

DRY CANYON ARTS ASSOCIATION

Dry Canyon Arts Association ARTICLES OF INCORPORATION & BYLAWS

Alterations and Edits listed Date

July 30, 2021 ? done by Linda Gilmore-Hill

December 8, 2022 By unanimous vote of the Board of Directors, Total revision of section 3.07 Terms of office for board of directors

Article I

Name and Location

Section 1.01: Name

The name of the corporation is Dry Canyon Arts Association (DCAA).

Section 1.02: Location

The corporation shall operate in the area of Deschutes, Jefferson and Crook Counties, Oregon. The principle office of the corporation shall be located at: PO Box 1918, Redmond, Oregon.

Article II

Purpose and Objectives

Section 2.01: Purpose as defined by 501(c)(3) requirements

This corporation is organized for charitable, educational, and scientific purposes, including, for such purposes, the making of distribution organizations that qualify as exempt organizations under Section 501 (c)(3) of the Internal Revenue Code of 1954 or the corresponding provisions of any future federal tax code. This corporation is not for the private gain of any individual. No part of the net earnings of the corporation shall inure benefit of, or be distributable to, its directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for service rendered and to make payments and distributions in furtherance of the corporation's objectives as set forth in Section 2.2 below.

Section 2.02: Objectives

1. To support art and culture in such a way as to enhance the high quality of life for all residents and visitors of Redmond and surrounding areas.

2. Create community-based art education and art appreciation programs, including but not limited to: classes and training, and cultural events, in fine arts, crafts, dance, theatre, sculpture and music.
3. Work with individuals, groups, businesses, and government entities and private funders to plan, finance, and complete projects through the DCAA.
4. Act as the organizational entity and fiscal agent to establish and maintain a Community Visual and Performing Arts Center.

Section 2.03: Tax Exemption

The foregoing purposes and objectives shall be exercised exclusively for charitable, educational and scientific purposes in such a manner that the corporation shall qualify as an exempt organization under Section 501 (c)(3) of the Internal Revenue Code. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation. 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. Notwithstanding any other provisions of these articles the organization shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal tax under Section 501 (c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or by (b) by an organization, contributions to which are tax deductible under section 170 [c] (2) of the Internal Revenue Code- or corresponding section of any future federal tax code.

Article III

Board of Directors

Section 3001: General Powers

The corporation shall be managed by its board of directors, consisting of officers and director, which shall have the powers and duties necessary and appropriate for the administration of the corporation's affairs, activities, and property, subject to the provisions of the Nonprofit Public Benefit Corporation Laws of the State of Oregon, and any limitations in the Articles of Incorporation or these bylaws. The Executive Committee will not have the authority to (A) alter the Articles of Incorporation, (B) bylaws (c) composition of the board of directors or officers, (d) alter the form of the corporation, (e) authorize the sale, lease, or mortgage of all or substantially all of the corporate assets, and (f) fill vacancies in or remove board of directors of committee members duly appointed by the board of directors.

Section 3.02: Number and Qualifications

The number of directors shall be at least 5 and no more than 15. Directors shall be experienced in fields related to the activities, affairs, goals and objectives of the corporation, and shall be selected to ensure the interests of residents, visitors, and property owners of Deschutes, Jefferson, and Crook Counties are adequately represented.

Section 3.03: Board Composition

Directors filling vacancies of the board of directors shall be elected by a majority vote of the seated board of directors.

Section 3.04: Board Quorum

A majority of 51% of the total number of seated directors and officers of the corporation shall constitute a quorum for the transaction of business at any meeting of the board of directors.

Section 3.05: Voting

At any meeting of the board of directors in which a quorum is present (cf. Section 3.04), a majority vote by those directors and officers present will be the act of the board, otherwise expressly required by law, by the Articles Of Incorporation, or by these bylaws. Voting may not be proxy.

Section 3.06: Action by Board of Directors Without a Meeting

Any action required or permitted to be taken by the board of directors may be done so between regular meetings, under extraordinary circumstances, upon a vote of all directors and officers, taken over the telephone, by facsimile, by electronic mail, in writing sent first class United States mail, or hand delivered. The action shall be approved or rejected at the following meeting of the board of directors at which a duly constituted quorum of the board is present.

