairperson shall be elected by the voting Board members as soon as practical.

**Section 7.** The Chairperson's duties shall be to: (a) preside at all Board meetings; (b) call special Board meetings when deemed necessary; (c) perform all acts and duties usually incidental to and required of a presiding officer and perform duties designated in board approved policies; (d) serve as chair of the Executive Committee, serve as chair of the Hass Avocado Committee, serve as chair of the Executive Compensation Committee; and (f) serve as an ex-officio member of all other committees (non-voting and not counting towards quorum).

**Section 8.** The Vice-Chairperson's primary duty shall be to act in the place of the Chairperson in the Chairperson's absence, disqualification, or at the Chairperson's direction and perform duties designated in board approved policies.

**Section 9.** The Secretary's duties shall be to: (a) keep a complete record of the proceedings at all Board and Executive Committee meetings; and (b) attest to all papers, documents, and other instruments on behalf of the Board and perform duties designated in board approved policies.

The Secretary may delegate such duties to the administrative services Staff. Another duty of the Secretary shall be to act in the place of the Chairperson and Vice-Chairperson if both are absent.

**Section 10.** The Treasurer's duties shall be to serve as Chairperson of the Finance Committee and perform duties designated in board approved policies. The Treasurer shall serve as custodian of all insurance policies, and any fidelity bonds covering Board officers, employees and agents and delegates to the administrative services staff hired by the Board to ensure: (a) that the Board has custody of all funds and property belonging to or under control of the Board; (b) the keeping of regular books of account under the direction of the Board; (c) the deposit of all funds of the Board, or under its control, in an approved bank or banks designated by the Board; (d) adhere to AMS policies on investment, security, and collateralization of public monies, and (e) the submission to the Board and the Secretary of Agriculture all reports, which include a balance sheet, an income statement, an expense budget.

## **ARTICLE 5**

### **Executive Committee**

**Section 1.** The Executive Committee shall consist of the elected officers and all members shall count towards quorum and shall be voting members.

**Section 2.** The Executive Committee shall carry out the Board's responsibilities as follows: exercise oversight relating to all board approved plans, operations and functions of the Board; recommend to the board policies and objectives in accordance with Board directives; carryout duties and responsibilities designated to it across policies approved by the board; maintain an inclusive and collaborative leadership culture through regular meetings and consultation on decisions and actions to be taken by the Board; and ensure that all Board activities comply with the Act, Order, AMS Guidelines, and these Bylaws.

**Section 3.** The Executive Committee term of office shall be one (1) year or until their successors are elected.

The number of subsequent terms for any Board member on the Executive Committee shall be limited only by the Board member or alternate's term of office pursuant to Article 7 section 1 or the limitation on officer term limits in Article 4, Section 2.

**Section 4.** The Executive Committee shall meet upon the call of the Chairperson or by the call of a majority of its members.

**Section 5.** All Executive Committee meetings shall be in compliance with the provisions of Article 9, Sections, 3, and 4. A majority of the Executive Committee shall constitute a quorum for any Executive Committee meeting.

Article 10, Sections 2 and 3 shall also apply to voting by the Executive Committee. No proxy votes shall be permitted.

## **ARTICLE 6**

### **Hass Avocado Committee**

**Section 1.** There shall be a special committee, composed of (1) current Board members appointed by the Secretary of Agriculture (a board member's alternate will serve as alternate on the committee) and (2) a representative for each state or importer organization that receives assessments pursuant to the Act and the Order.

**Section 2.** In advance of its consideration by the Board, the committee is expected (1) to consider business that will come before the Board with the exception of bylaws, the election of officers, grievances and employee matters, (2) make recommendations as appropriate on the business, and (3) report to the Board any recommendations of the committee and other information as appropriate.

**Section 3.** The chairperson of the Board shall be chairperson of the committee and shall appoint the committee members. Committee members shall include all current Board members. For the representatives for each state or importer organization that receives assessments pursuant to the Act and the

Order, the appointments shall be from names submitted by the respective organizations after notification is made to affected stakeholders regarding the nomination process. The representative (member or alternate) for each state or importer organization may also be a board member or alternate but shall only serve on the Hass Avocado Committee in a single capacity and declare their position during roll call of the meeting. The chairperson of the Board shall also appoint alternates for each member on the committee.

