

Scottsdale North Rotary Foundation, Inc.

An Arizona Non-profit Corporation

BYLAWS

ARTICLE I

NAME

1.01 Name

The name of this corporation shall be **Scottsdale North Rotary Foundation, Inc.**

ARTICLE II

PURPOSES AND POWERS

2.01 Purpose

Scottsdale North Rotary Foundation (sometimes referred to herein as the “Foundation”) is a non-profit corporation and shall be operated exclusively for community service and charitable purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

Scottsdale North Rotary Foundation’s purpose is to address the needs of our local community and elsewhere and provide humanitarian services and funding as deemed necessary.

To maximize our efforts, we will utilize the volunteer help of the members of the local Rotary Club of Scottsdale North to assist in providing hands-on services to local projects in need of same as well as enlisting their volunteerism to assist with fundraising efforts that benefit the goals of the corporation.

The Foundation shall be operated, managed and maintained as an entity separate and apart from the Rotary Club of Scottsdale North. The Foundation shall have its own assets, accounts, expenses, board of directors, officers and meetings, with no more than one director at any time also currently serving as a board member of the Rotary Club of Scottsdale North.

To maximize our impact on current efforts, the Foundation may also seek to collaborate with other non-profit organizations which fall under the 501 (c)(3) section of the Internal Revenue code and are operated exclusively for charitable purposes.

2.02 Powers

The corporation shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the

charitable purposes for which the corporation is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes. The powers of the corporation may include, but not be limited to, the acceptance of contributions from the public and private sectors, whether financial or in-kind contributions.

2.03 Nonprofit Status and Exempt Activities Limitation.

(a) Nonprofit Legal Status. Scottsdale North Rotary Foundation is an Arizona non-profit public benefit corporation, recognized as tax exempt under Section 501(c)(3) of the United States Internal Revenue Code.

(b) Exempt Activities Limitation. Notwithstanding any other provision of these Bylaws, no director, officer, member, or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code as it now exists or may be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the corporation shall inure to the benefit or be distributable to any director, officer, member, or other private person, 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 set forth in the Articles of Incorporation and these Bylaws.

(c) Distribution Upon Dissolution. Upon termination or dissolution of the Scottsdale North Rotary Foundation, any assets lawfully available for distribution shall be distributed to the Rotary Foundation Annual Fund, a qualified organization as described in Section 501(c)(3) of the 1986 Internal Revenue Code, which includes a purpose similar to the terminating or dissolving corporation.

ARTICLE III

MEMBERSHIP

3.01 Members

Members of the Foundation shall consist of all active members in good standing of the Rotary Club of Scottsdale North, a service and philanthropic organization with purpose similar to that of the corporation. The management of the affairs of the corporation shall be vested in a board of directors, as defined in these Bylaws. At any meeting of the members, one-third of the members shall constitute a quorum. Any meeting of the members, including the annual meeting, may be held in person, electronically or a combination of both. Votes on any subject properly before a meeting of the members, including the annual meeting, may be conducted in person or by electronic means or a combination of both.

3.02 Non-Voting Affiliates

The board of directors may approve classes of non-voting affiliates with rights, privileges, and obligations established by the board. Affiliates may be individuals, businesses, and other organizations that seek to support the mission of the corporation. The board shall have authority to admit any individual or organization as an affiliate, to recognize representatives of affiliates, and to make determinations as to affiliates' rights, privileges, and obligations. At no time shall affiliate information be shared with or sold to other organizations or groups without the affiliate's consent. At the discretion of the board of directors, affiliates may be given endorsement, recognition and media coverage at fundraising activities or other events. Affiliates have no voting rights and are not members of the Foundation.

ARTICLE IV

BOARD OF DIRECTORS

4.01 Number of Directors

Scottsdale North Rotary Foundation shall have a board of directors consisting of five to seven directors. Within these limits, the board may increase or decrease the number of directors serving on the board.

4.02 Powers

All corporate powers shall be exercised by or under the authority of the board, and the affairs of the Scottsdale North Rotary Foundation shall be managed under the direction of the board, except as otherwise provided by these Bylaws or by applicable law.

4.03 Terms

(a) All directors shall be elected to serve a one-year term, however the term may be extended until a successor has been elected.

(b) Directors may serve no more than three consecutive years on the Board without leaving the Board for a minimum of one year, at which time they shall again become eligible for election or appointment to the Board.

(c) The term of office shall be considered to begin July 1 of one calendar year and end June 30 of the calendar year immediately following, unless the term is extended until such time as a successor has been elected.

4.04 Qualifications and Election of Directors

In order to be eligible to serve as a director on the board of directors, the individual must be at least 21 years of age and an active member in good standing of the Rotary Club of Scottsdale North. Directors shall be elected by the members of the Foundation at their annual meeting at which a quorum of the members is present. The annual meeting shall be held in December of each year. The qualified candidates for director corresponding to the number of positions to be

filled shall be elected by a majority of the votes cast. Directors so elected shall begin their term of office on July 1 of the calendar year immediately following and shall replace those directors who will have fulfilled their term of office at that time.

4.05 Vacancies

Vacancies in the board of directors due to resignation, death, or removal shall be filled by the board for the balance of the term of the director being replaced.

4.06 Removal of Directors

A director may be removed by two-thirds ($\frac{2}{3}$) vote of the board of directors then in office, if:

(a) the director is absent and unexcused from two or more meetings of the board of directors in a twelve-month period. The board president is empowered to excuse directors from attendance for a reason deemed adequate by the board president. The president, or vice president when acting as president, shall not have the power to excuse themselves from board meeting attendance; or

(b) for other cause or no cause with a concurring two-thirds ($\frac{2}{3}$) vote of the members of the Foundation, if before any meeting of the board at which a vote on removal will be made, the director in question is given electronic or written notification of the board's intention to discuss her/his case and is given the opportunity to be heard at a meeting of the board.

4.07 Board of Directors Meetings.

(a) Regular Meetings. The board of directors shall have a minimum of four (4) regular meetings each calendar year at times and places fixed by the board. A minimum of four (4) days notice shall be given by first-class mail, electronic mail or text message, personal delivery, or by telephone. Such notice shall be deemed to have been delivered upon its deposit in the mail or electronic delivery system. Notice of meetings shall specify the place, day, and hour of meeting. The purpose of the meeting need not be specified.

(b) Special Meetings. Special meetings of the board may be called by any officer or director of the corporation. A special meeting must be preceded by at least two (2) days notice to each director of the date, time, and place, and state the general purpose of the meeting.

(c) Waiver of Notice. Any director may waive notice of any meeting, in accordance with Arizona law.

4.08 Manner of Acting.

(a) Quorum. A majority of the directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the board. No business shall be considered by the board at any meeting at which a quorum is not present.

(b) Majority Vote. Except as otherwise required by law or by the articles of incorporation, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board.

(c) Participation. Except as required otherwise by law, the Articles of Incorporation, or these Bylaws, directors may participate in a regular or special meeting through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting.

(d) Informal Action. Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be agreed by the consensus of a quorum. For purposes of this section an e-mail transmission from an e-mail address on record constitutes a valid writing. The intent of this provision is to allow the board of directors to use e-mail to approve actions, as long as a quorum of directors consents.

4.09 Compensation for Board Service

Directors shall receive no compensation for carrying out their duties as directors.

4.10 Compensation for Professional Services by Directors

Directors are not restricted from being remunerated for professional services provided to the corporation. Such remuneration shall be reasonable and fair to the corporation and must be reviewed and approved in accordance with the board Conflict of Interest policy and state law.

ARTICLE V

OFFICERS

5.01 Officers

The officers of the corporation shall be a president, vice president, secretary, and treasurer, all of whom shall be chosen by, and serve at the pleasure of the board of directors at their first meeting in July of each year. Each officer selected must be a director and no officer selected may also be an officer of the Rotary Club of Scottsdale North, except only for its immediate past president. Each officer shall have the authority and shall perform the duties set forth in these Bylaws or by resolution of the board or by direction of an officer authorized by the board to prescribe the duties and authority of other officers. The board may also appoint one or more additional vice-presidents and such other officers as it deems expedient for the proper conduct of the business of the corporation, each of whom shall have such authority and shall perform such duties as the board of directors may determine. One person may hold two or more board offices, but the same person shall not concurrently serve as both president and treasurer and no board officer may act in more than one capacity where action of two or more officers is required.

5.02 Term of Office

Each officer shall serve a one-year term of office and may not serve more than three (3) consecutive terms without leaving the Board for a minimum of one year, at which time they shall again become eligible for election as an officer. Each officer's term of office shall begin upon the adjournment of the board meeting at which elected and shall end upon the adjournment of the board meeting during which a successor is elected.

5.03 Removal and Resignation

The board of directors may remove an officer at any time, with or without cause. Any officer may resign at any time by giving written notice to the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

5.04 President

The president shall be the chief volunteer officer of the corporation. The president shall lead the board of directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the board of directors, and shall perform all other duties incident to the office or properly required by the board of directors.

5.05 Vice President

In the absence or disability of the president, the ranking vice-president or vice-president designated by the board of directors shall perform the duties of the board president. When so acting, the vice-president shall have all the powers of and be subject to all the restrictions upon the board president. The vice president shall have such other powers and perform such other duties prescribed for them by the board of directors or the board president.

5.06 Secretary

The secretary shall keep or cause to be kept a book of minutes of all meetings and actions of directors and committees of directors. The minutes of each meeting shall state the time and place that it was held and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws. The secretary shall cause notice to be given of all meetings of directors and committees as required by the Bylaws. The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or the board president. The secretary may appoint, with approval of the board, a director or member to assist in performance of all or part of the duties of the secretary.

5.07 Treasurer

The treasurer shall be the lead director for oversight of the financial condition and affairs of the corporation. The treasurer shall oversee and keep the board informed of the financial condition of the corporation and of audit or financial review results. In conjunction with other directors or officers, the treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the corporation, are made available to the board of directors on a timely basis or as may be required by the board of directors. The treasurer shall perform all duties properly required by the board of directors or the president. The treasurer may appoint, with approval of the board, a qualified fiscal agent or member to assist in performance of all or part of the duties of the treasurer.

ARTICLE VI
COMMITTEES

6.01 Committees

The board of directors may, by resolution adopted by a majority of the directors then in office, designate one or more committees to serve at the pleasure of the board. Committees so formed shall be informative in nature only, and for board edification and action thereon of any resultant information or recommendations. The board of directors may adopt rules for the governing of committees not inconsistent with the provisions of these Bylaws. No committee shall have the authority to:

- (a) take any final action on matters that it has been assigned or has presented to the board;
- (b) fill vacancies on any committee;
- (c) appoint any other committees of the board of directors;
- (d) expend corporate funds; or
- (e) approve any transaction to which the corporation is a party

6.02 Meetings and Actions of Committees

Meetings and reasons therefor shall be scheduled at the discretion of the board of directors and shall include a target date for committee response to the board of director's request for such committee meeting(s).

6.03 Committee Members

Committee members shall be comprised of members of the Foundation and/or volunteers from any non-voting affiliate that has a relationship to the particular task, project, fundraiser, or event for which the committee was formed.

6.04 Board of Directors Participation

While not required, attendance by any or all directors is encouraged at any committee meetings so formed.

6.05 Reporting to the Board of Directors

General minutes of committee meetings shall be taken and presented to the board of directors for review, discussion, and final determination of present or future action, if any. Such minutes are to be presented to the board by the assigned target date, or as may be amended. Committee minutes shall be retained as covered in these Bylaws.

ARTICLE VII

CONTRACTS, CHECKS, LOANS, and INDEMNIFICATION

7.01 Contracts and other Writings

Except as otherwise provided by resolution of the board or board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the corporation shall be executed on its behalf by the president or the treasurer or other persons to whom the corporation has delegated authority to execute such documents in accordance with policies approved by the board.

7.02 Disbursements to Charities

In order to encourage the membership to be involved in formulating the plan of charitable disbursements, selecting the specific charities to be beneficiaries of the Foundation and determining the specific amounts awarded, any payment of foundation funds to any charitable organization must first be approved by a quorum of the members of the Foundation and ratified by the board.

7.03 Checks, Drafts

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the board, consistent with these Bylaws. All checks, drafts and other orders for payment of \$1,000 or more must be approved by both the president and the treasurer. If the payment of \$1000 or more is to be made by check, then both the president and the treasurer shall co-sign the check. If the payment is to be made electronically, then both the president and the treasurer shall provide written approval of the payment. For purposes of this section, written approval may be made by email or text message or other similar electronic means.

7.04 Annual Review

An annual review of all financial transactions shall be conducted by a qualified person and the results of such review shall be reported to the board.

7.05 Deposits

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks or other depositories as the board may select.