Section 3.07: Terms of Office

- a). Directors shall be voted onto the board by a majority vote of the seated (existing) board members for a term of 2 years. Directors can also be appointed by the seated board (majority vote) to fill the unfinished term of an expiring or resigned board member. Directors may be elected for successive terms up to a limit of five years. A 1 year term may be added, to maintain staggered terms, it must be voted on by a majority vote.
- b). A decrease in the numbers of directors or term of office does not shorten an incumbent director's terms.
- c). The term of a director filling a vacancy in the office of an elected director expires at the next election of directors
- d). The term of a director filling any other vacancy expires at the end of the unexpired term that the director is filling
- e.)Despite the expiration of a directors term, the director continues to serve until a directors successor is elected or until there is a decrease in the number of electors.
- f.)Regular voting for directors shall take place at the January board meeting or as near that as possible. Proxy voting is not allowed.

Section 3.08: Resignation

Any director may resign at any time by submitting a written notice of resignation to the secretary of the corporation or to the chairperson.

Section 3.09: Removal

Any director who fails to attend three (3) consecutive meetings of the board without satisfactory justification shall be notified by letter that if he/she does not attend the next regularly scheduled or special meeting of the board of directors he/she shall be deemed to have resigned. The position shall

be filled in accordance with Section 3.10. Any director may be removed with or without cause by a simple majority vote of the board of directors.

Section 3.10: Vacancies

A mid-term vacancy in any directorship due to death, resignation, removal, termination, or disqualification shall be filled by a replacement board member elected by a majority vote of the seated board of directors to fill the un-expired term. A vacancy on the board of directors due to the vote of the seated board of directors to increase the number of directors shall be filled by a new board member elected to a one (1) year term.

Section 3.11: Standard of Conduct

Directors shall discharge their duties according to the standards as described in ORS 65.357.

Article IV

Officers

Section 4.01: Titles

The following are the officers of the Dry Canyon Arts Association: Chairperson, Vice-Chairperson, Secretary, Treasurer, and other officers as the board from time to time may designate. One person may hold a maximum of one title.

Section 4.02: Election and term of Office

The seated Board of Directors shall elect the officers of the corporation. The initial election of the board shall consist of two (2) two-year positions which will be the Secretary and Vice-Chair positions; and two (2) three-year positions which will be the Chair and the Treasurer. Thereafter, all board terms shall be for two (2) years. Officers shall hold a two (2) year term, but may be re-elected for the same or different board or officer position. Each officer shall hold office until the election of a successor, unless said officer resigns or is removed from office.

Section 4.03: Resignation

Any officer may resign at any time by submitting written notice to the secretary of the organization. The secretary shall submit written resignation to the chairperson.

Section 4.04: Removal

Any officer may be removed by a simple majority vote of the board of directors.

Section 4.05: Vacancies

Any vacancy in an office shall be filled through appointment of a board member by majority vote of board of directors for the non-expired portion of the term.

Section 4.06: Chairperson

The chairperson is the principal executive officer of the corporation. The chairperson shall in general supervise and control all of the business and affairs of the corporation. The chairperson shall preside at all meeting of the board, commencing upon the first meeting following the election of the new chairperson to that position, provided the chairperson shall serve as such until successor has been elected and qualified. The chairperson shall perform all duties incident to the office of the chairperson and such other duties as may be prescribed by the board of directors, not inconsistent with these bylaws. The retiring chairperson shall remain an ex-officio member of the board of directors and on any committee for one year.

Section 4.07: Vice Chairperson

In the event of the chairperson's absence, disability, or unavailability, the vice-chairperson shall perform the duties and exercise the powers of the chairperson. The vice-chairperson will be responsible to oversee treasurer, assist with audits and financial statements, and have access to financial records and books. The board of directors or chairperson may from time to time prescribe for the vice-chairperson other duties and powers consistent with these bylaws.

Section 4.08: Secretary

The secretary shall keep and maintain minutes of regular and special meetings of the board of directors. The secretary may designate another person to record minutes of a particular meeting, but in any case, is responsible for those minutes. The minutes shall be kept by the secretary of the corporation and shall include the time and place of the meeting, the names of those present, and a description of the proceedings. The secretary shall have the duty and power to affix the Corporate Seal to any instrument requiring it and attest the same by his/her signature when authorized by the board of directors, or when such instrument shall first have been signed by the chairperson, the vice chairperson, or any duly authorized officer or agent. The secretary shall provide proper notices of the meetings in accordance with the provisions of these bylaws. The secretary shall be custodian of all corporate records and documents. The secretary shall perform such other duties as may be required by law or as may be prescribed or required from time to time by the board of directors, or chairperson.

