

BYLAWS

SOUTHERN ARIZONA ARTS & CULTURAL ALLIANCE, INC.

ARTICLE 1

Name and Location

Section 1 Name

The name of the corporation, hereinafter referred to as "Corporation", shall be the Southern Arizona Arts & Cultural Alliance, Inc.

Section 2 Location

The principal office for transaction of the Corporation's business shall be in Pima County, Arizona.

Section 3 Fiscal Year

The Corporation shall operate on a Fiscal Year commencing on the first day of July of each year and ending on the thirtieth (30) day of June of the next succeeding year.

ARTICLE II

Board of Directors

Section 1 Size and Composition

- a. Size: The Board of Directors shall be comprised of not less than six (6) or more than twenty one (21) members.
- b. Composition: Every effort shall be made for the Board to maintain balanced representation from the arts, education, business sector and the community at large and to reflect the ethnic and cultural diversity. The Directors shall be selected using the process described in Section 3 of this Article. Regular employees of the organizations are not eligible for funding by the Arts Council. Employees are not eligible to be a Director, nor are immediate relations of current board members.

Section 2 Terms

- a. Directors: The term of office for individual Directors shall be three (3) years.
- b. Consecutive Terms: A Director may serve no more than three (3) consecutive terms unless at such time, if there are no replacements, and upon the Executive committee's recommendation, subject Director may serve an additional term with the concurrence of 2/3rds vote of the Board of Directors.
- c. Officers: Notwithstanding anything in these Bylaws to the contrary, in the event a Director's term expires prior to the completion of a term as Officer as described in Article III, Section 4 herein, such Director's term on the Board shall be extended until his or her term as Officer has expired.

Section 3 Executive Committee & Finance Committee

- a. A **Executive Committee** of not less than three (3) but not more than five (5) Directors shall comprise the Executive committee. This Committee may seek recommendations from other entities if so desired. The Executive Committee shall be chaired by the President of the

Board of Directors and should include the Vice President, Treasurer, Past President and one additional Director to be chosen by the other members of the Executive Committee. The Executive Committee shall seek out qualified candidates in compliance with the policies in Article II, Section 1(b) of these Bylaws, and shall present its recommendations to the Board of Directors. Directors shall be elected by a majority vote at a regularly scheduled meeting of the Board of Directors.

- b. A **Finance Committee** shall be chaired by the Board Treasurer and will be made up of no less than four (4) but no more than (5) Directors. The Finance Committee shall provide oversight for the Annual Budget Process; conduct Monthly Financial Reviews which will be submitted to the Board of Directors at the Regular Board of Directors Meeting. The Committee will aid Staff in long range financial forecasting and report to the Board of Directors on any immediate and long term potential challenges and concerns which may arise and assist in identifying satisfactory remedies. The Finance Committee will undertake the risk management activities, as required, to protect the agency's financial well being.

Section 4 Powers and Duties of the Board of Directors

The Board of Directors shall have the power to:

- a. Control and manage all the affairs and property of the Corporation, to exercise, in addition to the powers and authorities expressly conferred upon it by these Bylaws or by the Articles of Incorporation, but subject to do all things that may lawfully be done by the corporation. Without limiting the generality of foregoing, the Board of Directors may restrict, enlarge or otherwise modify the powers and duties of any or all of the Officers of the Corporation.
- b. Select, appoint, renew or terminate the Executive Director of the Corporation, set the Executive Director's compensation, and prescribe the duties and delegate such powers to the Officers of the Corporation as may be necessary and required to transact Corporation business.
- c. Procure, adopt, amend, and rescind from time to time such rules and regulations as in their discretion may be necessary and desirable to conduct the business and affairs of the Corporation and prescribe penalties for the breach thereof.
- d. Support both long and short range plans of the organization.
- e. Make and issue notes, bonds and/or other negotiable and transferable instruments, mortgages, deeds of trust and trust agreements, and so every act and thing to effectuate the same.
- f. Notwithstanding anything herein these Bylaws to the contrary, the Corporation and its Officers and employees, agents and assigns, shall exercise only such powers as are in furtherance of the tax exempt purposes of organizations as set forth in Section 501 (c) (3) of the Internal Revenue Code and its regulations as the same now exist or as they may be hereafter amended from time to time.
- g. Develop and maintain the Corporation's Strategic Plan. Strategic planning is a management tool used to help the Corporation function at its highest level: to focus its energy, to ensure that members of the Corporation are working toward the same goals, to assess and adjust the Corporation's direction in response to a changing environment. Strategic planning is a

