

LITERACY COUNCIL OF THE BLACK HILLS
BYLAWS
May, 2016

ARTICLE I

NAME

The name of this non-profit corporation is the Literacy Council of the Black Hills (“Literacy Council”).

ARTICLE II

PURPOSE

The purposes for which the Literacy Council is organized are as follows:

1. To promote literacy;
2. To provide free, individualized tutoring in reading and writing and group educational opportunities to help people meet their personal goals and enhance their contributions to the community;
3. To train volunteer tutors and to provide support services and-continuing education for tutors, trainers, and literacy leaders;
4. To promote interest and invite the cooperative effort of concerned people in the Black Hills and surrounding areas in the activities of the Literacy Council; and
5. To cooperate with all agencies involved in literacy.

ARTICLE III

NONPROFIT STATUS AND EXEMPT ACTIVITIES LIMITATION

1. Nonprofit Legal Status. The Literacy Council is a South Dakota nonprofit public benefit corporation, which is recognized as a tax exempt entity under Section 501(c)(3) of the United States Internal Revenue Code, which shall be operated exclusively for educational 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.
2. Exempt Activities Limitation. Notwithstanding any other provision of these Bylaws, no director, officer, staff, 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 to 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.

ARTICLE IV

MEMBERSHIP

1. Membership in the Literacy Council shall be open to all persons willing to further its purpose by committing either time or monetary support. Members will be in good standing upon a member's contribution of either time or monetary support. Membership will be automatically renewed each year by a member's continued contribution of either time or monetary support.
2. All members in good standing are entitled to one vote for the individuals nominated for the Board of Directors, which vote shall occur at the Annual Meeting and for other matters being considered at the Annual Meeting or any special meeting called by the Board of Directors. The Literacy Council's secretary shall keep a list of all members of the organization.
3. The Annual Meeting of the membership shall be held during the month of November of each year, the date and place to be determined by the Board of Directors upon fifteen (15) days advance written notice to the membership.

ARTICLE V

NOMINATIONS, ELECTIONS, VACANCY AND REMOVAL

1. Nominations. Nominees for election to the Board of Directors at the Annual Meeting shall be selected by the Nominating Committee of the Board of Directors, and must be approved by the Board of Directors before being submitted for a vote of the members at the Annual Meeting.
2. Elections.
 - a. Directors: Members will vote for the slate of nominees to the Board of Directors unless an individual is nominated for election to the Board of Directors at the annual meeting. Nominees who receive a majority of the votes cast by voting members present at the Annual Meeting will be elected to the Board of Directors.

b. Officers: At the next meeting of the Board of Directors following each Annual Meeting, the Board of Directors shall elect from the Board of Directors the following officers: President, Vice President, Secretary, and Treasurer. Officers will be elected by majority vote.

c. Succession: Except as provided for by the term limits delineated herein, each Officer and Board Director of the organization shall serve until his or her successor has been duly elected and qualified, or until the earlier time of his or her death, resignation, or removal.

d. Vacancies: any vacancy, whether by death, resignation, removal or an increase in the size of the Board of Directors, occurring on the Board of Directors between annual meetings may be filled by a majority vote of the Board of Directors.

e. Removal: A director may be removed, with or without cause, by a majority vote of directors present at a regular meeting or a special meeting called for the purpose of considering the removal of a director.

ARTICLE VI

BOARD OF DIRECTORS

1. The Board of Directors shall consist of members to include the following:
 - a. The elected officers;
 - b. The appointed chairs plus members at large; and
 - c. The last serving President.
2. The Board of Directors shall be elected to serve a two-year term; however a director's term may be extended until a successor has been elected. Directors' terms shall be staggered so that approximately half of the number of directors will end their terms in any given year. Directors may serve terms in succession. The term of office shall be considered to begin January 1 and end December 31 of the second year in office, unless the term is extended until such time as a successor has been elected.
3. Other chairs shall be appointed by the President, with the approval of the Board of Directors. The board shall have general direction over the affairs of the corporation and shall be responsible for carrying out its policy.
4. Board of Directors meetings shall be held a minimum of six (6) times each year. A quorum for Board meetings shall consist of at least four (4) unless the Board Members attending constitute a majority of Board Members. The act of the majority of the Directors present at any Board meeting at which there is quorum will be the act of the

Board of Directors. A quorum for committee meetings shall consist of the majority of the committee members. The act of the majority of the committee members present at any committee meeting at which there is a quorum will be the act of the committee. Ex-officio members of the Board or a committee will not be considered in determining whether a quorum exists for holding a meeting of the Board of Directors or a committee of the Board. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if consent setting forth the action so taken shall be given by all of the Directors entitled to vote at said meeting.

