

2021

Bylaws



NEW FREEDOM

LANE COUNTY

YOUTH DEVELOPMENT AGENCY

April Klein

New Freedom Lane County

9/6/2021

Table of Contents

Article 1: Office	4
Section 1. Principle Office	4
Section 2. Change of Address	4
Section 3. Other Offices	4
Article 2: Nonprofit Purpose	5
Section 1. IRC Section 501(c)(3) Purposes	5
Section 2. Specific Objectives and Purposes	5
Article 3: Directors	6
Section 1. Number	6
Section 2. Qualifications	6
Section 3. Powers	6
Section 4. Duties	6
f. Chairperson of the Board of Directors	7
g. Vice Chairperson of the Board of Directors	7
Section 5. Term of Office	8
Section 6. Compensation	8
Section 7. Place of Meetings	8
Section 8. Regular Meetings	8
Section 9. Special Meetings	9
Section 10. Notice of Meetings	9
Section 11. Quorum for Meetings	9
Section 12. Majority Action as Board Action	9
Section 13. Conduct of Meetings	10
Section 14. Vacancies	10
Section 15. Nonliability of Directors	10
Section 16. Indemnification by Corporation of Directors and Officers	10
Section 17. Insurance for Corporate Agents	10
Section 18. Confidentiality	11
Article 4: Officers	12
Section 1. Designation of Officers	12
Section 2. Qualifications	12
Section 3. Election and Term of Office	12

Section 4. Removal and Resignation	12
Section 5. Vacancies.....	12
Section 6. Duties of the President	12
Section 7. Duties of the Vice President.....	13
Section 8. Duties of Secretary	13
Section 9. Duties of the Treasurer	14
Section 10. Compensation	14
Article 5: Committees.....	15
Section 1. Executive Committee	15
Section 2. Other Committees.....	15
Section 3. Meetings and Actions of the Committees	15
Article 6: Execution of Instruments, Deposits, and Funds	16
Section 1. Execution of Instruments	16
Section 2. Checks and Notes	16
Section 3. Deposits.....	16
Section 4. Gifts	16
Article 7: Corporate Records, Reports, and Seal	17
Section 1. Maintenance of Corporate Records.....	17
Section 2. Corporate Seal.....	17
Section 3. Directors’ Inspection Rights	17
Section 4. Right to Copy.....	17
Section 5. Periodic Report.....	17
Article 8: IRC 501(c)(3) Tax Exempt Provisions.....	18
Section 1. Limitations on Activities	18
Section 2. Prohibition Against Private Inurement	18
Section 3. Distribution of Assets	18
Section 4. Private Foundation Requirements and Restrictions	18
Article 9: Conflict-of-interest, Compensation Approval Policies	19
Section 1. Purpose of Conflict-of-Interest Policy	19
Section 2. Definitions	19
a. Interested Persons	19
b. Financial Interest.....	19
Section 3. Conflict-of-Interest Avoidance Procedures.....	19

a. Duty to Disclose	19
b. Determining Whether a Conflict-of-Interest Exists	20
c. Procedures for Addressing the Conflict-of-Interest.....	20
d. Violations of Conflict-of-Interest Policy	20
Section 4. Records of Board and Board Committee Proceedings.....	20
Section 5. Compensation Approval Policies.....	21
Section 6. Annual Statements	23
Section 7. Periodic Reviews	23
Section 8. Use of Outside Experts.....	23
Article 10: Amendment of Bylaws.....	24
Section 1. Amendment	24
Article 11: Construction and Terms.....	24
Acknowledgement and Agreement to Bylaws	25
Acknowledgement and Agreement to Conflict-of-Interest Policy.....	25

Bylaws
of
New Freedom Lane County

Article 1: Office

Section 1. Principle Office

The principal office of the corporation is located in Lane County, State of Oregon.

Section 2. Change of Address

The designation of the county of state of the corporation's principal office may be changed by the amendment of these bylaws. The board of directors may change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed, nor require, an amendment of these bylaws.

