**SampleOrg Bylaws**

**Article I: purpose.**

This corporation shall be organized and operated for charitable and educational purposes. Subject to the limitations stated in the Articles of Incorporation, the purpose of this corporation shall be to engage in any lawful activities, none of which are for profit, for which corporations may be organized under Chapter 65 of the Oregon Revised Statutes (or its corresponding future provisions) and 501 (c)(3) of the Internal Revenue Code of 1954 (or its corresponding future provisions).

This corporation’s primary purpose shall be tool lending.

**Article II: Non-Membership**

This corporation shall have no members as that term is defined by Oregon Revised Statutes Chapter 65 (or any corresponding future statute.).

**Article III: Board of Directors**

**Section 1. Duties.**

The affairs of the corporation shall be managed by the Board of Directors.

**Section 2. Number and Qualifications.**

The number of Directors may vary between a minimum of three and a maximum of 10. The board size is the number of directors in office immediately before the next scheduled board meeting.

**Section 3. Term and Election.**

Directors may serve either a 1- or 2-year term of office. A Director may be reelected without limitation on the number of terms she or he may serve. The board shall elect its own members following the process for nomination established by the board, except that a Director shall not vote that member’s own position.

**Section 4. Removal**

Any Director may be removed, with or without cause, by a vote of two-thirds of the Directors then in office.

**Section 5. Vacancies**

Vacancies on the Board of Directors and newly created board positions will be filled by a majority vote of the Directors then on the Board of Directors.

**Section 6. Quorum and Action**

A quorum at a board meeting shall be a majority of the number of Directors immediately in office before the meeting begins. If a quorum is present, action is taken by a majority vote of the Directors present, except as otherwise provided by these Bylaws. Where the law requires a majority vote of the Directors in office, the Board shall require a majority vote of all Directors in office, such as in the case of the following actions:

* appoint committees to exercise Board functions;
* amend the Articles of Incorporation;
* sell assets not in the regular course of business; or
* merge or dissolve the organization, or other matters.

**Section 7. Regular Meetings.**

Regular meetings of the Board of Directors shall be held at the time and place to be determined by the Board of Directors. No other notice of the date, time, place, or purpose of these meetings is required.

**Section 8. Special Meetings.**

Special meetings of the Board of Directors shall be held at the time and place to be determined by the Board of Directors. Notice of these meetings, describing the date, time, place, and purpose of the meetings, shall be delivered to each Director personally, by telephone, by email, or by regular mail not less than 5 business days prior to the special meeting.

**Section 9. Online or Telephone Meetings.**

Any regular or special meeting of the Board of Directors may be held by telephone or via an online platform in which all Directors participating may hear each other.

**Section 10. No Salary**

Directors shall not receive salaries for their board services, but may be reimbursed for expenses related to board service.

**Section 11. Action by Consent.**

Any action required by law to be taken at a meeting of the board, or any action, which may be taken at a board meeting, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all Directors. Therefore, the board may vote via email or by circulating a printed petition.

**Article IV: Committees.**

**Section 1. Executive Committee.**

The Board of Directors may elect an Executive Committee. The Executive Committee shall have the power to make on-going decisions between board meetings and shall have the power to make financial and budgetary decisions.

**Section 2. Other Committees.**

The Board of Directors may establish such other committees, as it deems necessary and desirable. Such committees may exercise functions of the Board of Directors or may be advisory committees.

**Section 3: Composition of Committees Exercising Board Functions**

Any committee that exercises any function of the Board of Directors shall include two or more Directors, elected by a majority vote of the Directors in office at that time.

**Section 4. Quorum and Action.**

A quorum at a committee meeting exercising board functions shall be a majority of all committee members in office immediately before the meeting begins. If a quorum is not present, a majority vote is taken by the Directors present.

**Article V: Officers**

**Section 1. Titles.**

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

**Section 2. Election**

The Board of Directors shall elect the President, Treasurer, and Secretary to serve one-year terms. An officer may be reelected without limitation on the number of terms the officer may serve.

**Section 3. Vacancy.**

The vacancy of President, Treasurer, or Secretary shall be filled not later than the first regular meeting of the Board of Directors following the vacancy.

**Section 4. Other Officers.**

The Board of Directors may elect or appoint other officers, agents and employees, as it shall deem necessary and desirable. They shall hold their offices for such terms and have authority and perform such duties as shall be determined by the Board of Directors.

**Section 5. President.**

The President shall be the chief officer of the corporation and shall act as Chair of the Board. The President shall have any other powers and duties as may be prescribed by the Board of Directors.

**Section 6. Secretary.**

The Secretary shall have overall responsibility for all recordkeeping. The Secretary shall perform, or cause to be performed, the following duties: (a) official recording of the minutes of all proceedings of the Board of Directors meetings and actions; (b) provisions for notice of all meetings of the Board of Directors; (c) authenticating the records of the corporation; and (d) any other duties as may be prescribed by the Board of Directors.

**Section 7. Treasurer.**

The Treasurer shall assume the overall responsibility for keeping full and accurate accounts of all financial records of the corporation; (a) deposit of all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors; (b) disbursement of all funds when proper to do so; (c) making financial reports as to the financial condition of the corporation to the Board of Directors.

**Article VI: Corporate Indemnity**

This corporation will indemnify its officers and Directors to the fullest extent allowed by Oregon law.

**Article VII: Amendments to Bylaws**

These Bylaws may be amended or repealed, and new Bylaws adopted by the Board of Directors by a majority vote of the Directors present, if a quorum is present. Prior to the adoption of the amendment, each Director shall be given at least two days’ notice of the date, time, and place of the meetings in which the proposed amendment is to be considered, and the notice shall state that one of the purposes of the meeting is to consider a proposed amendment to the Bylaws and shall contain a copy of the proposed amendment.

**Conflict of Interest**

The SampleOrg has taken the following steps:

1. Language regarding conflict of interest is included in the Board Members’ Code of Conduct, which limits business transactions with board members and hired staff, and requires a process for disclosure of potential conflicts. The policy requires board members to abstain from decisions that present a potential conflict.
2. The organization has a disclosure procedure that a board member, hired staff, or a consultant/volunteer may utilize to disclose any issue that may constitute a potential conflict of interest.
3. The organization has a process for deciding whether a potential conflict is, in fact, a conflict.
4. If an executive director has not been hired at the time that procedures need to be in place, the board will establish procedures, such as program policies, competitive bids, and formal hiring practices, which ensure that the organization is acting without any conflicts of interest.

**Conflict of Interest Policies**

**I. Application of Policy**

This policy is intended to supplement, but not replace, federal and state laws governing conflicts of interest applicable to nonprofit corporations. It applies to board members, hired staff, as well as their relatives and associates, and to who are hereinafter referred to as "interested parties."

**II. Definition of Conflict of Interest**

A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of the SampleOrg. The variety of situations that raise conflict of interest concerns include, but are not limited to, the following:

**A. Financial Interests** - A conflict may exist where an interested party directly or indirectly benefits or profits as a result of a decision, policy or transaction made by the SampleOrg. Examples include situations where:

* The SampleOrg contracts to purchase/lease goods, services, or property from an interested party.
* The SampleOrg offers employment to an interested party, other than a person who is already employed by The SampleOrg.
* An interested party uses their relationship with the SampleOrg to obtain employment, a contract or other benefit.
* An interested party is provided use of the facilities, property, or services of the SampleOrg in a manner that would not be available to other community members.
* The SampleOrg adopts a policy that specifically creates a financial benefit to an interested party.

A financial interest is not necessarily a conflict of interest. A conflict of interest exists only when the board decides that a person with a financial interest has a conflict of interest.

**B. Other Interests** - A conflict also may exist where an interested party obtains a non-financial benefit or advantage that he/she would not have obtained absent his/her relationship with the SampleOrg.

Examples include where:

* An interested party seeks to make use of confidential information obtained from SampleOrg or a SampleOrg client for his/her own benefit (not necessarily financial).
* The SampleOrg adopts a policy that provides a significant nonfinancial benefit to an interested party.

A conflict of interest exists only when the Board of Directors decides there is a conflict.

**III. Disclosure of Potential Conflicts of Interest**

An interested party is under a continuing obligation to disclose any potential conflict of interest as soon as it is known or reasonably should be known.

* Board members and the executive director complete an Affirmation of Compliance form (Appendix B) when they join the board or staff and annually thereafter.
* Any interested party completes the Disclosure of Potential Conflict of Interest Statement (Appendix A) to disclose any potential conflicts of interest.

Disclosure Statements and Affirmations of Compliance will be submitted as follows:

* For board members, the disclosure statements will be provided to the board chair.
* The chair's disclosure statement shall be provided to the secretary of the board.
* In the case of staff and consultants/volunteers, the disclosure statements shall be provided to the executive director or board.
* In the case of the executive director, the disclosure statement shall be provided to the chair of the board.

The secretary of the board or the person designated by the board as the reviewing official is responsible for bringing potential conflicts to the attention of the board or the executive director. The secretary of the board shall file copies of all disclosure statements with the official corporate records of the SampleOrg.

**IV. Procedures for Review of Potential Conflicts**

Whenever there is reason to believe that a potential conflict of interest exists between the SampleOrg and a board member or the executive director, the board shall determine the appropriate response. The designated reviewing official has a responsibility to bring a potential conflict of interest to the attention of the board for action at the next regular meeting of the board or during a special meeting called specifically to review the potential conflict of interest. The SampleOrg shall refrain from acting until such time as the proposed action, policy or transaction has been approved by the disinterested members of the board.

Whenever there is reason to believe that a potential conflict of interest exists between the SampleOrg and a staff/consultant/volunteer, the executive director or board shall determine the appropriate response.

The executive director or assigned board member(s) shall report to the board chair the results of any review and the action taken. The chair shall determine whether any further board review or action is required.

**V. Procedures for Addressing Conflicts of Interest**

The following procedures shall apply:

1. An interested party who has a potential conflict of interest with respect to a proposed action, policy or transaction of the corporation shall not participate in any way in, or be present during, the deliberations and decision-making vote of the SampleOrg. However, the interested party shall have an opportunity to provide factual information about the proposed conflict and/or action, policy or transaction. Also, the board may request that the interested party be available to answer questions.

2. The disinterested members of the board may approve the proposed action, policy or transaction upon finding that it is in the best interests of the SampleOrg. The board shall consider whether the terms of the proposed action, transaction or policy are fair and reasonable to the SampleOrg and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a disinterested party.

Approval by the disinterested members of the board shall be by vote of a majority of directors in attendance at a meeting at which a quorum is present. An interested party shall not be counted for purposes of determining whether a quorum is present, or for purposes of determining what constitutes a majority vote of directors in attendance.

3. The minutes of the meeting shall reflect that the conflict disclosure was made to the board, the vote taken and, where applicable, the abstention from voting and participation by the interested party.

Whenever possible, the minutes should frame the decision of the board in such a way to provide guidance for consideration of future conflict of interest situations.

**VI. Violations of Conflict of Interest Policy**

If the board or executive director (or other staff/consultants/volunteers) has reason to believe that an interested party has failed to disclose a potential conflict of interest, it shall inform the person of the basis for such belief and allow the person an opportunity to explain the alleged failure to disclose.

If the board or executive director (or other staff/consultant/volunteers) decides that the interested party has in fact failed to disclose a possible conflict of interest, the board shall take such disciplinary and corrective action as the board shall determine.

**Potential Conflict of Interest Disclosure Statement**

Please complete the questionnaire below, indicating any potential conflicts of interest. If you answer "yes" to any of the questions, please provide a written description of the details of the specific action, policy or transaction in the space allowed. Attach additional sheets as needed.

A conflict may exist where an interested party directly or indirectly benefits or profits as a result of a decision, policy or transaction made by the SampleOrg. The interested party would not have obtained this benefit were it not for his/her relationship with the SampleOrg. A conflict of interest does not preclude parties from benefits or membership with the SampleOrg; rather this statement is intended to display a spirit of transparency in the operations of the SampleOrg, its Board, paid staff, and volunteers.

Has the SampleOrg proposed to contract or contracted to purchase or lease goods, services, or property from you or from any of your relatives or associates? \_\_ YES \_\_ NO

Board members/ED only: Has the SampleOrg offered employment to you or to any of your relatives or associates? \_\_ YES \_\_ NO

Have you used your relationship with the SampleOrg to obtain a contract, employment for yourself or any of your relatives or associates, from a person or entity that does business with the SampleOrg? \_\_ YES \_\_ NO

Have you or any of your relatives been provided use of the facilities, property, or services of the SampleOrg in a way that is not available to others who benefit from the organization’s services? \_\_ YES \_\_ NO

Have you, a relative or an associate been in a position to benefit financially from an action, policy or transaction made by the SampleOrg? \_\_ YES \_\_ NO

Other issues or situations not addressed above:

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Name (Please print) Signature Date

**Conflict of Interest Affirmation of Compliance**

I have received and carefully read the Conflict of Interest Policy for board members and hired staff. I have considered not only the literal expression of the policy, but also its intent. By signing this affirmation of compliance, I hereby affirm that I understand and agree to comply with the Conflict of Interest Policy. I further understand that the SampleOrg is a nonprofit organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes without personal inurement or benefit by board members, consultants/volunteers or staff (other than by salary).

I hereby state that I do not have any conflict of interest, financial or otherwise that may be seen as competing with the interests of the SampleOrg, nor does any relative or associate have such a potential conflict of interest.

If any situation should arise in the future that I think may involve me in a conflict of interest, I will promptly and fully disclose in writing the circumstances to the Chair of the Board of Directors or to the Executive Director, as applicable.

I further certify that the information set forth in the Disclosure Statement and attachments, if any, is true and correct to the best of my knowledge, information and belief.

Name (Please print) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Annual Review and Reaffirmation**

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_