5. Meetings will be governed by parliamentary law as contained in the Roberts Rules of Order, as revised.

ARTICLE VII

DUTIES OF THE OFFICERS

1. President. The duties of the President shall be to serve as Chair of the Board of Directors; to preside at the Board of Directors meetings as well as the annual and special meetings; to give leadership in developing and implementing the annual objectives and program of the Literacy Council; to respond to tutor or student concerns along with staff, if any, and/or the Tutor-Student Committee; to appoint Chairs subject to the approval of the Board of Directors; and to serve as the ex-officio member of all committees except the Nominating Committee.

The President shall be the Chief Executive Officer of the Corporation, subject to the direction of the membership and the Board of Directors, and shall have general charge of the business affairs of the corporation in its operations. The President, with any other officer duly authorized, may sign and execute in the name of the corporation, contracts, agreements, or other instruments authorized. The President shall preside at all meetings of the corporation and the Board of Directors; and, except as otherwise provided in the Bylaws, shall nominate all committee chairpersons and committee members.

2. Vice President. The duties of the Vice President shall be to assume the duties of the President when the President's term is over, or upon the President's request, absence or resignation and to perform special duties as assigned by the Board of Directors.

The Vice President, during the absence or disability of the President, shall exercise all functions of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. If the office of President should become vacant, the Vice President shall assume that office for the unexpired term. The Vice President shall have such other powers and duties as may be assigned to said person by the Board of Directors.

3. Secretary. The duties of the Secretary shall be to: keep a record of the Board of Directors' meetings and the Literacy Council meetings; handle official correspondence of the corporation when requested by members of the Board of Directors; maintain a list of

members; keep the Literacy Council's corporate records; and send notices of meetings when necessary or required.

4. Treasurer. The duties of the Treasurer shall be to have charge of and be responsible for: the funds, securities, receipts, and disbursements of the corporation; the books of account of the business and transactions of the corporation; the expenditure of money with the approval of the Board of Directors; preparation of statements at the Board of Directors' and Annual Meetings; submission of records of the Literacy Council finances; preparation of and sending forms to the Internal Revenue Service that the Literacy Council is required to file; and preparation and filing of the annual report with the South Dakota Secretary of State when due. The Treasurer will also: present a statement of the financial condition of the corporation and all its transactions at every Board meeting; and submit a full financial report based on the books and accounts. The Literacy Council's books will be audited annually with the audit report being presented to the Board of Directors as soon as practicable.

ARTICLE VIII

COMMITTEES

1. Standing Committees. The Standing Committees of the Board of Directors are: the Executive Committee; the Nominating Committee; the Governance Committee; the Fund Development Committee; and the Tutor-Student Committee. The Standing Committees shall have the duties and responsibilities set forth in these Bylaws. Except as otherwise provided in these Bylaws, the President shall nominate annually, from the Board of Directors and from the membership of the Literacy Council, the committee chairs and the committee members, subject to the approval of the Board of Directors. The Board of Directors shall appoint the committee chairs and the committee members.

2. Executive Committee. The Executive Committee shall consist of the President, Vice President, Secretary, and Treasurer. The Executive Committee shall have and may exercise all powers of the Board of Directors between Board meetings. The Executive Committee shall report to the Board at the next following Board meeting any action taken by the Executive Committee between Board meetings. The Executive Committee shall meet in closed session when called by the President or any other Executive Committee member to discuss staff or other sensitive matters prior to bringing them to the full Board of Directors.

3. Nominating Committee. The Nominating Committee shall consist of at least three Directors. Each year the Nominating Committee will present to the Board a list of potential nominees for election to the Board at the Annual Meeting, including any current Directors whose terms are expiring and who wish to stand for reelection. All nominees presented to the Board of Directors must be approved by the Board before being placed on the ballot for the Annual Meeting. The Board of Directors also shall consult the Nominating Committee prior to filling any vacancies occurring on the Board between Annual Meetings.

