

Bylaws
of
Immanuel Fellowship Church

Introduction

God has established the local church as his institution on earth. That truth is weighty and carries all sorts of obligations with it. We understand that in our place and time a local church operates both as a spiritual expression of the body of Christ here on earth **and** as a legal non-profit organization in our community. Because the mission of the church is vitally important and because God is an orderly God, it is right and necessary to clearly define how we will live and maintain both roles as a spiritual and legal entity. Our church's theological convictions and operations are defined in our statement of belief. What follows in this document is how we will function legally as a non-profit in our community. Although nothing between these documents is contradictory, it is important for the reader to note there are different purposes that drive the language and tone of each document.

The following provisions shall constitute the Bylaws of Immanuel Fellowship Church (hereafter the "Church") as required under Section 355.116 of the Revised Statutes of Missouri.

Article I
Name and Affiliation

- 1.1 **Name.** The legal name of the corporation shall be WEST COUNTY BIBLE CHURCH doing business as IMMANUEL FELLOWSHIP CHURCH.
- 1.2 **Affiliation.** The Church shall exist in affiliation with the St. Louis Metro Baptist Association, the Missouri Baptist Convention, and The Southern Baptist Convention, as well as working in partnership with supportive church networks of similar purpose and theology to further the gospel of Christ.

Article II
Purposes

In addition to any purposes set forth in the Church's Articles of Incorporation, the purposes of the Church are: (1) to engage in such religious, educational, charitable, and benevolent activities as are permitted to be carried on by a church exempt from federal income tax under §501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States tax law); (2) to accept donations and contributions, either in trust or otherwise, for all the foregoing purposes; and (3) to do any and all other things necessary or incidental to the above and foregoing purposes and powers and including all of the rights, powers and authority incident to general not for profit corporations organized under the laws of the State of Missouri.

Article III
Members of the Congregation and Regular Participants

- 3.1 **Members.** For purposes of the Missouri Nonprofit Corporation Act and all matters of state law, the Church shall not have members. However, individuals may be admitted as members of the Church's congregation in accordance with and subject to the following provisions of this Article III.
- 3.2 **Non-Voting Members of the Congregation.** The Church will have members of the Church's congregation who will be under the care and authority of the Elder Board. Except as provided in this document, members of the Church's congregation shall have no voting rights with respect to any matters involving the Church. An individual will be admitted to membership in the Church's congregation upon the satisfaction of the following three requirements: (i) completion of a foundational class established by the Elder Board, (ii) approval of the Elders and (iii) execution of a Membership

agreement in a form determined from time to time by the Elder Board. The rights of members of the Church's congregation are to be determined by the Elder Board from time to time in its sole discretion but may include the right to be led spiritually by members of the Church's pastoral staff, the right to participate in Church activities that are limited to members of the Church's congregation and the right to access portions of the Church's website that are limited to members of the Church's congregation.

- 3.3 Discipline of Members of the Church's Congregation. A member of the Church's congregation may be removed from such membership by the Elder Board. Such removal, and any other matters of discipline of members of the Church's congregation, shall be governed by any policies pertaining to church discipline which may be adopted by the Elder Board. Members of the Church's congregation are not guaranteed confidentiality regarding issues of church discipline and understand that in submitting themselves to the authority of the church, issues of a sensitive or personal nature may become known to others. This includes, but is not limited to, notification of the authorities if a crime has been committed or if a real threat of someone being endangered exists (Romans 13:1-7), as well as other violations of scripture that may not result in physical danger.
- 3.4 Suspension of Participation in Church Activities. Separate and apart from the process of church discipline, but subject to the discretion and approval of the Elder Board or the pastors of the Church, a member of the Church's congregation, a non-member regular participant in church activities, or any other individual, may be notified that he or she is not to be present upon Church premises for such period of time as is deemed necessary by the Elder Board or the pastors. Such required absence may, but need not, be concurrent with Church discipline of that person.

