

THE CUCHARA FOUNDATION BYLAWS

INTRODUCTION

The organization has not been formed for the making of any profit, or personal financial gain. The assets and income of the organization shall not be distributed to, or benefit the directors, or officers, or other individuals. The assets and income shall only be used to promote corporate purposes as described below. Nothing contained herein, however, shall be deemed to prohibit the payment of reasonable compensation to employees and independent contractors for services provided for the benefit of the Corporation. This organization shall not carry on activities not permitted by an organization exempt from federal income tax. The organization shall not endorse, contribute to, work for, or otherwise support (or oppose) a candidate for public office. The Corporation is organized exclusively for charitable, literary, educational and scientific purposes under Section 501c3 of the Internal Revenue Code, or corresponding section of any future federal tax code.

ARTICLE I

SCOPE

In case of any conflict between these Bylaws and (1) any statutory or other law of the State of Colorado or of the United States or (2) the Foundation's Articles of Incorporation, such statutory or other law and such Articles of Incorporation shall take precedence over and shall supersede the Bylaws.

Mission: The mission of the Cuchara Foundation is to provide education and resources to increase the welfare and knowledge of the Cuchara Valley, its history, environment and activities.

ARTICLE II

GENERAL

Section 1. NAME. The entity adopting these Bylaws shall be known as the Cuchara Foundation, Inc.

Section 2. SEAL. The Foundation shall not have a corporate seal.

Section 3. MEMBERS. The Foundation shall have members as approved by the officers and board of directors.

Section 4. FISCAL YEAR. The Foundation's fiscal year shall be from January 1 through December 31 of each calendar year.

ARTICLE III

PRINCIPAL OFFICE AND PURPOSE

Section 1: Office. The principal office of the Foundation in the State of Colorado for the transaction of the Foundation's business shall be at 137 Cuchara Avenue East, Cuchara, Colorado. The Foundation's Board of Directors may at any time change the location of the Foundation's principal office from one

Board of Directors

1. **General:** The business and affairs of the Corporation shall be managed by a Board of Directors consisting of three to nine persons. The Board shall serve terms ending on the annual meeting and shall nominate and elect subsequent members of the Board. There shall be no limitations on the number of terms a Board member may serve.
2. **Annual Meeting:** The Board of Directors shall meet at least annually for the purpose of electing directors and officers and for the transaction of other business that may properly come before the Board. The annual meeting shall be held at a time and place designated by the Board.
3. **Special Meetings:** Special meetings may be requested by any member of the Board of Directors.
4. **Notice of all meetings** shall be provided to each board member by email. The notice shall state the place, date, and hour of meeting, and if for a special meeting, the purpose of the meeting. Such notice shall be e-mailed to all directors of record at the email address shown on the corporate books, at least seven days prior to the meeting. Such notice shall be deemed effective when board members respond that they have received the notice.
5. **Place of Meeting:** Meetings shall be held at locations that are convenient for the Board and location will be determined as each meeting is set.
6. **Quorum:** A majority of the directors shall constitute a quorum at a meeting. In the absence of a quorum, a majority of the directors may adjourn the meeting to another time without further notice required.
7. **Voting by CF Board members** shall be allowed in person, via phone participation and through email with a motion and second.
8. **Informal Action:** Any action required to be taken, or which may be taken, at a meeting may be taken without a meeting and without prior notice if a consent in writing, setting forth the action to be taken, is signed by all (100%) of the directors with respect to the subject matter of the vote.
9. **Removal/Vacancies:** A director shall be subject to removal, with or without cause, at a meeting called for that purpose by a two-thirds majority of the vote. Any vacancy on the Board of

Directors, whether by death, resignation, removal or any other cause, may be filled by the nomination and election of the remaining directors. A director elected to fill a vacancy shall serve the remaining term of his or her predecessor or until a successor has been elected.

10. Committees: The Board of Directors may appoint from its members a committee or committees, temporary or permanent, and designate the duties, powers and authorities of such committees.

Section 2: Purposes. The Foundation is created exclusively for charitable, educational and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt or charitable organizations under Title 26 of the United States Internal Revenue Code, Subtitle A, Chapter 1, Subchapter F, Part I, Section 501©(3) or Section 501©(7) or under Title 26 of the United States Internal Revenue Code, Subtitle A, Chapter 1, Subchapter B, Part VI, Section 170©(1). In particular, such purposes shall include

- (a) The promotion and advancement of the mission of the Cuchara Foundation for operational and capital needs as such needs are communicated to the Foundation by the Board of Directors.
- (b) The cooperation with and encouragement of other organizations and individuals to accomplish the mission of the Foundation.
- (c) The undertaking of such other and further projects and tasks considered appropriate by the Directors of the Foundation; and
- (d) The doing of all the things provided for and permitted under the laws of the State of Colorado pertaining to non-profit corporations.