disciplined effort to produce fundamental decisions and actions that shape and guide what the Corporation is, what it does, and why it does it, with a focus on the future. The exact form of the Strategic Plan will be determined by the Executive Committee and may consist of a long-term strategic plan (2 to 5 years) to guide the direction and future of the Corporation and may also prepare short-term strategic plans (1-2 years) to direct specific areas, as deemed appropriate. The President of the Corporation may appoint a Strategic Planning Committee if one is deemed necessary. The strategic plan shall address different areas of strategic interest (e.g. new technologies, membership developments, financial goals/forecasts, etc.) that the Corporation considers important for its future direction. The strategic plan shall be reviewed annually by the Board of Directors at a Regular Board of Directors meeting or annual Board Retreat and updated accordingly.

Section 5 Meetings

- a. Regular Meetings: There shall be no fewer than six (6) regular meetings of the Board of Directors during the fiscal year of the Corporation. Meetings shall be held at a time and place designated by the Executive Committee. Written notice of the time, purpose and location of a regular meeting and all committee meetings shall be posted on the organization website no less than 7 days prior to the meeting.
- b. Special and Emergency Meeting: A Special meeting of the Board of Directors may be called at any time by the President, the President-elect, or a majority of Directors in office. Written notice of the time, purpose and place of each special meeting shall be emailed to each Director at least five (5) days prior to the meeting. An emergency meeting may be called with at least twenty-four (24) hours notice and compliance with subsection (c), supra.
- c. Open Meetings: All meetings of the Board of Directors and its committees shall be subject to the Open Meeting Laws of the State of Arizona, as found at A.R. S. section 38-431, et seq.

Section 6 Agenda-Setting Procedures

- a. The Executive Committee, as described in Article VI, Section 1 herein, shall meet prior to each regular meeting within sufficient time so that the agenda may be posted at the Corporation's place of business at least three (3) business days prior to the regular meeting.
- b. Any Director may request that an item be placed on the agenda of the next regular Board Meeting at, or before, the meeting of the Executive Committee. Such request may be made in writing via email or fax.

Section 7 Conduct of Meeting

At all meetings of the Board of Directors, the President, or in his or her absence, the President-elect, or if neither of them is present, the Vice-president or a Chairperson chosen by the Directors present shall preside. The secretary, or in his or her absence any person appointed by the Chairperson, shall as secretary of the meeting.

Section 8 Quorum

At any meeting of the Board, a majority of the Directors then in office shall constitute a quorum for the transaction of business.

Section 9 Absences

Directors are required to attend a minimum of 70% of scheduled Board of Directors meetings during the fiscal year. Any Director may be removed from office immediately, after such Director has failed to attend 30% of scheduled meetings in any one fiscal year. Any Director so vacating membership may petition the Executive Committee for reappointment, subject to the provisions of Article II, Section 3.

Section 10 Removal of Directors

Any Director may be removed for cause by a majority vote of those Directors eligible to vote, after such Director has been advised of the charges against him or her and afforded an opportunity to be fairly heard.

Section 11 Resignation

A Director may resign at any time by giving written notice to the Board, the President, or the Secretary of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board, and the acceptance of the resignation shall not be necessary to make it effective.

Section 12 Vacancies

Elections to fill vacancies shall occur at the next regularly scheduled meeting of the Board, providing the nominee(s) for the vacancies are selected in accordance with the provisions of Article II, Section 1b, if applicable. A majority of the remaining Directors shall be required to fill vacancies. Voting shall be by secret ballot (at a public meeting). A Director elected to fill a vacancy caused by resignation, death, or removal shall be elected to hold office for the unexpired term of his or her predecessor.