Article IV **Elder Board**

- 4.1 Relationship between Board of Directors and Elder Board. During the period beginning on the date of the appointment of the Church's initial Board of Directors and ending at a date specified by the Board of Directors (the "Transition Period"), the overall policy, control, direction, and management of the affairs and finances of the Church shall be vested in such Board of Directors. This transition period shall not exceed one year, but an earlier end to the transition period may be established by the Board of Directors. Such Board of Directors shall be subject to and governed by the provisions of this Article IV, with the exception of any other provisions of the Bylaws relating to the Elder Board, as if such Board of Directors were the Elder Board described therein. This initial board shall be comprised of the Transitional Leadership Team who will install officers by a 7/9 vote. **Following the expiration of the Transition Period, the overall policy, control, direction, and management of the affairs and finances of the Church shall be vested in an Elder Board, which shall constitute the Board of Directors of the Church** as required under Section 355.316 of the Revised Statutes of Missouri. The Elder Board shall be comprised of individuals who meet the requirements of Section 4.2 below.
- 4.2 Qualifications. All Elders of the Church must be fully committed and fully involved participants in the life of the church. Eldership is limited to those equipped by God to function in that role, set forth in the Apostle Paul's epistles to Timothy & Titus, and as compared against the following Biblical standards: Male (1 Timothy 2:11-15; 1 Corinthians 11:3-16), Biblically and Theologically Competent and Correct (Titus 1:9-11), Respected by God's People (1 Timothy 3:4-7), Responsible and Professional in Habit and Lifestyle (Titus 1:5-9), Gifted with Elder-like Gifts, Servant and Shepherding-Oriented (Hebrews 13:17; James 5:14; 1 Peter 5:1-4), Emotionally and Spiritually Mature, (Titus 1:5-8; 1 Timothy 3:1-3), Relationally Pure (1 Timothy 3:4-7), and Flexible Life Station (1 Thessalonians 5:12-13). While the Church respects the value of allowing for theological diversity within the church, it is important to maintain the theological unity and integrity of the Church's leadership. Accordingly, all Elders and paid staff of the Church must demonstrate intellectual agreement with the Church's Statement of Belief to the satisfaction of the Elder Board.

- 4.2 Number and Powers of Elders. The Elder Board shall be comprised of no less than three (3) Elders or such greater number as may be established by the affirmative vote of all Elders. In addition to the powers and authorities expressly conferred upon it by these Bylaws, the Elder Board may exercise all powers of the Church vested in it under the provisions of the Missouri Nonprofit Corporation Act and may do all such lawful acts and things as are not prohibited by statute, by the Articles of Incorporation or by these Bylaws.
- 4.4 Duties of Elders. The management and government of the church shall be vested in the Elder Board, under the Lordship of Christ and the guidance of the Holy Spirit. The Elder Board has the following duties in regard to the orderly administration of the church: (1) to manage, govern and direct the affairs of the Church subject to the Articles of Incorporation and these Bylaws; (2) to make such rules and regulations as shall be necessary for the protection of the property of the Church and for the preservation of good order in the conduct of its affairs; (3) to keep an official record of corporate proceedings which shall be open to inspection by all Elders; and (4) to make or approve such appointments as are provided in the Articles of Incorporation and these Bylaws. In addition to the duties stated above, the Elder board has the following duties in regard to the spiritual leadership of the church: (1) to provide wisdom and oversight to all major church policies & decisions, (2) Provide accountability and oversight to staff and ministry leaders, (3) Regularly attend elder meetings, (3) Preside over members meetings, (4) Oversee the spiritual care of the membership of the church, (5) Approve and maintain membership roster, (5) Provide appropriate Church discipline, (6) Evaluate and install biblically qualified Elders, Deacons, and Staff, (7) maintain the preaching ministry of the church, (8) Regularly pray for the health and growth of the church body, (8) Oversee the administration of ordinances to the membership of the church (baptism and communion). This includes the administration of communion to homebound members.
- 4.5 Election of Elders. Following a determination by the Elder Board that an Elder candidate has met the requirements of these Bylaws and those placed upon him by the Elder Board, such candidate may be elected as an Elder of the Church by a unanimous vote of the members of the existing Elder Board present at a meeting of the Elder Board. Each Elder is considered to hold this call and office for life unless disqualified or called by God to another specific ministry. To this end, Elders are required to consider their call and qualification with the rest of the Elders annually by reaffirming their service covenant to the church. If any vacancy on the Elder Board shall occur by reason of death, resignation or incapacity to act of any Elder, the remaining Elders may elect, by a unanimous vote of the members of the existing Elder Board at a meeting of the Board, a successor to fill the vacancy and serve until a successor is duly elected and qualified as required by law.
- 4.6 Accountability of Elders. If any Elder is suspected or known to be engaging in disqualifying behavior (either by a dereliction of duties described in section 4.4 or for some other illegal or morally wrong behavior) by any church member, deacon, or another elder, they may be investigated by the Elder board. Any accusation brought to the elder board by a church member, deacon, or elder must be thoroughly reviewed by the elder board and documented. Accusers will be given access to the Elder's investigation and findings. If the accusation involves legal wrongdoing or suspected abuse, outside authorities and law enforcement agencies must be contacted in compliance with current mandatory reporting laws. The current leadership of the St. Louis Metro Baptist Association may also be called upon to help facilitate any necessary outside impartial investigation. In accordance with 1 Timothy 5:19, if an accusation is shown to be true by the evidence of witnesses or the confession of the elder, the elder board will have the authority to remove, discipline, and otherwise provide a plan of care and correction for the accused elder.
- 4.7 Removal of Elders. Any Elder may be removed from office by the Elder Board as provided in this Section 4.7. A written notice of the proposed removal of an Elder shall be given to such Elder (after the Matthew 18 principle of conflict resolution is exercised) by the Secretary at least ten (10) days prior to the meeting in which any action to effect such removal is to be taken. Such removal shall take place only upon and after the affirmative vote of at least two-thirds (2/3) of the members of the Elder Board, excluding the Elder whose removal is proposed. The Elder whose removal is proposed shall not be entitled to vote upon such action.