New Address: _____

Dated: _____, 20____

New Address: _____

Dated: _____, 20____

New Address: _____

Dated: _____, 20____

Section 3. Other Offices

The corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the board of directors may, from time to time, designate.

Article 2: Nonprofit Purpose

Section 1. IRC Section 501(c)(3) Purposes

This corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

Section 2. Specific Objectives and Purposes

The specific objectives and purposes of this organization shall be to house and rehabilitate youth who have been commercially sexually exploited within the greater Lane County, Oregon area. We are committed to advancing this mission through a holistic approach that values the inherent dignity and worth of each youth served, recognizing them as survivors and promoting their individual agency and autonomy through the prioritization of survivor informed care plans.

The following seven core services have been identified as integral to the rehabilitation of youth who have experienced commercial sexual exploitation:

1. Necessities (food, clothes, etc.)
2. Secure safe shelter and housing
3. Physical health care
4. Mental health care
5. Legal advocacy
6. Substance abuse services
7. Job, life skills training, and ongoing education

These seven core services may be provided through direct service provision or in collaboration with other community partners. In addition to the seven core services, New Freedom Lane County may at the discretion of its board of directors, approve additional services such as the implementation of medical detoxification from substances, transitional living programs, or other services that have been determined necessary by the board to meet the needs of the youth being served.

Article 3: Directors

Section 1. Number

The corporation shall have a minimum of 3 directors and collectively they shall be known as the board of directors. Additionally, the board may at its discretion include in a mentorship role, up to two (2) junior board members.

Section 2. Qualifications

Directors shall be of the age of majority in this state. The board will review and approve all recommendations for adding board members, which will include:

- a. Letter of interest
- b. Resume review, if applicable
- c. Interview with the board, if requested

Junior board members must have minimally completed at least two years of formal education in the fields of social work, substance abuse, mental health, criminal justice, or other human service-related fields. Junior board members must be able to commit to a minimum of 6-months of service on the board. The board will review and approve all recommendations for adding junior board members, which will include:

- a. Letter of interest
- b. Resume review, if applicable
- c. Interview with the board, if requested

Section 3. Powers

Subject to the provisions of the laws of this state and any limitations in the articles of incorporation and these bylaws relating to action required or permitted to be taken or approved by this corporation, the activities and affairs of this corporation shall be conducted, and all corporate powers shall be exercised by or under the direction of the board of directors.

Junior board members shall not have voting rights, until or unless they become qualified members of the board of directors. Junior board members may observe board meetings, but during closed-sessions and time of confidential voting will not be invited to attend.

Section 4. Duties

It shall be the duty of the directors to:

- a. Perform any and all duties imposed on them collectively or individually by law, by the articles of incorporation, or by these bylaws.
- b. Appoint and remove, employ and discharge, and, except as otherwise provided in these bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the corporation.

- c. Supervise all officers, agents, and employees of the corporation to assure that their duties are performed properly.
- d. Meet at such times and places as required by these bylaws.
- e. Register their addresses and email addresses with the secretary of the corporation, and notices of meetings mailed or emailed to them at such addresses shall be valid notices thereof.
- f. **Chairperson of the Board of Directors:** As a partner to the president of the corporation and other board members, the Board Chairperson will provide leadership to New Freedom Lane County. The Board Chairperson will support and sustain the work of New Freedom Lane County and provide governance leadership and strategic fundraising support. Specific responsibilities include:
 - 1. acting as trusted advisor to the president of the corporation.
 - 2. developing and managing relationships with funders, partners, and other stakeholders.
 - 3. in collaboration with the president of the corporation, working to generate annual revenue and fostering New Freedom Lane County's overall financial health.
 - 4. identifying, qualifying, cultivating, soliciting, and stewarding major individual donors, corporate, and/or foundation gifts.
 - 5. keeping informed of, and meeting, all legal and fiduciary responsibilities.
 - 6. reviewing outcomes and metrics created by New Freedom Lane County for evaluating its impact, and regularly measuring its performance and effectiveness using those metrics.
 - 7. coordinating an annual performance evaluation of the president of the corporation.
 - 8. assisting with the nomination and recruitment of board members.
 - 9. planning, presiding over, and facilitating board and committee meets, including partnering with the president of the corporation to ensure that board resolutions are carried out.
 - 10. acting as an ambassador for the organization.
- g. **Vice Chairperson of the Board of Directors:** As a partner to the Chairperson, the president of the corporation, and other board members, the Vice Chairperson works to sustain and support the work of New Freedom Lane County. Specific Responsibilities include:
 - 1. in the Chairperson's absence, the Vice Chairperson presides over the Board of Directors meetings and serves as an adjunct member of standing committees.