Section 13 Compensation

No compensation shall be paid to Directors, as such, for their services.

Section 14 Interlocking Directorates and Conflict of Interest

The Directors of this Corporation from time to time are likely to be people of diversified interests and connected with other corporations or organizations with which, from time to time, this Corporation may have dealing. In such cases, the State of Arizona Conflict of Interest Laws (A.R.S. Title 10, Chapter 31, Article 6 et. seq.) shall apply.

Section 15 Board of Director Expectations

The Directors of this Corporation must reach all said expectations as directed by the Executive Committee in the Board of Director Expectations manual. If expectations are not met at the end of each Fiscal Year, the Executive Committee reserves the right to either terminate the directorship or implement a probationary period of non-involvement pending a Board of Director evaluation.

ARTICLE III **Officers**

Section 1 Titles

The Officers of the Corporation shall be the President, President-elect, Past-President, Vice President, Treasurer, and Recording Secretary. Officers shall be elected from the Board of Directors by a majority vote and by secret ballot not more than two meetings prior to the beginning of each fiscal year.

Section 2 Resignation

An officer may resign a corporate office at any time by giving written notice to the board or to another Officer of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board of Officer and the acceptance of the resignation shall not be necessary to make it effective.

Section 3 Vacancies

- a. A vacancy in the Office of President shall be filled by the Vice President for the unexpired portion of the term. This shall in no way restrict him or her from serving a consecutive term as President.
- b. A vacancy in any office other than President shall be filled by action of the Board of Directors by majority vote and by secret ballot at a regularly scheduled meeting for the unexpired portion of the term.

Section 4 Terms

- a. The terms of all offices shall be one (1) year, July 1 to June 30.
- b. The President-elect may serve consecutive terms followed by a one year term as President.
- c. The President may serve two (2) consecutive terms. The Treasurer and Secretary may be elected to no more than four (2) consecutive terms.

Section 5 President

The President shall be the principal Executive Officer of the Corporation. He or she shall, when present, preside at all meetings of the Directors, and cast the deciding vote in the event of a tie. He or she may sign, with the Secretary or any other proper Officer of the Corporation thereunto authorized by the Board of Directors, any deed, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and executive thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other Officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the Office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6 President-elect

In the absence of the President or in the event of his or her death, inability or refusal to act, the President-elect shall perform the duties of the President, and when so acting, shall have the powers of, and be subject to, all the restrictions upon the President. Additionally, the President-elect, in the role of President-elect, shall be the principal Director to supervise the Corporation's program

planning for the following fiscal year. The President-elect shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 7 Vice-president

The Vice-president shall perform the duties of President and/or President-elect, in the absence of the President or President-elect, or in the event of his or her death, inability or refusal to act, and when so acting, shall have the powers of, and be subject to, all the restrictions upon the President. The Vice-president shall perform such other duties as from time to time may be assigned to him or her, by the President or by the Board of Directors.

Section 8 Secretary

The Secretary shall keep the minutes of the Directors' meetings in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws or as required, be custodian of the Corporate records and of the seal of the Corporation, and keep a register of the post office address of each member, and in general perform all duties incident to the Office of the Secretary and such other duties as from time to time may be assigned to him or by the President or by the Board of Directors.

Section 9 Treasurer

The Treasurer shall have charge and custody of, and be responsible for, all books and records of the Corporation and in general perform all of the duties incident to the Office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 10 Authority of Officers

All Officers of the Corporation, as between themselves and the Corporation, shall have only such general and specific authority and perform only such general and specific duties in the management of the Corporation as provided in these Bylaws or by the Board of Directors.