Section 4.09: Treasurer

The treasurer shall oversee all funds and securities of the corporation, shall oversee the following (i) receive and give receipt for monies due and payable to the corporation, (ii) deposit all monies received in the name of the corporation in such banks, trust companies, or other depositories as from time to time may be designated by the board of directors, (iii) have charge of disbursement of monies of the corporation in accordance with the directions of the board of directors or the chairperson, (iv) enter regularly in books of account to be kept by him/her, or under his/her direction, for that purpose, a complete and correct account of all monies received and disbursed by the corporation, (v) render statement of financial accounts of the corporation to the board of directors, (vi) exhibit the books of account of the corporation and all securities, vouchers, paper and documents to the corporation in his/her custody upon request of the board of directors, (vii) in general, have such powers and perform

such other duties not inconsistent with these bylaws as may be prescribed by the board of directors or the chairperson.

Section 4.10: Bond

A bond may be provided, or required, at the direction of the board of directors and at the expense of the corporation, for the treasurer or others controlling the corporation's money, in such a sum and with surety or sureties as the board of directors may determine necessary.

Section 4.11: Records

There shall be maintained in the possession of the secretary and treasurer of the corporation all financial books, records of account, all minutes of the board of directors' meetings, and other committee meetings of the corporation, and copies of all other material corporate records, books, documents and contracts. All such books, records, minutes, lists, documents, and contracts shall be made available for inspection at a reasonable time during regular business hours by any member of the board of directors or other duly authorized representative thereof, for lawful purpose. Upon leaving office, each officer or agent of the corporation shall turn over to her/his successor or the chairperson in good order, such corporate monies, books, records, minutes, lists, documents, contracts, or other property of the corporation as have been in the custody of such officer or agent during their term of office.

Section 4.12: Standards of Conduct for Officers

Officers shall discharge their duties according to the standards as determined in ORS. 65.377.

Article V

Committees

Section 5.01: Ad Hoc Committees of the Corporation

The board of directors or the chairperson shall have the authority to appoint ad hoc committees, except as otherwise expressly stated in law, in the Articles of Incorporation, or in these bylaws. The board of directors or the chairperson shall have the power to appoint an ad hoc committee chairperson. The ad hoc committee chairperson shall have the authority to appoint and remove members of the ad hoc committee. In the event of a dispute put forth by a committee member that is not resolved by the committee chairperson, the committee member has the right to present dispute at a regularly scheduled or special scheduled meeting of the board of directors.

Section 5.02: Standing Committees

The standing committees of the corporation shall be the Executive Committee and the Finance Committee. The Executive Chairperson has the authority to designate the chairperson of the Finance Committee. The Finance Committee Chairperson shall have the authority to appoint and remove members of the committee. In the event of a dispute put forth by a Finance Committee member that is not resolved by the chairperson, the committee member has the right to present dispute at a regularly scheduled or special meeting of the board of directors.

Section 5.03: Executive Committee

The Executive Committee shall consist of the chairperson, the vice-chairperson, the secretary, the treasurer. The formation of the Executive Committee shall not operate to relieve any ad hoc committees, the board of directors, or any individual director of any responsibilities imposed by law.

Section 5.04: Notice of Meeting

It shall be the responsibility of the committee chairperson to ensure that all committee members are notified of committee meeting times and dates.

Article VI

Meetings of Board of Directors

Section 6.01: Notice of Regular Meetings

Notice of meetings of the board of directors shall be deemed delivered if sent via (a) regular U.S. Mail (b) facsimile, (c) electronic mail, or (d) hand delivered. Meeting notices, whenever possible and practicable, shall be delivered by one of the prescribed methods at least seven (7) days in advance of said meeting.

Section 6.02: Regularly Scheduled Meeting of Board of Directors

The board of directors shall hold at least one (1) meeting every two (2) months. Additional meetings may be held at the discretion of the board.

Section 6.03: Special Meetings of the Board of Directors

Special meetings of the board of directors may be called by the chairperson or by a majority vote of the board of directors.

Section 6.04: Executive Session

During a regularly scheduled or special meeting of the board of directors at which a quorum of the board exists (Section 3.04). by majority vote of the board of directors present, the board may reconvene in executive session.

Article VII

Deposits, Checks, Loans, Contracts, Indemnification

Section 7.01: Deposit of funds

All funds of the corporation not otherwise employed shall be deposited in such banks, trust companies, or other depositories as may be designated by the board of directors.

Section 7.02: Checks, Drafts, etc.

In addition to the authority of the treasurer as noted in Section 4.09, the board may authorize all checks, drafts, endorsements, notes, and evidence of indebtedness of the corporation to be signed, with a minimum of two (2) signatures, by such officers or agents of the corporation and in such manner as the board of directors may determine.