2. Assisting the Chairperson with developing the agenda for Board of Directors meetings.
3. Acting as a trusted advisor to the Chairperson, especially when appointing volunteers to key leadership positions and committees.
4. Assisting the Chairperson with communication between directors, funders, partners, and other stakeholders.
5. Supporting and challenging the Chairperson in their responsibilities to ensure organizational priorities and governance concerns are addressed in the most effective and efficient manner.
6. Representing the board in the community, especially at events at which the chair cannot attend.
7. The Vice Chairperson of the Board shall have such other powers and duties as designated in accordance with these Bylaws and as from time to time may be assigned to the Vice Chairman of the Board by the Board of Directors or the Chairman of the Board.

Section 5. Term of Office

Each board member shall hold office for a period of one year and can be reappointed at the discretion of the board. Annually, a new Chairperson will be elected by the board.

Section 6. Compensation

Directors shall serve without compensation except that a reasonable fee may be paid to directors for attending regular and special meetings of the board. In addition, they may be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. Any payments to directors shall be approved in advance in accordance with this corporation's conflict-of-interest policy, as set forth in Article 9 of these bylaws.

Section 7. Place of Meetings

Meetings shall be held virtually or at the principal office of the corporation unless otherwise provided by the board or at such other places as may be designated from time to time by resolution of the board of directors. Meetings held virtually shall be recorded and held using video conferencing software with secure login and password settings.

Section 8. Regular Meetings

Regular meetings of the board of directors shall be held on the third Tuesday of every month at 5:30 PM PST unless such day falls on a legal holiday, in which event the regular meeting shall be held at the same hour and place on the next business day.

At the regular meeting of directors held in December, directors shall be elected by the board of directors. Voting for the election of directors shall be signifying a vote in the affirmative or negative. Each director shall cast one vote per candidate and may vote for as many candidates as the number of candidates to be elected to the board. The candidates receiving the highest

number of votes up to the number of directors to be elected shall be elected to serve on the board.

Section 9. Special Meetings

Special meetings of the board of directors may be called by the chairperson of the board, the president, the vice president, the secretary, by any two directors, or if different, by the persons specifically authorized under the laws of the state to call special meetings of the board. Such meetings may be held virtually or at the principal office of the corporation or, if different, at the place designated by the person or persons calling the special meeting.

Section 10. Notice of Meetings

Unless otherwise provided by the articles of incorporation, these bylaws, or provisions of law, the following provisions shall govern the giving of notice for meeting of the board of directors:

- a. **Regular Meetings.** No notice need be given of any regular meeting of the board of directors.
- b. **Special Meetings.** At least one-week prior notice shall be given by the secretary of the corporation to each director of each special meeting of the board. Such notice may be oral or written, may be given personally, by first class mail, by telephone or email and shall state the place, date, and time of the meeting and the matters proposed to be acted upon at the meeting. In the case of email notification, the director to be contacted shall acknowledge personal receipt of the email notification by return message or telephone call within 24-hours of the original email date.
- c. **Waiver of Notice.** In situations where a critical response is needed from the board and it is not possible to provide a one-week notice in advance of the special meeting, the advance notice requirement is waved. As stated in Article 3, Section 1, a minimum of three board members must be present to convene the meeting.

Section 11. Quorum for Meetings

A quorum shall consist of 3 of the members of the board of directors.

Except as otherwise provided under the articles of incorporation, these bylaws, or provisions of law, no business shall be considered by the board at any meeting at which the required quorum is not present, and the only motion that the chair shall entertain at such meeting is a motion to adjourn.

Section 12. Majority Action as Board Action

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the board of directors, unless the articles of incorporation, these bylaws or provisions of law require a greater percentage or different voting rules for approval of a matter by the board.

Section 13. Conduct of Meetings

Meetings of the board of directors shall be presided over by the chairperson of the board, or, if no such person has been so designated, or in their absence, the president of the corporation, or their absence, by the vice president of the corporation, or in the absence of each of these persons, by a chairperson chosen by the majority of the directors present at the meeting. The secretary of the corporation shall act as secretary of all meetings of the board, provided that, in their absence the presiding officer shall appoint another person to act as secretary of the meeting.

Section 14. Vacancies

Vacancies on the board of directors shall exist (1) on the death, resignation, or removal of any director, and (2) whenever the number of authorized directors is increased.

Any director may resign effective upon giving written notice to the chairperson of the board, the president of the corporation, the secretary, or the board of directors, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the corporation would then be left without a duly elected director or directors in charge of its affairs.

Directors may be removed from office, with or without cause, as permitted by and in accordance with the laws of this state.

Unless otherwise prohibited by the articles of incorporation, these bylaws, or provision of law, vacancies on the board may be filled by approval of the board of directors. If the number of directors, then in office is less than a quorum, a vacancy on the board may be filled by approval of a majority of the directors then in office, or by a sole remaining director. A person elected to fill a vacancy on the board shall hold office until the next election of the board of directors or until their death, resignation, or removal from office.

Section 15. Nonliability of Directors

The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Section 16. Indemnification by Corporation of Directors and Officers

The directors and officers of the corporation shall be indemnified by the corporation to the fullest extent permissible under the laws of this state.

Section 17. Insurance for Corporate Agents

Except as may be otherwise provided under provisions of law, the board of directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee, or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the

agent against such liability under the articles of incorporation, these bylaws, or provisions of law.

Section 18. Confidentiality

The board of directors should maintain the confidentiality of information entrusted to them by the corporation and any other confidential information about the corporation that comes to them, from whatever source, in their capacity as a director, except when disclosure is authorized or legally mandated. For purposes of these bylaws, "confidential information" includes all non-public information relating to the corporation.

Contacts with the media, website updates, and social media posts made on behalf New Freedom Lane County will be made solely by the person(s) designated and authorized by the Board of Directors. As a professional representative of the organization, these guidelines are applicable to organization sponsored and personal use content. Board members are encouraged to share New Freedom Lane County's social media posts and website information when working to engaging funders, partners, and other stakeholders and when promoting upcoming events and/or initiatives. When engaging in social media, adhere to the following guidelines:

1. Be honest about who you are and disclose your connection to New Freedom Lane County.
2. Be clear that your opinions are your own.
3. Reflect our high standards of ethics and professionalism.
4. Be professional, straightforward, and appropriate with communication.
5. Take extra care to protect New Freedom Lane County and its public image.
6. Use good judgement in sharing only publicly available information.
7. Discriminatory behavior or messaging is not tolerated by New Freedom Lane County. This includes discrimination based on age, sex, race, color, creed, religion, ethnicity, sexual orientation, gender identity, national origin, citizenship, disability, or marital status or any other legally recognized protected basis under federal, state, or local laws, regulations or ordinances.

Article 4: Officers

Section 1. Designation of Officers

The officers of the corporation shall be a president, a vice president, a secretary, and a treasurer. The corporation may also have a chairperson of the board, one or more vice presidents, assistant secretaries, assistant treasurers, and other such officers with such titles as may be determined from time to time by the board of directors.

