

ARTICLE I. NAME OF ORGANIZATION

The name of the corporation is Lake Harriet Environment Council.

ARTICLE II. CORPORATE PURPOSE

Section 1. Nonprofit Purpose

This corporation is organized exclusively for charitable, educational, and scientific purposes, 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 of 1986, as amended, or the corresponding section of any future federal tax code.

Section 2. Specific Purpose

Lake Harriet Environment Council provides volunteer services aimed at protecting the environment in and around Lake Harriet and promoting the public knowledge about and enjoyment of Lake Harriet and its surrounding environment.

ARTICLE III. MEMBERSHIP

Section 1. Eligibility for Membership

Anyone with an interest in promoting, protecting, or preserving the environment in and around Lake Harriet may apply for membership. Members do not have voting rights in governing the Corporation. Membership is granted after completion and receipt of a membership application. All memberships shall be granted upon a majority vote of the board.

Section 2. Annual Dues

The Board may, in its discretion, establish dues to be paid by members. In the event dues are established, continued membership will be contingent upon being up-to-date on membership dues.

Section 3. Rights of Members

The corporation shall be governed by its Board of Directors and members shall have no voting rights in the governance of the corporation. Members shall have such other rights and privileges as may be determined from time to time by the Board of Directors.

Section 4. Resignation and Termination

Any member may resign by filing a written resignation with the secretary. Resignation shall not relieve a member of unpaid dues, or other charges previously accrued. A member can have their membership terminated by a majority vote of the Board of Directors.

ARTICLE IV. MEETINGS OF MEMBERS

Section 1. Regular Meetings

Regular meetings of the members shall be held monthly or as otherwise determined by the Board of Directors, at a time and place designated by the Board of Directors.

ARTICLE V. BOARD OF DIRECTORS

Section 1. General Powers

The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have control of and be responsible for the management of the affairs and property of the Corporation. Any decision under state law that presumptively would be made by members, shall be made by the Board of Directors.

Section 2. Number, Tenure, Requirements, and Qualifications

The number of directors shall be fixed from time-to-time by the Board of Directors but shall consist of no fewer than three (3) nor more than nine (9) including the following officers: the President, the Vice-President, the Secretary, and the Treasurer.

The members of the Board of Directors shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified. All members of the Board of Directors must be approved by a majority vote of the directors present and voting. No vote on new directors shall be held unless a quorum of the Board of Directors is present as provided in Section 6 of this Article.

Each member of the Board of Directors shall be a member of the corporation and shall hold office for up to a three-year term as submitted by the nominations committee.

Newly elected members of the Board of Directors shall serve initial terms of one-year, two-years, or three-years as established by the Board of Directors to maintain staggered terms. At the conclusion of the initial one-year, two-year, or three-year term, directors may serve up to three additional three-year terms. Terms shall be staggered so that, at the time of each annual meeting, the terms of approximately one-third (1/3) of all members of the Board of Directors shall expire.

Each member of the Board of Directors shall attend at least 75% of the regular meetings of the Board per calendar year.

Section 3. Regular and Annual Meetings

An annual meeting of the Board of Directors shall be held at a time and day in the month of _____ of each calendar year and at a location designated by the Board of Directors. The

Board of Directors may provide by resolution the time and place, for the holding of regular meetings of the Board. Notice of these meetings shall be sent to all members of the Board of Directors no less than ten (10) days, prior to the meeting date. The Board may meet telephonically or by any other electronic means as long as each attendee can hear each other attendee simultaneously, and participation by such means shall constitute participation in person.

Section 4. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or any two members of the Board of Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any location, as the place for holding any special meeting of the Board called by them.

Section 5. Notice

Notice of any special meeting of the Board of Directors shall be given at least two (2) days in advance of the meeting by telephone, facsimile or electronic methods or by written notice. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

Section 6. Quorum

The presence, in person of a majority of current directors shall be necessary at any meeting to constitute a quorum to transact business, but a lesser number shall have power to adjourn to a specified later date without notice. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.

Section 7. Forfeiture for non-attendance

Any director who is absent for four meetings of the Board of Directors during any calendar year may be removed as a director by majority vote of the Board of Directors.

Section 8. Vacancies

Whenever any vacancy occurs in the Board of Directors, it shall be filled without undue delay by a majority vote of the remaining members of the Board of Directors at a regular meeting. Vacancies may be created and filled according to specific methods approved by the Board of Directors.