Section 11 President Emeritus/Emerita

The title of "President Emeritus/Emerita" is an honor given to someone retiring/honorably discharged from their previous office, and having met certain criteria. It is a life-time appointment. To qualify for this honor, the individual must have made a significant contribution to the growth and development of the Agency and must have served a minimum of three (3) years as a member of the Board of Directors, two (2) years as President, and one (1) year as Past President. As President Emeritus/Emerita, one can attend all Board of Director and Executive Committee meetings in an advisory capacity, but has no voting privileges and can belong to agency committees with voting privileges. The President Emeritus/Emerita shall represent the interests of the Agency in such forums as the President shall designate.

ARTICLE IV **Execution of Documents**

Section 1 Execution of Negotiable Instruments

All checks, drafts, notes, bonds, bill of exchange and orders for the payment of money of the

Corporation, unless otherwise directed by the Board of Directors, or unless otherwise required by law, shall be signed by one elected officer and Executive Director.

Section 2 Execution of Deeds, Contracts, Etc

Subject always to the specific direction of the Board of Directors, all deeds and mortgages and agreements to which the Corporation shall be a party, shall be executed in its name by the President or Vice President; or Secretary, in excess of \$1,000.00, when necessary or required, shall affix the corporate seal thereto.

ARTICLE V **Solicitation and Acceptance of Funds**

Section 1 Solicitation of Funds

The Corporation may solicit contributions upon such items and conditions, consistent with the provisions of the Articles of Incorporation and subject to the provisions of Section 2 of this Article, as the Board of Directors shall deem appropriate.

Section 2 Acceptance of Funds

The Corporation may accept contributions from any person, partnership, corporation, governmental entity, or other entity upon such terms and condition, consistent with the provisions of the Articles of Incorporation, as the Board of Directors shall deem appropriate.

Section 3 Investment of Funds

Consistent with the provisions of the Articles of Incorporation, the Corporation may retain or dispose of any investments and other assets contributed to it pursuant to Section 1 and 2 of this Article and may invest and reinvest in such bonds, notes, certificates of deposit and other securities as the Board of Directors shall deem appropriate, provided, however, the Corporation shall not retain or invest in any real property, equity securities, partnerships interest or business enterprises except upon the unanimous approval of the Board of Directors voting in each case.

ARTICLE VI **Committees**

Section 1 Executive Committee

There shall be an Executive Committee, which shall consist of the President, (Past-President, President-elect) Vice President, Treasurer and Secretary. The Executive Committee shall:

- a. Meet at least five (5) days prior to each regular meeting of the Board of Directors in order to set the agenda.
- b. Act on the behalf of the Board of Directors only in the event of an emergency. An emergency is defined as an action that requires Board of Directors approval, but for which a special meeting of the Board of Directors cannot be timely called. Failure to place an item or issue on an agenda for the preceding meeting of the Board shall not constitute an emergency.
- c. Use of services of legal counsel.

- d. Give written notice at least one (1) day in advance of any meeting called for emergency purposes, to all Directors.

Section 2 Executive Committee

There shall be a Executive Committee, as described in Article II, Section 3 of these Bylaws.

Section 3 Other Committees

Except as otherwise provided, the Executive Director shall appoint all administrative, standing and project committees as are deemed necessary by the Board of Directors or the President to fulfill the purposes of the Corporation.

Section 4 Duties

Committees shall report to and operate under the authority and power delegated by the Board of Directors and these Bylaws. Any such delegation shall be clearly and accurately reported in the minutes of any Board of Directors meeting where such delegation occurs.

Section 5 Chairperson

A committee chairperson shall be appointed by Executive Director or elected by the members of the individual committees, at the Executive Director's discretion.

Section 6 Meetings

Meetings of any committees may be called at any time by the President of the Board of Directors or the Executive Director or chairperson of such committee and with whatever frequency is required in order that the committee dispatch its responsibilities in accordance with these Bylaws.

Section 7 Minutes

The committee Chairperson shall have the option to have minutes taken at all committee meetings. These minutes shall be promptly e-mailed to each member of the committee, and a copy shall be filed in the Corporation office. In lieu of minutes, the committee may file a brief written report with the Board.

ARTICLE VII **Finances**

Section 1 Fiscal Year

The Fiscal Year of the Corporation shall commence on the first day of July of each year and end on the thirtieth (30) day of June of the next succeeding year.