**Section 4.** The term of service on the committee shall be for one year, but members may be reappointed, and may continue to serve until a new committee has been named. Board members and alternates on the committee shall serve for terms pursuant with the term of office specified in section 1219.35 of the order.

**Section 5.** A majority of the members of the committee, which may include participation by telephone or other electronic means, shall constitute a quorum for taking any action.

**Section 6.** For any action to be approved by the committee, it must receive concurring votes representing more than 50 percent of those present and voting from each of the following groups: (1) producer members, (2) importer members, and (3) state or importer organization members.

## **ARTICLE 7**

### **Hass Avocado Board**

**Section 1.** The Board shall consist of no more than 12 domestic producers and importers and their alternates as defined in the Order. Each term of office will end on October 31, with new terms of office beginning on November 1 (pursuant to 1219.35 of the order).

**Section 2.** The Board shall be appointed by the Secretary of Agriculture. Upon receipt of the appointed alternates, the Board staff will match an alternate to a member by proximity to the region where he or she produces or imports avocados and then by the number of votes received in the nomination election.

**Section 3.** All nomination procedures shall be in accordance with the Order and any subsequent rules and regulations issued thereunder. The Board shall issue a call for nominations by March 1 of each year in which nominations for an appointment to the Board are to be made. Nominations for positions whose terms will expire at the end of the year shall be obtained in accordance with procedures recommended by the Board and approved by the Secretary pursuant to §1219.33 of the Order. These nominations shall be submitted to the Secretary of Agriculture by July 31 of each year.

**Section 4.** The Board shall develop policies to plan, develop, and implement such promotion, research, consumer information and industry information programs, plans, and projects as necessary to meet its purpose under the Act. The Board, through the executive director, shall further act in authorizing contracts or agreements for the development and carrying out of such programs, plans, and projects, and the payment of the costs thereof, including entering into agreements authorizing other organizations to collect assessments on behalf of the Board.

**Section 5.** The Board may contract with an outside accounting firm for the purposes of accounting for funds received and recordkeeping and any other projects directed by the Board.

## **ARTICLE 8**

### **Financial Oversight**

**Section 1.** It is the Board's duty to develop and amend, with approval of the Secretary, budgets for the implementation of the Order. The Board will direct staff to prepare a budget for its consideration. The Board shall submit to the Secretary, on a fiscal period basis, annual budgets and statement of revenues and expenses of the Board in administering the Order. The Board's responsibility is to ensure revenues and expenses are managed within the board approved budget for the fiscal period. To ensure fiscal integrity the board shall conduct an annual financial statement audit in accordance with Generally Accepted Government Auditing Standards and submit a report of the audit directly to the

department and publish the audit report on its website. The Board shall adhere to its fiduciary responsibilities and ensure that all monies are spent in accordance with the Act and the Order.

## **ARTICLE 9**

### **Meetings**

**Section 1.** The Board shall hold its Annual Meeting before the end of each fiscal year, unless otherwise directed by the Board. Regular meetings of the Board will be determined at the Annual Meeting, and may only be revised by the Board.

**Section 2.** Special meetings of the Board may be held whenever called by the Chairperson, or by the Vice Chairperson acting in the Chairperson's stead, or by the joint call of a majority of the Board members. Any and all business coming before the Board may be transacted at such meetings.

**Section 3.** Meetings may be held at locations that are selected for the convenience of the Board members or for enhancement of relations with program participants. Meetings may be conducted by any means of communication available, electronic or otherwise, that effectively assembles members and the public, and facilitates open communication.

**Section 4.** Notice of all Board and Executive Committee meetings, together with a written agenda, shall be provided to each member and alternate of the Board at their last known address by mail or electronic mail. Notice of all other committee meetings, together with a written agenda, shall be provided to each such committee member at their last known address by mail or electronic mail. Notice of all meetings will be provided at least ten (10) days prior to the meeting date. In case of an emergency, all possible advance notice will be given by fastest practical means of delivery without regard to the ten (10) day requirement. Such notice may be waived by Board members in writing. The Secretary of Agriculture shall be given notice of all Board and committee meetings.