- 4.8 Meetings. Regular meetings of the Elder Board shall take place at least monthly. In addition, the Elders may hold special meetings ad hoc. Any special meeting of the Elders may be held at the call of any Elder, subject to giving adequate notice to all Elders. Meetings may be held at such place as may be designated from time to time by resolution of the Elder Board or by written consent of the Elders.
- 4.9 Notice. Unless notice is waived in writing, meetings of the Elder Board shall be held upon not less than three (3) days notice to be given in person, by mail, by email, by text message/group message, or by telephone. Attendance of an Elder at any meeting shall constitute a waiver of notice of such meeting except where such Elder attends the meeting for the express purposes of objecting to the transactions of any business because the meeting is not lawfully called or convened. The business to be transacted at, or the purposes of, any meeting of the Elder Board shall be specified in the notice or waiver of notice at such meeting.
- 4.10 Waiver of Notice. Whenever any notice whatsoever is required to be given under the provisions of the Missouri Nonprofit Corporation Act or under the provisions of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the meeting with respect to which such notice would otherwise be required, and filed with the President or the Secretary, shall be deemed equivalent to giving such notice.
- 4.11 Quorum. A quorum at all meetings of the Elder Board shall consist of three-fourths (3/4) of the whole Elder Board. Except as provided in these Bylaws or in the Missouri Nonprofit Corporation Act, the act of a majority of the Elders present at a meeting at which a quorum is present shall be the act of the Elder Board.

Article V

Teams of the Elder Board

- 5.1 Teams. The Elder Board may also appoint, from among its own members and from among the members of the church's congregation, such teams as the Elder Board may determine, which shall in each case consist of not less than two (2) people, at least one of whom shall be an Elder, and which shall have such powers and duties as shall from time to time be prescribed by the Elder Board.
- 5.2 Rules of Procedure. A majority of the members of any team may fix its rules of procedure. All action by any team shall be reported to the Elder Board at a meeting succeeding such action and shall be subject to revision, provided that no rights or acts of third parties shall be affected by any such revision or alteration.