Section 2 Budget

As soon as practical after the first day of April of each year, the Board of Directors shall adopt a tentative budget for the following fiscal year. Additionally, at the earliest possible date, and annually thereafter, the Board shall adopt and/or amend a working budget.

Section 3 Operating Statement

The Executive Director shall submit to the Board of Directors each month, an operating statement, showing the financial condition of the Corporation as of the end of the preceding month.

Section 4 Annual Accountant's Review

At the conclusion of each fiscal year, a Certified Public Account will conduct a review of the Corporation's statements of financial position and the related statements of activities and cash flows for the years ended, in accordance with Statements on Standards for Accounting and Review services issued by the American Institute of Certified Public Accountants. All information included in the financial statements is the representation of the management of the Corporation. A review consists principally of inquiries of Corporation personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepting auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. The annual financial review does not express such an opinion.

Article VIII **Management Structure**

Section 1 Management

The manager of this Corporation shall be the Executive Director. The Executive Director shall be selected by the Board of Directors.

Duties and Responsibilities: The Executive Director is the sole manager of the corporation

- a. Perform such responsibilities as are assigned by the President and/or the Board of Directors.
- b. Oversee all financial aspects of the Corporation and provide administrative management of its operation under the direction of the Board of Directors.
- c. Prepare monthly financial statements for Board review; coordinate statistical reports for the annual report; and develop an annual budget.
- d. Prepare an operating budget covering all activities of the Corporation, subject to the Board of Directors approval.
Prepare special reports on such matters as the President and/or the Board of Directors may designate.
- e. The President, President-elect, Vice-president, Treasurer, or Secretary, may sign checks for the Corporation, with one signature of the above being required for validity and one signature of the Executive Director. However, to facilitate the internal operations of the Corporation, the Executive Director may be authorized to sign checks drawn upon the operation's account with only one signature for the purpose of covering expenditures of less than \$2,500.00.
- f. Serve as advisor to the president and the Board of Directors, preparing and maintaining a statement of all Corporation policies as determined by the Board of Directors and recommending a plan whereby such policies may be reexamined, reaffirmed, or rescinded by the Board.
- g. Produce a work program in accordance with policies and regulations for the Board of Directors, and annually present it to the Board for approval.
- h. Prepare a General Procedures Manual, outlining the duties, responsibilities, and working relationships of the Board of Directors, committees, committee chairpersons, and salaried staff.

- i. Recommend policies, and institute procedures for compliance with, the provisions any and all agreements, contracts and like instruments, entered into by the Corporation.
- j. Perform such other duties as may be assigned by the President of the Board.
- k. Develop an annual programming and event calendar and make directional programming advice for future projects and strategic partnerships.

ARTICLE IX **Indemnification**

The Corporation shall have the power to indemnify its Directors, Officers, employees, and agents in accordance with provisions of A.R.S. Title 10, Chapter 31, Article 5.

The Corporation shall maintain a Directors & Officers Liability insurance policy. Designed for the Directors and Officers of boards, corporations, or nonprofit organizations, the coverage should provide for protection for claims arising from the fiduciary duties owed the corporation, shareholders, or other third parties from certain fiduciary, tortuous conduct, fraud or deceit, or the violation of certain statutes. The insurance should also provide coverage when a director or officer of a company commits a negligent act or omission, or misstatement or misleading statement, and a successful libel suit is brought against the company as a result. The policy shall provide coverage for directors' and officers' liability exposure if they are sued as individuals. Coverage is also provided for the costs of defense such as legal fees and other court costs. A copy of the policy shall be available for examination in the Corporation's office for any Director.

ARTICLE X **Inspection of Books**

The books of the Corporation may be inspected for specific and proper purposes by persons determined by the Board of Directors to be entitled thereto at such reasonable times and places as the Board of Directors may determine, upon application by the persons desiring inspection thereof.

ARTICLE XI **Amendments**

These bylaws may be amended, added to or altered at any regular or special meeting called for that purpose by a two-thirds vote of the Board of Directors then serving in office.