**Section 5.** The order of Board business for regular meetings, unless otherwise determined by the Chairperson, shall be as follows:

1. Roll call
2. Approval of previous meeting minutes
3. Additions to agenda items
4. Action on written agenda matters
5. New business
6. Adjournment

**Section 6.** All Board proposals, programs, plans, projects or recommendations, including those to the Secretary of Agriculture, shall be in the form of motions. See Order, Section 1219.39 (d). All motions, upon adoption, shall be recorded and shall become a part of the official Board minutes. All adopted motions which constitute Board policy shall remain as such until amended by Board action.

**Section 7.** Board members will focus on long-term goals that meet the policies of the Act, connect with the stakeholders, and spend sufficient time to understand or question each agenda item presented.

## **ARTICLE 10**

### **Voting Procedures**

**Section 1.** At a properly convened Board meeting, seven (7) board members, including alternates acting in place of members of the Board, shall constitute a quorum. Voting may be by any means of communication available, electronic or otherwise; provided, that votes cast are verifiable and that quorum and other procedural requirements are met.

**Section 2.** Any Board action shall require the concurring votes of members representing more than 50 percent of those present and voting.

**Section 3.** In lieu of voting at a properly convened meeting, and when in the opinion of the Chairperson such action is necessary, the Board, after consideration of the matter by the Hass Avocado Committee as provided for in

Article 6, Section 2, may take action upon the concurring votes of members representing more than 50 percent of those present and voting of its members by mail, telephone, electronic mail, facsimile or any other means of communication. In such event, all members must be notified and provided the opportunity to vote. Any action so taken shall have the force and effect as though such action had been taken at a properly convened meeting.

**Section 4.** Except for telephonic meetings of any committees, any Board vote taken by mail, telephone, electronic mail, facsimile or any other means of communication shall cover only: (1) non-controversial matters which do not require deliberation and the exchange of views; and (2) matters of an emergency nature when it would be impossible or impractical to call an assembled Board meeting. However, voting by such means shall not be permitted if a majority of Board members object. Voting by such means shall occur only upon the Chairperson's order. A record of the vote shall be confirmed at the next Board meeting and will become part of the official Board minutes. Votes taken by telephone shall be confirmed promptly in writing.

## **ARTICLE 11**

### **Committees**

**Section 1.** The Board may establish standing, special or ad hoc committees as deemed necessary to carry out the purposes and objectives of the Order. The results of the committee's motioned efforts will be given to the Board as a recommendation.

**Section 2.** The Board establishes the following standing committees:  
(a) Executive Compensation Committee, (b) Corporate Governance Committee, (c) Finance Committee.

The Chairperson of the Board shall appoint all committee chairpersons and shall appoint all members of each committee after consultation with the committee chairperson affected. Appointments are subject to approval by the Board and may be changed from time to time as determined by the Chairperson of the Board with the concurrence of the Board.

**Section 3.** The Chairperson of the Board may appoint committee members from among the Board members and alternates and from non-Board members.

**Section 4.** Each Board committee shall meet at the call of the committee chairperson with the consent of the Board Chairperson. No committee or any member thereof, shall have the authority to obligate the Board. In the Board Secretary's or Executive Director's absence, the committee's chairperson shall arrange for and authenticate the committee meeting minutes.

**Section 5.** To constitute a quorum for a committee meeting, at least one more than half of those assigned to the committee must be present. No proxy voting shall be allowed at a committee meeting.

**Section 6.** The terms for committees shall be for one year or until new committees are approved by the board.

## **ARTICLE 12**

### **Bonds**

**Section 1.** Board officers, employees and agents who handle funds for the Board shall be placed under fidelity bonds issued by a reputable bonding company in an amount to be fixed by the Board. The premiums of such bonds shall be paid by the Board.

## **ARTICLE 13**

### **Personal Liability**

**Section 1.** No member, alternate member, employee, or agent of the Board shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any person for errors in judgment, mistakes, or other acts of either commission or omission of such member, alternate, employee, or agent, except for acts of dishonesty or willful misconduct.

**Section 2.** The Board shall maintain appropriate Directors and Officers liability insurance coverage. The premiums for all such insurance shall be paid for by the Board.

## **ARTICLE 14**

### **Procedure and Transaction of Business**

**Section 1.** The Board shall be governed in its deliberations and in the transaction of business by these Bylaws, and the provisions of the Order and the Act. Any matter of procedure not covered by these Bylaws shall be governed by "Robert's Rules of Order Newly Revised."

**Section 2.** No person who is not a Board member, alternate, ex-officio member, or employee or representative of the Secretary of Agriculture shall be entitled to participate in the deliberations and proceedings or speak at official meetings of the Board, its Executive Committee, or its other committees, unless authorized by the Chairperson or the committee chairperson. No Board member, other than the chair or his/her designate will ever speak on behalf of the Board, unless directed to by the chairperson of the Board.

## **ARTICLE 15**

### **Powers of the Board**

**Section 1.** The Board is empowered to perform all necessary and proper activities required to fairly implement the provisions of the Act and to carry out an effective national program of promotion, research, consumer information, and industry information for Hass avocados, and to establish a fair and orderly procedure whereby adequate funds can be assembled to fulfill the provisions under the Act.

**Section 2.** Any officer, agent, or employee appointed, elected or employed by the Board shall be subject to removal or suspension by the Board at any time. No Board officer, member, alternate, employee, or agent shall have the authority to obligate the Board unless such authority has been expressly delegated in writing. All decisions, acts or performances of any such officer, member, alternate, employee, or agent shall be subject to the continuing right of the Board to disapprove of the same, and upon disapproval by the Board, shall be deemed null and void to such extent as the Board may determine.

**Section 3.** While Board members and alternates are not restricted in exercising any of their rights as individual citizens, they do so independently and not as representatives of this Board. Except with respect to the provisions of the Order, this Board may not, as a body, participate in any advocacy to influence government action. Whenever any individual members or alternates participate in such advocacy, they may do so as individuals and not as representatives of this Board.

**Section 3a.** The Board speaks with one voice or not at all. This does not imply that there has to be unanimity or lack of diversity but when a vote is taken or a policy developed, the Board acts and supports the decision made, until it is changed by the Board.

**Section 4.** When the Board determines that there has been an interference with the Board's ability to perform pursuant to Article 15, Section 1, or an event which is in violation of the Act or the Order, the Board may establish Board Operating Policies (including legal action) to resolve the interference or to enforce the Act or the Order. The Board may establish Board Operating Policies which govern the procedures used to receive, investigate, and report to the Secretary any complaints of violations of the Act or the Order.

**Section 5.** If a member or alternate of the Board consistently refuses to perform his or her duties including but not limited to adhering to HAB's Code of Conduct, Ethics, Conflict of Interest, Fraud and Attendance Policies, or if a member or alternate of the Board engages in acts of dishonesty or willful misconduct, the Board may recommend to the Secretary that the member or alternate be removed from office. Any vacancy created by this Section shall be filled in accordance with Section 1219.36 of the Order and the Board's election procedures.

## **ARTICLE 16**

### **Expenses**

**Section 1.** Board members and alternates, committees, or employees, when acting on authorized business shall be reimbursed for necessary and reasonable expenses incurred by them in the performance of their duties in accordance with the policies of the Board.

## **ARTICLE 17**

### **Employees and their Duties**

**Section 1.** The Board may employ a person, who shall not be a member of the Board, to serve as Executive Director. The performance and compensation of the Executive Director, who shall serve at the pleasure of the Board, shall be evaluated annually and in accordance with the Performance Evaluation & Compensation of Executive Director Policy.

**Section 2.** Subject to the general supervision and control of the Board, the Executive Director shall: (a) employ, contract, supervise, and be responsible for the discharge of all Board employees, agencies, consultants, and other suppliers; (b) be responsible for all notices the Board is required to give; (c) assemble, compile, analyze, and provide all information necessary in connection with the performance of official Board duties; (d) prepare all resolutions setting forth Board actions; and (e) be responsible to the Board at all times for the proper administration of Board activities.

## **ARTICLE 18**

### **Amendments**

**Section 1.** The Board may amend these Bylaws at any Board meeting by an affirmative vote of no less than seven (7) Board members. Members must be provided with ten (10) days' notice of proposed changes to the Bylaws. Such notice may be waived in writing.

**ARTICLE 19**

**Effective Date**

**Section 1.** These Bylaws and any amendments thereto shall become effective immediately upon adoption by the Board.

Bylaws Approved by the Board on April 16, 2003, as amended January 19, 2005, March 15, 2006, March 19, 2008, November 17, 2010, January 22, 2013, January 22, 2014, September 1, 2016, November 16, 2016, March 22, 2017, August 31, 2017, September 12, 2019, February 24, 2021, May 25, 2021.