4. Governance Committee. The President shall serve as an ex-officio member of the Governance Committee. The Governance Committee shall review the corporation's annual budgets and make recommendations to the Board of Directors on the adoption of annual budgets. The Governance Committee will review financial reports, audits, and budgets, and will present status reports to the Board of Directors to assist the Board in performing its financial oversight function. The Governance committee shall draft financial policies for Board approval and shall review policies on the handling of cash deposits and other funds, investments, insurance programs, purchasing policies and procedures, and other financial matters. The Governance Committee shall review proposals from the President and shall submit recommendations to the Board for action. Finally, the Governance Committee will authorize unusual expenditures that occur between Board meetings within expenditure amounts specified by the Board.

5. Fund Development Committee. The Fund Development Committee will oversee fund development and submission of grant proposals by the Literacy Council. This committee will also provide information on the work of the Literacy Council to the community. The Chair shall file and maintain any required or necessary reports with the appropriate entities.

6. Tutor-Student Committee. The Tutor-Student Committee will work cooperatively with staff, if any, in coordinating and supporting tutoring; in recruiting volunteer tutors and potential students. This committee will also work cooperatively with staff in maintaining books and supplies needed for tutoring, with the approval of the Board of Directors.

7. Other Committees. The Board of Directors, at its discretion, may establish other Board Committees. These Committees shall have the duties, responsibilities and duration determined by the Board of Directors.

ARTICLE IX

FINANCES

Funds for the support of the Literacy Council shall be secured from the following: grants, donations; and funding from other entities. All fundraising activities will occur within the limitations imposed upon a Section 501(c)(3) entity by the Internal Revenue Code, if any. All fundraising shall also occur within the limitations imposed by the contributing entity.

ARTICLE X

CONFLICT OF INTEREST PROVISION

1. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered

and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof.

2. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation 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.

3. Notwithstanding any other provision of this document, the corporation shall not carry on any other activities not permitted to be carried on, to-wit:

a. By an organization exempt from Federal tax code; or

b. By an organization, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future Federal tax code.

4. No loans shall be made by the corporation for any reason at any time. No member of the Board of Directors, or any of its Committees, shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with the Literacy Council. Any member of the Board, any Committee, or Staff who is an officer, board member, a committee member, or staff member of a client organization or vendor of the Literacy Council shall identify his or her affiliation with such agency or agencies; further, in connection with any committee or board action specifically directed to that agency, s/he shall not participate in the decision affecting that agency and the decision must be made and/or ratified by the full board. Any member of the Board, any Committee, and Staff shall refrain from obtaining any list of clients for personal or private solicitation purposes at any time during the term of their affiliation.

5. Signed Conflict of Interest Statements affirming compliance with the provisions of this Article will be mandated annually for all members of the Board of Directors and the President.

ARTICLE XI

AMENDMENT OF BYLAWS

These Bylaws may be amended by a two-thirds (2/3) majority vote of the Board of Directors.

ARTICLE XII

MISCELLANEOUS

1. Checks and Other Expenditures: All officers of the corporation shall be authorized to sign checks and expend Literacy Council monies with the approval of the Board of Directors.
2. Fiscal Year. The fiscal year of the corporation shall be from January 1 to December 31 of each year.
3. Nondiscrimination Policy. The officers, Directors, committee members, staff and persons served by this corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, ethnicity, religion, national origin, and sexual orientation. It is the policy of the Literacy Council not to discriminate on the basis of race, ethnicity, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.
4. Indemnification of Directors. Subject to and to the full extent permitted by applicable law, the corporation will indemnify and hold harmless the individual Directors against any and all liability, including the costs of defense, that they incur as a result of any claim or proceeding filed against them in connection with their activities as a director of the corporation. The corporation shall procure and maintain errors and omissions insurance and/or other similar liability insurance with sufficient limits to meet this indemnification provision.
5. Dissolution: The Literacy Council may be dissolved by majority vote of the members. The required Articles of Dissolution will be filed with the South Dakota Secretary of State. After all debts are paid any assets remaining upon dissolution of the Literacy Council shall be donated to another nonprofit Section 501(c)(3) entity.

As amended and approved by the members at a special meeting of the Literacy Council on this _____ day of May, 2016.

By: _____
Brian L. Utzman, Secretary