Article VI

Officers

- 6.1 Officers. The officers of the Church shall consist of a President, a Secretary, and a Treasurer. In addition, the Elder Board may appoint Vice-Presidents and such other officers as the Elder Board may deem necessary. In order to serve as an officer, an individual must be a member of the Elder Board or the Deacon Team.
- 6.2 Election. The officers of the Church shall be elected during the third quarter of the year by the affirmative vote of at least three-quarters (3/4) of the members of the Elder Board, and shall serve terms of one (1) year, or until their successors are duly elected and qualified.
- 6.3 Removal of Officers. Any officer may be removed from office by the Elder Board as provided in this Section 6.3. A written notice of the proposed removal of any officer shall be given to such officer at least ten (10) days prior to the meeting at which any action to effect such removal is to be taken. The officer shall not be present during the discussion

and vote on his removal. Such removal shall take place only upon and after the affirmative vote of at least two-thirds (2/3) of the members of the Elder Board, excluding the officer whose removal is proposed.

- 6.4 Vacancies. Vacancies in the offices of the Church by reason of death, resignation, or otherwise, shall be filled by the Elder Board as soon as is reasonably possible.
- 6.5 President. The President shall perform such duties as are incumbent on such an officer, including making certain that all orders and resolutions of the Board are carried into effect. The President should look to the qualifications of Section 4.2 as a reference point for the qualifications of staff, but need not adhere to each requirement if the President determines certain qualifications are inapplicable to the position. The President shall have the power to employ such staff as may be authorized from time to time by the Elder Board, and shall have the necessary authority and responsibility to operate the Church in all its activities and departments, subject only to the policies adopted and the orders issued by the Elder Board.
- 6.6 Vice-President. If appointed by the Elder Board, the Vice-President shall, in the absence of the President, or in the event of his inability to act, perform the duties and exercise the powers of the President. When the President is in office, the Vice-President shall work to insure a peaceful and successful term for the President. Beyond this, the Vice-President shall perform such other duties as the Elder Board shall from time to time prescribe.
- 6.7 Secretary. The Secretary shall record or cause to be recorded in a minute book of the Church minutes of all meetings of the Elder Board and all votes taken at such meetings. He shall have charge of the official records of the Church, and he shall perform such other duties as are incident to the office of Secretary and as may be assigned by the Elder Board or the President, under whose supervision he shall be.
- 6.8 Treasurer. The Treasurer shall be the general custodian of all funds and other financial assets of the Church and shall deposit the same or cause the same to be deposited in the name and to the credit of the Church with such depository or depositories as the Elder Board may from time to time designate. He shall have the responsibility for the safekeeping of the funds and securities of the Church and shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books of accounts and other accounting records of the Church. He shall disburse or permit to be disbursed the funds of the Church in such a manner as may be ordered or authorized generally by the Elder Board and shall render to the officers of the Church and the Elder Board whenever they may require it, an account of all his transactions as Treasurer and of the financial status and affairs of the Church. He shall have the general duties, powers, and responsibilities of a treasurer of a Church and shall perform such other duties and have such other responsibilities and authority as may be assigned to him from time to time by the Elder Board.

Article VII

Personnel and Offices

- 7.1 Employment of Personnel. All personnel employed by the Church shall report to and be subject to the supervision of the Elder Board, or such individuals and supervisors as the Elder Board deem appropriate to the proper and effective organization of the Church, such supervisors ultimately being legally recognized as under the care and authority of the President. Employment of pastors of the Church shall require the approval of the Elders by a unanimous vote. Removal of a pastor of the Church shall require a unanimous affirmative vote of the members of the Elder Board, excluding the pastor whose removal is proposed if the pastor is also a member of the Elder Board. A Pastor whose removal is proposed shall not be entitled to vote upon such action.
- 7.2 Offices. The offices of the Church shall be located at such place or places as the Elder Board may from time to time determine.

Article VIII
Situations Requiring Consideration of Removal

While cause is not required for the removal of a member of the Elder Board, an officer of the Church or any other individual holding any position with the Church, certain situations involving an individual holding any such position shall require that the Elder Board consider removal of such individual. Determination of whether such a situation exists is ultimately to be determined by the Elder Board in its sole and absolute discretion. However, the following are examples of such situations: Unrepentance in response to rebuke in line with Jesus' teaching in Matthew 18:15-17, teaching or propagating theological beliefs that are contradictory to the doctrine and practices of the Church as established by the Elders in the Statement of Belief; engaging in conduct or a lifestyle that is inconsistent with Biblical morality as determined by the Elders (i.e. sexual acts that are outside of the confines of the marriage relationship between one man and one woman, substance abuse, gossiping, slandering, actions promoting disunity, etc.); failure to submit to the authority of the Elder Board or other authorities within the Church; failure to perform the required tasks of the office or position; etc. This list is not to be considered exhaustive and may be added to at the discretion of the Elder Board. Failure to terminate or remove an individual in one instance shall not constitute a waiver of the ability to terminate or remove them in the future.