Section 2. Qualifications

Any person may serve as officer of this corporation.

Section 3. Election and Term of Office

Officers shall be elected by the board of directors, at any time, and each officer shall hold office until they resign or are removed or are otherwise disqualified to serve, or until their successor shall be elected and qualified, whichever occurs first.

Section 4. Removal and Resignation

Any officer may be removed, either with or without cause, by the board of directors, at any time. Any officer may resign at any time by giving written notice to the board of directors or to the president or secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this section shall be superseded by any conflicting terms of a contract that has been approved or ratified by the board of directors relating to the employment of any officer of the corporation.

Section 5. Vacancies

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the board of directors. In the event of a vacancy in any office other than that of president, such vacancy may be filled temporarily by appointment by the president until such time as the board shall fill the vacancy. Vacancies in offices of officers appointed at the discretion of the board may or may not be filled as the board shall determine.

Section 6. Duties of the President

The president shall be the chief executive officer of the corporation and shall, subject to the control of the board of directors, supervise and control the affairs of the corporation and the activities of the officers. They shall perform all duties incident to their office and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be prescribed from time to time by the board of directors. Unless another person is specifically appointed as chairperson of the board of directors, the president shall preside at all meetings of the board of directors and, if this corporation has members, the president shall preside at all meetings of the board of directors and, if this corporation has members, at all meetings of the members. Except as otherwise expressly provided by law, by the articles of incorporation, or by these bylaws, they shall, in the name of the corporation, execute such

deeds, mortgages, bonds, contracts, checks, or other instruments that may from time to time be authorized by the board of directors.

Section 7. Duties of the Vice President

In the absence of the president, or in the event of their inability or refusal to act, the vice president shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions on, the president. The vice president shall have other powers and perform such other duties as may be prescribed by law, by the articles of incorporation, or by these bylaws, or as may be prescribed by the board of directors.

Section 8. Duties of Secretary

The secretary shall:

- a. Certify to keep at the principal office of the corporation the original, or a copy, of these bylaws as amended or otherwise altered to date.
- b. Keep at the principal office of the corporation or at such other place as the board may determine, a record of minutes of all meetings of the directors, and, if applicable meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, and how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.
- c. Ensure that the minutes of the meetings of the corporation, any written consents approving action taken without a meeting, and any supporting documents pertaining to meetings, minutes, and consents shall be contemporaneously recorded in the corporate records of this corporation. "Contemporaneously" in this context means that the minutes, consents, and supporting documents shall be recorded in the records of the corporation by the latter of (1) the next meeting of the board, committee, or other body for which the minutes, consents, or supporting documents are being recognized, or (2) sixty (60) days after the date of the meeting or written consent.
- d. See that all notices are duly given in accordance with the provisions of these bylaws or as required by law.
- e. Be custodian of the records and of the seal of the corporation and affix the seal, as authorized by law, or the provisions of these bylaws, to duly executed documents of the corporation.
- f. Exhibit at all reasonable times to any director of the corporation, or to their agent or attorney, on request thereof, the bylaws and the minutes of the proceedings of the directors of the corporation.

- g. In general, perform all duties incident to the office of secretary and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be assigned to them from time to time by the board of directors.

Section 9. Duties of the Treasurer

The treasurer shall:

- a. Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the board of directors.
- b. Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.
- c. Disburse or cause to be disbursed, the funds of the corporation as may be directed by the board of directors, taking proper vouchers for such disbursements.
- d. Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.
- e. Exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to their agent or attorney, on request therefor.
- f. Render to the president and directors, whenever requested, an account of any or all of their transactions as treasurer and of the financial condition of the corporation.
- g. Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included to them from time to time by the board of directors.
- h. In general, perform all duties incident to the office of treasurer and such other duties as may be required by law, by the articles of incorporation of the corporation, or by these bylaws, or which may be assigned to them from time to time by the board of directors.