Section 7.03: Loans

No loans or advances shall be contracted in behalf of the corporation, and no note or other evidence of indebtedness shall be issued in its name, unless and except as authorized by the board of directors. The corporation shall not lend money to or guarantee the obligation of any director or officer of the corporation in accordance with Section 9.05 (below). If this corporation receives mortgage loan financing from the State of Oregon, all terms and provisions of these corporate bylaws shall be subject to the rules of the Oregon Housing and Community Services Department as filed with the Oregon Secretary of State and to ORS 456.515 through ORS 456.720.

Section 7.04: Fiscal Year

The fiscal year of the corporation shall be from January 1 through December 31.

Section 7.05: Indemnification of Officers, Directors, and Agents

This corporation shall indemnify each and all of its directors, officers, employees, and agents against all expenses, judgments, fines, or settlements in the manner and as permitted by ORS 65.387 through ORS 65.414 and any amendments thereto.

Section 7.06: Insurance and Other Indemnification

The board of directors shall have the power to purchase and maintain, at the corporation's expense, insurance on behalf of the corporation and on behalf of others to the extent that power to do so has been or may be granted by statute. The board of directors shall be given other indemnification to the extent permitted by law.

Section 7.07: Fiscal Operating Procedures

The chairperson of the corporation shall ensure that proper written fiscal operating procedures are in place.

Article VIII

Compensation of, Contracts with, and Loans to Directors, Officers, and Employees

Section 8.01: Compensation of Directors

No directors shall be compensated for services provided the corporation as a board member, except the board may authorize the expenditure of funds to pay for reasonable expenses incurred by the directors or officers in the performance of the duties and purposes of the corporation upon submittal of a written request for reimbursement with appropriate receipts of expenditures.

Section 8.02: Contracts with Directors or Officers

No part of the net earnings of the corporation shall inure to the benefit of its directors or officers except that the corporation shall be authorized to pay reasonable compensation for services rendered.

Section 8.03: Compensation of Employees and Consultants

The board of directors shall fix the salary or other compensation of the employees, contractors or consultants of the corporation.

Section 8.04: Conflicts of Interest

In accordance with ORS 54.361, no director or officer of the corporation shall benefit financially, either directly or indirectly, in any contract or transaction relating to the operations conducted by it nor in any contract for furnishing services or supplies to it, unless (a) such contract shall be authorized by a majority of directors present and voting at a meeting at which the presence of such director is not necessary to constitute a quorum and the vote of such director is not necessary for such authorization, and (b) the fact and nature of such financial benefits shall have been fully discussed and known to the directors present at the meeting at which such contract is so authorized

Section 8.05: Loans to Directors and Officers

The corporation shall make no loan to its directors or officers. The directors of the corporation who vote for or assent to the making of a loan to any director or officer of the corporation, and any officer or officers participating in the making of such a loan, shall jointly and severally be liable to the corporation the amount or such loan until repayment thereof.

Article IX

Amendment of Bylaws

Section 9.01: Amendment of Bylaws

Except as otherwise provided herein, these bylaws may be altered, amended, or repealed and new bylaws may be adopted by an affirmative vote of two-thirds of the board of directors. Proposed bylaw revisions shall be made known to all directors and officers of the corporation in writing at least seven (7) days before the date of the vote to alter, amend, or repeal all or a portion of these bylaws. The notice shall contain a copy of the proposed change(s) in these bylaws.

Article X

Dissolution of the Corporation

The Dry Canyon Arts Association is organized as a Public Benefit Corporation, exclusively for charitable purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code.

The purpose or purposes for which the corporation is organized is as follows:

Said organization is organized exclusively for charitable, educational, and scientific purposes, including, for such purpose, the making of distributions to organizations that qualify as exempt organizations under Section 501 (c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

No part of the net earnings of the organization shall inure to the benefit of, or to be distributable to its members, trustees, officers, or other private persons, except that the organization 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. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization 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. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on (a) by any organization exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code, corresponding section of any future 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.

Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the Federal Government, or to a state or local government, for public purpose. Any such assets not disposed of by the Court of Common Pleas of the country in which the principal office if the organization is then located, exclusively for the purposes or to such organizations, as said court shall determine which are organized and operated for such purposes.

Article XI

Miscellaneous

Section 11.01: Construction

If any portion of these bylaws shall be invalid or inoperative, then so far as is reasonably possible, (a) the remainder of these bylaws shall be considered valid and operative, and (b) effect shall be given to the intent manifested by the portion held invalid or inoperative.

Section 11.02: Policies and Procedures

A policies and procedures manual, which directs the day-to-day practices of the corporation, may be created to assist the board. This policies and procedures manual may be added to or subtracted from by a simple majority vote of the board of directors present at meeting when a quorum is present.

These bylaws duly adopted by the board of directors of the Dry Canyon Arts Association as follows:

