



Merger of the American Venous Forum (AVF) & American Venous Forum Foundation (AVFF)



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Introduction

The **AVF, a 501(c)(6) professional society**, was founded in 1987 to advance the field of venous disease through research, education of its members, and dissemination of knowledge.

The **AVFF, a 501(c)(3), charitable organization**, was founded a decade later to support the mission of the AVF and enable the receipt of tax-deductible donations.

Today, many similarly constituted non-profit organizations are reviewing their operations and determining that **a single organization operating as a 501(c)(3) can achieve the purposes of both organizations more efficiently**. This was the conclusion of the Board of Directors of the AVF and the AVFF when they voted unanimously at their October 25, 2021 meetings to merge the AVF and AVFF.

Benefits of a Merger

The merger of the AVF and AVFF has a number of benefits including:

Reduced Operational Complexity and Cost

Operating two organizations, running two sets of Board meetings, preparing two financial statements, filing two tax returns, auditing two entities, operating two bank accounts, overseeing two investment accounts, reconciling two monthly budgets, etc., all take staff time and organizational resources. Although the financial savings would be 10-15,000 dollars, the most significant impact would be on the time and effort saved through a merger. This would allow our management team to better focus on enhancing programs that benefit our members.

Increased Support for Committees and Programs

The AVF operates with 16 committees and a number of additional ad hoc committees and working groups. Administrative resources available to support the work of these entities are limited and would become more available as a result of a merger.

Improve Ability to Support Emerging Needs in Research and Advocacy

In 2021, the AVF, through its committees and administration, developed four entirely new research initiatives and faced the challenge presented by CMS with respect to payment cuts that will adversely affect AVF members performing certain venous procedures. A merger will

enable the AVF to provide even better support for emerging research opportunities and advocacy efforts to benefit our members and the patients they serve.

Eliminate Potential Conflict and Competing Interests

Having two organizations creates the potential for the leadership and Boards to have conflicts. A single organization ensures a strong, focused, mission-centered effort.

Provide Better Transparency to Individual and Corporate Supporters

Because of restrictions placed on 501(c)(6) and 501(c)(3) organizations by the IRS, a single organization conducting all of the activities currently managed by the AVF and AVFF would provide greater transparency to donors and corporate supporters, open up new funding opportunities, and provide additional value to some donors over the age of 70-1/2.

Structure of Merger

The AVF and AVFF will merge into a single corporation with the AVFF being the surviving corporation. Tax law only permits the merger to take place in one direction only: AVF would be required to merge into the AVFF. The AVFF will be governed by, and adopt the Bylaws of the AVF, and assume the name of the AVF on the effective merger date. The newly formed AVF will operate as a 501(c)(3), that is, as a professional society and a charity.

Merger Process and Next Steps

The Boards of Directors of the AVF and AVFF must vote in favor of the Plan and Agreement of Merger. Following an affirmative vote by both Boards, AVF members will receive notification about the planned merger by email. To learn more about the planned merger, members will be able to ask questions by emailing info@veinforum.org and attend a Town Hall webinar hosted by AVF President, Antonios Gasparis, MD and AVFF President, Harold Welch, MD. **Voting members of the AVF will receive a secure ballot and have 20 days to respond.** A quorum of 5% of voting members must be established for an official vote and the vote must be two-thirds of those voting to be in favor of a merger.

Frequently Asked Questions

1. Why is the merger being proposed at this time?

A merger between the AVF and AVFF will increase operational efficiency and enable more resources to be available to support the engagement of our members, the work of AVF committees, and the evolving research opportunities and advocacy challenges. The AVFF was originally established to reduce the demand on AVF leadership to raise funds to support our mission. We currently have expert fund-raising capacity and infrastructure in place to support current and new fund-raising efforts. Our Director of Mission Advancement, Jeff Mendola, has established excellent relationships with industry.

2. How will AVF members benefit?

Approximately 160 AVF members serve on AVF committees. These committees will have better support and be able to enhance existing programs and develop new programs that will benefit all members.

3. What will the merger cost?

Except for one-time legal fees approximating \$10,000, the AVF will have no additional costs. The ROI of this expenditure will be seen in less than one year when only one audit, one tax return, one set of financial statements are needed. The consolidation of our bank accounts, budgets, and investments will all contribute to gained efficiencies. Finally, preparing for four Board meetings instead of eight will substantially reduce staff time.

4. How will leadership be affected?

Currently, the AVF Board has 14 members and the AVFF Board has 18 members. The surviving Board will be the AVF Board. A new committee, the Mission Advancement Committee, will be formed and the current AVFF Board will become the new members of this important committee. This new committee will report directly to the AVF Executive Committee.

5. How will this affect our fund-raising capacity?

The AVF relies heavily on industry support. The AVF has well-established fundraising infrastructure and staffing and will continue to partner with industry and reach out to new funding organizations for support. There will be no diminishment of our fundraising capabilities or efforts.

6. What does industry think?

Initial discussions with a number of industry partners have been very positive. They are very supportive of a streamlined organization as it will increase their visibility to AVF leaders and reduce the complexity of determining where their funds should be directed.

7. Can the AVF still participate in advocacy?

Yes. As a 501(c)(3), the AVF will be able to participate in advocating for our members in Washington, D.C. and at the state level. We are not, however, permitted to create a Political Action Committee (PAC), and have no intention of doing so.