7.06 Loans

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the board.

7.07 Indemnification

(a) Mandatory Indemnification. The corporation shall indemnify a director or former director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he

or she was a party because he or she is or was a director of the corporation against reasonable expenses incurred by him or her in connection with the proceedings.

(b) Permissible Indemnification. The corporation shall indemnify a director or former director made a party to a proceeding because he or she is or was a director of the corporation, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

(c) Indemnification of Officers and Agents. An officer or agent of the corporation, is entitled to mandatory indemnification under this article to the same extent as a director.

ARTICLE VIII

MISCELLANEOUS

8.01 Books and Records

The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its board of directors, and a record of all actions taken by the board of directors without a meeting. In addition, the corporation shall keep a copy of the corporation's Articles of Incorporation and Bylaws as amended to date.

8.02 Fiscal Year

The fiscal year of the corporation shall be from July 1 of one calendar year to June 30 of the calendar year that immediately follows.

8.03 Conflict of Interest

The board shall adopt and periodically review a conflict of interest policy to protect the corporation's interest when it is contemplating any transaction or arrangement which may benefit any director, officer, member, or affiliate.

8.04 Nondiscrimination Policy

The officers, directors, committee members, and persons served by this corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of Scottsdale North Rotary Foundation not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

8.05 Bylaw Amendment

These Bylaws may be amended, altered, repealed, or restated by a vote of the members of the Foundation at any regular or special meeting or by vote taken electronically. Changing the Bylaws requires providing written notice to each member 10 or more days before the vote of the members,

having a quorum present for the vote, and having two-thirds of the votes cast support the change. All amendments shall be consistent with the Articles of Incorporation and no amendment shall be made to these Bylaws which would cause the corporation to cease to qualify as an exempt corporation under Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

ARTICLE IX

DOCUMENT RETENTION POLICY

9.01 Purpose

The purpose of this document retention policy is to establish standards for document integrity, retention, and destruction and to promote the proper treatment of Scottsdale North Rotary Foundation records.

9.02 Policy

Section 1. General Guidelines. Records should not be kept if they are no longer needed for the operation of the business or required by law. From time to time, Scottsdale North Rotary Foundation may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management.

Section 2. Minimum Retention Periods for Specific Categories

(a) **Corporate Documents.** Corporate records include the corporation's Articles of Incorporation, Bylaws and IRS Form 1023EZ and Application for Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023EZ be available for public inspection upon request.

(b) **Tax Records.** Tax records include, but may not be limited to, proof of contributions made by donors, accounting procedures, and other documents concerning the corporation's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.

(c) **Board Materials.** Meeting minutes should be retained in perpetuity in the corporation's minute book. A clean copy of all other Board materials should be kept for no less than three years by the corporation.

(d) **Banking and Accounting.** Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for three years.

(e) **Audit Records.** External audit reports should be kept permanently. Internal audit reports should be kept for three years.

Section 3. Electronic Mail. E-mail that needs to be saved should be either printed in hard copy for safekeeping or downloaded to a computer file and kept electronically or on disk as a separate file.

ARTICLE X

Transparency and Accountability

10.01 Purpose

By making full and accurate information about its mission, activities, finances, and governance publicly available, Scottsdale North Rotary Foundation shall practice transparency and accountability by making all pertinent records of formation, accounting, and tax records available to the general public for inspection free of charge upon request.

ARTICLE XI

CODES OF ETHICS

11.01 Purpose

Scottsdale North Rotary Foundation requires and encourages directors and officers to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. The representatives of the corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of Scottsdale North Rotary Foundation to adhere to all laws and regulations that apply to the corporation and the underlying purpose of this policy is to support the corporation's goal of legal compliance.

ARTICLE XII

AMENDMENT OF ARTICLES OF INCORPORATION

12.01 Amendment

Any amendment to the Articles of Incorporation may be adopted by approval of two-thirds (2/3) of the board of directors.

CERTIFICATE OF ADOPTION OF BYLAWS

I do hereby certify that the above stated Bylaws of Scottsdale North Rotary Foundation, Inc., as amended, were approved by the Scottsdale North Rotary Foundation board of directors acting

pursuant to Section 8.05 on May 24, 2023, and constitute a complete copy of the Bylaws of the corporation.

~~—Dena G. Oppenheim~~_____

Dena Oppenheim, President