Section 9. Compensation

Members of the Board of Directors shall not receive any compensation for their services as Directors.

Section 10. Informal Action by Directors

Any action required by law to be taken at a meeting of the directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors entitled to vote.

Section 11. Parliamentary Procedure

Any question concerning parliamentary procedure at meetings shall be determined by the President by reference to Robert's Rules of Order.

ARTICLE VI. OFFICERS

The officers of the corporation shall be the President, Vice-President, Secretary and Treasurer.

Section 1. President

The President shall preside at all meetings of the membership. The President shall have the following duties:

- a. He/She shall preside at all meetings of the Board.
- b. He/She shall be Ex-officio member of all committees and shall have the power and duties usually vested in the office of the President.

Section 2. Vice-President

The Vice-President shall be vested with all the powers and shall perform all the duties of the President during the absence of the latter. The Vice-President's duties are:

He/She shall have duties assigned by the Board.

Section 3. Secretary

The Secretary shall attend all meetings of the Board. The Secretary's duties shall consist of:

- a. He/She shall record all votes and minutes of all proceedings in a book to be kept for that purpose.
- b. He/She, in concert with the President, shall make the arrangements for all Board meetings.

Section 4. Treasurer

The Treasurer's duties shall be:

- a. He/She shall hold and maintain the finances of the corporation and shall present a complete and accurate report of the finances of the corporation as requested by the Board.

Section 5. Election of Officers

The Nominating Committee shall submit at the meeting prior to the annual meeting the names of those persons for the respective offices of the Board. Nominations shall also be received from the floor after the report of the Nominating Committee. The election shall be held at the annual meeting of the Board. Those officers elected shall serve a term of one (1) year, commencing at the next meeting following the annual meeting.

Section 6. Vacancies

The Nominating Committee shall also be responsible for nominating persons to fill vacancies that occur between annual meetings, including those of officers. Nominations shall be sent in writing to members of the Board at least two (2) weeks prior to the next meeting at which the election will be held. The persons so elected shall hold membership or office for the unexpired term in respect of which such vacancy occurred.

ARTICLE VII. COMMITTEES

Section 1. Committee Formation

The Board may create committees as needed.

ARTICLE VIII. – Conflicts of Interest

Section 1: Purpose

The purpose of the conflicts 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 conflicts of interest applicable to nonprofit and charitable organizations.

Section 2: Definitions

- a. 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.
- 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 Organization has a transaction or arrangement,
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization 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 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 Section 3.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. 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, 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.
- c. **Procedures for Addressing the Conflict of Interest**
 1. 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.
 2. 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.
 3. 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.
 4. 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.

d. Violations of the Conflicts of Interest Policy

1. 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.
2. 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 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.

Section 5. 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.

Section 6. 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.

Section 7. 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.

Section 8. Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, 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.

ARTICLE X. IDEMNIFICATION

Section 1. General

To the full extent authorized under the laws of Minnesota, the corporation shall indemnify any director, officer, employee, or agent, or former member, director, officer, employee, or agent of the corporation, or any person who may have served at the corporation's request as a director or officer of another corporation (each of the foregoing members, directors, officers, employees, agents, and persons is referred to in this Article individually as an "indemnitee"), against expenses actually and necessarily incurred by such indemnitee in connection with the defense of any action, suit, or proceeding in which that indemnitee is made a party by reason of being or having been such member, director, officer, employee, or agent, except in relation to matters as to which that indemnitee shall have been adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. The foregoing indemnification shall not be deemed exclusive of any other rights to which an indemnitee may be entitled under any bylaw, agreement, resolution of the Board of Directors, or otherwise.

Section 2. Expenses

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

Section 3. Insurance

The corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee, or agent against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the corporation would have the power or obligation to indemnify such person against such liability under this Article.

ARTICLE XI. BOOKS AND RECORDS

The corporation shall keep complete books and records of account and minutes of the proceedings of the Board of Directors.

ARTICLE XII. AMENDMENTS

Section 1. Bylaws

The Board of Directors may amend these Bylaws by majority vote at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each director within the time and the manner provided for the giving of notice of meetings of directors.

ADOPTION OF BYLAWS

ADOPTED AND APPROVED by the Board of Directors on this 28th day of July, 2022.

As of July 28, 2002.