Article IX
Basis For Theological Belief

The Elder Board will look to the Holy Bible as the recorded word of God and the only authoritative text to base the Church's theological beliefs upon.

Article X
Indemnification of Officers and Elder Board Members

Each Elder Board member, officer, and former Elder or officer of the Church, and their legal representatives, shall be indemnified by the Church against liabilities, expenses, counsel fees, and costs reasonably incurred by him or his estate in connection with, or arising out of, any action, suit, proceeding or claim in which he is made a part by reason of his being, or having been, such Elder or officer; provided that in no case shall the Church indemnify such Elder or officer with respect to any matters as to which he shall be finally adjudged in any such action, suit or proceeding to have been liable for malfeasance in the performance of his duties as such Elder or officer. The indemnification herein provided for, however, shall also apply in respect of any amount paid in compromise of any action, suit, proceeding, or claim asserted against such Elder or officer (including the expenses, counsel fees, and costs reasonably incurred in connection therewith), provided the Elder Board shall have first approved such proposed compromise settlement and determined that the Elder or officer involved was not guilty of malfeasance; but, in taking such action, any Elder involved shall not be qualified to vote thereon. In determining whether or not an Elder or officer was guilty of malfeasance in relation to any such matters, the Elder Board may rely conclusively upon an opinion of independent legal counsel selected by the Board. The right to indemnification herein provided shall not be exclusive of any other rights to which such Elder or officer may be lawfully entitled.

Article XI
Tax Compliance Matters

No part of the net earnings of the Church shall inure to the benefit of, or be distributable to its members, directors, officers, or other private persons, except that the Church shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these Bylaws. No substantial part of the activities of the Church shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Church shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these bylaws, the Church shall not carry on any other activities not permitted to be carried on (a) by a Church exempt from Federal Income Tax under §501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code, or (b) by a Church, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code. The members of the

Elder Board and the officers of the Church shall abide by the Conflict of Interest Policy attached hereto as Appendix A, as the same may be amended from time to time by the Elder Board.

Article XII
Fiscal Year

The fiscal year of the Church shall be a year beginning on January 1 and ending on December 31 of the following year.

Article XIII
Contracts, Loans, Checks, and Bank Accounts

- 13.1 Contracts. Only to the extent the Elder Board may specifically or generally authorize, any officers or employees may, on behalf of the Church, prepare and execute proposals for contracts, grants, government or privately funded programs and similar undertakings with any person, firm or other entity and to execute such bonds and undertakings required for the faithful performance of such contracts, and deliver vouchers and receipts in connection therewith.
- 13.2 Loans. Only to the extent the Elder Board may specifically authorize by a vote of at least three-fourths (3/4) of its members, any two (2) designated officers or employees, acting together, may affect loans, lines of credit (ie - credit cards), and advances for the Church from any bank, trust company or other institution or from any person, firm or other entity, and for such loans and advances may make, execute and deliver promissory notes or other evidences of indebtedness of the Church. No such person shall, however, for the purpose of giving security for any such loan or advance, mortgage, pledge, hypothecate or transfer any property whatsoever owned or held by the Church except when specifically authorized by resolution of the Elder Board.
- 13.3 Checks, Drafts, Etc. All checks, drafts, orders for payment of money, obligations, bills or exchange and insurance certificates shall be signed or endorsed by such officers, or agents of the Church and as in such manner shall be determined by resolution of the Elder Board from time to time.
- 13.4 Deposits and Accounts. All funds of the Church, not otherwise employed, shall be deposited from time to time in general or special accounts in such banks, trust companies, or other depositories as the Elder Board may select, or as may be selected by any person to whom such power may from time to time be delegated by the Elder Board. For the purpose of deposit and for the purpose of collection from the account of the Church, checks, drafts and other orders for the payment of money which are payable to the order of the Church may be endorsed, assigned and delivered to the depository by any agent of the Church. Rules governing the accounting for contributions to the Church and the deposit thereof may be established by the Elder Board.