ARTICLE IV

AUTHORITY

The Board of Directors of the Foundation and the Foundation itself shall be governed by the applicable provisions of the United States Internal Revenue Code, these Bylaws and the Foundation's Articles of Incorporation.

Officers

1. Number of Officers: The officers of the Corporation shall be a President, a Secretary and a Treasurer.
2. President: The President shall be the Chief Executive Officer of the Foundation, shall be the Chairman of the Board of Directors and shall preside at all meetings of the Board and its Executive Committee, if such is created by the Board.
3. Secretary: The Secretary shall give notice of all meetings of the Board of Directors, keep an accurate list of the directors and shall have the authority to certify any records, or copies of

records, as the official records of the Corporation. The Secretary shall maintain the minutes of the Board of Director's meetings and all committee meetings.

4. Treasurer: The Treasurer shall oversee the financial records of the Corporation, shall prepare an annual budget for the Board's approval and shall issue payments in accordance with the annual budget or upon the direction of the Board of Directors. The Treasurer shall provide an annual accounting of all financial transactions of the Corporation, such to be completed within 45 days of the end of the fiscal year, which is December 31.

ARTICLE V

COMPOSTION OF BOARD OF DIRECTORS

Section 1. Number of Directors. The Foundation's Board of Directors (the "Board") shall consist of no fewer than three and no more than nine Directors. The corporation shall indemnify its officers, directors, employees and agents to the greatest extent permitted by law. The corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the corporation or who is or was serving at the request of the corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan, against any liability asserted against such person and incurred by such person in any such capacity or arising out of any status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article.

ARTICLE VI

FUNDS AND LIABILITIES

1. All funds of the Corporation shall be deposited in a bank of the Board's choice. Disbursements shall be made at the discretion of the Treasurer. All checks must be signed by the Treasurer and one other member of the Board of Directors.
2. No Director or Officer of the Corporation shall have the authority to make any contract for unbudgeted indebtedness of the Corporation without the authority of the Board of Directors.

ARTICLE VII

CONFLICT OF INTEREST POLICY

1. Purpose: The purpose of the conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

2. Definitions:

- a. Interested Person: Any director, officer, or a 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:
 - i. An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,
 - ii. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
 - iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement. Compensation includes direct or indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Paragraph 3, Subparagraph b below, 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.

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:

- i. 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.
 - ii. 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.
 - iii. After exercising due diligence, the governing board or committee shall determine whether the Corporation 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.
 - iv. 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 Corporation'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:
 - i. 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.
 - ii. If, after hearing the member's response and after making further investigations 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.

4. Records of proceedings: The minutes of the governing board and all committees with board delegated powers shall contain:

- i. 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 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.
- ii. The names of the persons who were present for discussions and votes related 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.

5. Compensation:

- i. A voting member of the governing board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

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

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

- i. has received a copy of the conflicts of interest policy,
- ii. Has read and understands the policy,
- iii. Has agreed to comply with the policy, and
- iv. Understands the Corporation 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.

7. Periodic reviews: To ensure the Corporation 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 subject:

- i. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- ii. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation'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.

8. Use of outside experts: When conducting the periodic reviews as provided for in Paragraph 7 above, the Corporation 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 reviews are conducted.

ARTICLE VIII

DISSOLUTION

Upon the dissolution of the corporation the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the asset of the corporation exclusively for the purpose of the corporation in such manner or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purpose as all at the time, qualify as an exempt organization or organizations under Section 501©(1) and/or 501©(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law), as the Board of Directors shall determine.

ARTICLE IX

AMENDMENTS

These Bylaws may be amended by the Board provided (i) that a quorum of the Board is present at any meeting where such amendment is to be considered, (ii) that a majority plus one of those Directors present vote in favor of the amendment(s) and (iii) that the Directors receive a minimum of thirty days (30) notification of any proposed amendment(s) to these Bylaws.

CERTIFICATION

These Bylaws of the Cuchara Foundation have been adopted by the Foundation Board of Directors on the 25rd day of January, 2018.

Lois Adams, President

Secretary