Section 10. Compensation

The salaries of the officers, if any, shall be fixed from time to time by resolution of the board of directors. In all cases, any salaries received by officers of this corporation shall be reasonable and given in return for services actually rendered to or for the corporation. All officer salaries shall be approved in advance in accordance with this corporation's conflict-of-interest policy, as set forth in Article 9 of these bylaws.

Article 5: Committees

Section 1. Executive Committee

The board of directors may, by a majority vote of its members, designate an Executive Committee consisting of no less than three (3) board members and may delegate to such committee the powers and authority of the board in the management of the business and affairs of the corporation, to the extent permitted, and, except as may otherwise be provided, by provision of law.

By a majority vote of its members, the board may at any time revoke or modify any or all the executive committee authority so delegated, increase or decrease but not below two (2) the number of the members of the executive committee, and fill vacancies on the executive committee from the members of the board. The executive committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

Section 2. Other Committees

The corporation shall have such other committees as may from time to time be designated by resolution of the board of directors. These committees may consist of persons who are not also members of the board and shall act in an advisory capacity to the board.

Section 3. Meetings and Actions of the Committees

Meetings and actions of the committees shall be governed by, noticed, held, and taken in accordance with the provisions of these bylaws concerning meetings of the board of directors, with such changes in the context of such bylaw provisions as are necessary to substitute the committee and its members for the board directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the board of directors or by the committee. The board of directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these bylaws.

Article 6: Execution of Instruments, Deposits, and Funds

Section 1. Execution of Instruments

The board of directors, except as otherwise provided in these bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instruments in the name of and on behalf of the corporation, and such authority may be general or confined to a specific instance. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose of in any amount.

Section 2. Checks and Notes

Except as otherwise specifically determined by resolution of the board of directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the treasurer and/or the president of the corporation.

Section 3. Deposits

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

Section 4. Gifts

The board of directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the nonprofit purposes of this corporation.

Article 7: Corporate Records, Reports, and Seal

Section 1. Maintenance of Corporate Records

The corporation shall keep at its principal office:

- a. Minutes of all meetings of the directors, committees of the board, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof.
- b. Adequate and correct books and records of account, including accounts of its properties and business transaction and accounts of its assets, liabilities, receipts, disbursements, gains, and loans.
- c. A copy of the corporation's articles of incorporation and bylaws as amended to date.

Section 2. Corporate Seal

The board of directors may adopt, use, and will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instruments.

Section 3. Directors' Inspection Rights

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation, and shall have such other rights to inspect books, records, and properties of this corporation as may be required under the articles of incorporation, other provisions of these bylaws, and provisions of law.

Section 4. Right to Copy

Any inspection under the provisions of this article may be made in person or by agent or attorney and the right to inspection shall include the right to copy.

Section 5. Periodic Report

The board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state of this corporation, to be so prepared and delivered within the time limits set by law.

Article 8: IRC 501(c)(3) Tax Exempt Provisions

Section 1. Limitations on Activities

No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by 501(h) of the Internal Revenue Code), and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these bylaws, this corporation shall not carry on any activities nor permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 2. Prohibition Against Private Inurement

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 3. Distribution of Assets

Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation, shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

Section 4. Private Foundation Requirements and Restrictions

In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation (1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; (2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; (3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; (4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and (5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

Article 9: Conflict-of-interest, Compensation Approval Policies

Section 1. Purpose of Conflict-of-Interest Policy

The purpose of conflict-of-interest policy is to prevent this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict-of-interest applicable to nonprofit and charitable organizations.

Section 2. Definitions

- a. **Interested Persons.** Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly through business, investment, or family:
 1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement.
 2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement, or
 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict-of-interest. Under Section 3, paragraph B, a person who has a financial interest may have a conflict-of-interest only if the appropriate governing board or committee decides that a conflict-of-interest exists.