Article XIV
Corporate Seal

The Elder Board may adopt a corporate seal consistent with the requirements of the Missouri Nonprofit Corporation Act.

Article XV
Dissolution

- 15.1 Procedure. The Church shall be dissolved by a unanimous vote of the Elder Board.
- 15.2 Dissolution. Upon the dissolution of the corporation, the Elder Board shall, after paying or making provision for the payments of all of the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purpose of the corporation in such manner: All profit obtained from the sale of the **82 Henry Ave** property shall be given to North County Community Church for their Columbia ministry. All remaining assets shall be assigned to a church or ministry

designated by the Elder Board, or its successor institution provided said church is organized and operated exclusively for religious or educational purposes as shall at the time qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law). In the event said church is not then in existence or does not meet the foregoing qualifications, then the Elder Board shall dispose of all of the assets in such manner: the assets shall be assigned to The St. Louis Metro Baptist Association, or its successor institution, provided said organization is organized and operated exclusively for religious or educational purposes as shall at the time qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law). In the event the St. Louis Metro Baptist Association is not then in existence or does not meet the foregoing qualifications, then the Elder Board shall dispose of all of the assets in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under §501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law), as the Elder Board shall determine. Any such assets not so disposed of shall be disposed of by the circuit court of the county in which the principal office of the corporation is then located, exclusively for such purposes or such organization or organizations as said court shall determine which are organized and operated exclusively for such purposes.

Article XVI **Miscellaneous**

- 16.1 **Organizations Within the Church.** No organization shall be formed within or considered to be a part of the Church activities before the sponsors have submitted their plans to the Elder Board for their approval and sanction. The various organizations and ministries within the Church are to remain in close contact with the Elder Board, or a chosen representative. All matters of importance that affect the Church, in general, shall be submitted to the Elder Board for approval in advance. No organization shall be permitted to function under the name of the Church whose chairman or supervisor is not an active participant of the Church.
- 16.2 **Fundraising.** Methods of fundraising by any and all organizations operating as part of the Church shall be subject to the approval of the Elder Board in advance.
- 16.3 **Property.** In case of a division of the church (from which we pray God by His mercy to preserve us), the property of the church shall remain under the control of those individuals who abide by its Bylaws. In the event of a deadlock of the members of the Elder Board with respect to a particular issue or issues, if the opposing groups or divisions cannot bring resolution to the divisive issue(s), a member of the Executive Staff of the St. Louis Metro Baptist Association (or its successor organization) chosen by such organization, will act as an arbitrator to make a final determination regarding the issue(s) in question and such decision of the arbitrator shall be final and binding on all parties to the dispute.

Article XVII **Amendments**

The Elder Board shall have the power to adopt amendments to the Bylaws. Amendments may be made at any meeting of the Elder Board provided that, unless all Elders entitled to vote on the amendment have consented to the adoption of such amendment, each such amendment shall have been presented at a previous regular or special meeting, and copies of the proposed amendment shall have been furnished to each person present. The proposed amendment to be adopted must pass by a vote of at least two-thirds (2/3) of all persons entitled to a vote. An amendment to the Bylaws may also be adopted by a written unanimous consent of all of the members of the Elder Board.

Article XVIII **Construction**

Unless the context otherwise requires, all words used in the singular include the plural, all words used in the plural include the singular and words used in any gender include all genders.

Appendix A

Conflict of Interest Policy

Article I

Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. 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.

Article II

Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization 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 Article III, Section 2, 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.

Article III

Procedures

1. 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.

2. Determining Whether a Conflict of Interest Exist

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she 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.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on the transaction or arrangement involving the possible conflict of interest.
- b. 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.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization 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.
- d. 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 Organization'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.

4. Violations of the Conflict of Interest Policy

- a. 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.
- b. 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.

Article IV

Records of Proceedings

The minutes 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 persons 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.

Article V

Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI

Annual Statements

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

- a. Has received a copy of the conflicts of interest policy,

- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII
Periodic Reviews

To ensure the Organization 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 compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization 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 except for private foundations that have been held by a court of competent jurisdiction not to be affected by such State statute.