Section 3. Conflict-of-Interest Avoidance Procedures

- a. **Duty to Disclose.** In connection with any actual or possible conflict-of-interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

- b. **Determining Whether a Conflict-of-Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, they shall leave the governing board or committee meeting while the determination of a conflict-of-interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict-of-interest exists.
- c. **Procedures for Addressing the Conflict-of-Interest.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, they shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict-of-interest.

The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing board or committee shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict-of-interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict-of-interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

- d. **Violations of Conflict-of-Interest Policy.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict-of-interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Board and Board Committee Proceedings

The minutes of meetings of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict-of-interest, the nature of the financial interest, any action taken to determine whether a conflict-of-interest was present, and the governing board's or committee's decision as to whether a conflict-of-interest in fact existed.

- b. The names of the person who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation Approval Policies

A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers, and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict-of-interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the board or a duly constituted compensation committee of the board shall also comply with the following additional requirements and procedures.

- a. The terms of compensation shall be approved by the board or compensation committee prior to the first payment of compensation.
- b. All members of the board or compensation committee who approve compensation arrangements must not have a conflict-of-interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):
 1. Is not the person who is the subject of the compensation arrangement, or a family member of such person;
 2. Is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
 3. Does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement;
 4. Has no material financial interest affected by the compensation arrangement;and

5. Does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.
- c. The board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
1. Compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
 2. The availability of similar services in the geographic area of this organization;
 3. Current compensation surveys compiled by independent firms;
 4. Actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement.

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

- d. The terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:
1. The terms of the compensation arrangement and the date it was approved;
 2. The members of the board or compensation committee;
 3. The comparability data obtained and relied upon and how the data was obtained;
 4. If the board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board or committee shall record in the minutes of the meeting the basis for its determination;
 5. If the board or committee makes adjustments to comparability data due to the geographic area or other specific conditions, these adjustments and the reason for them shall be recorded in the minutes of the board or committee meeting;
 6. Any action taken with respect to determining if a board or committee member had a conflict-of-interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict-of-interest did not affect or participate in the approval of the transaction (for example, a notation in

the records that after a finding of conflict-of-interest by a member, the member with the conflict-of-interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement.);

7. The minutes of board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board or committee meeting or 60-days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the board or committee.

Section 6. Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement that affirms such person:

- a. Has received a copy of the conflict-of-interest policy;
- b. Has read and understands the policy;
- c. Has agreed to comply with the policy; and
- d. Understands the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews

To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether the compensation arrangements and benefits are reasonable, based on competent survey information, and the result of any individual negotiations.
- b. Whether partnerships, joint ventures, and arrangements with management organizations, conform to the corporations written policies, are properly recorded, reflect reasonable investment or payments for goods or services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 8. Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Article 10: Amendment of Bylaws

Section 1. Amendment

This corporation, except as may otherwise be specified under provisions of law, these bylaws, or any of them, may be altered, amended, or repealed, and new bylaws adopted by approval of the board of directors.

Article 11: Construction and Terms

If there is any conflict between the provisions of these bylaws and the articles of incorporation of this corporation, the provisions of the articles of incorporation shall govern.

Should any of these provisions or portions of these bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these bylaws shall be unaffected at such holding.

All references in these bylaws to the articles of incorporation shall be to the articles of incorporation, articles of organization, certificate of incorporation, organizational charter, corporate charter, or other legal founding document of this corporation filed with an office of this state and used to establish the legal existence of this corporation.

All references in these bylaws to a section or section of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

Acknowledgement and Agreement to Bylaws

I have read the bylaws for New Freedom Lane County in their entirety. I understand and agree to the abide by them.

Board Member Name (printed): _____

Signature: _____

Date: _____

Acknowledgement and Agreement to Conflict-of-Interest Policy

I affirm that I have:

- a. Received a copy of the conflict-of-interest policy.
- b. Read and understands the policy.
- c. Agreed to comply with the policy.
- d. I understand the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Board Member Name (printed): _____

Signature: _____

Date: _____