



gallupARTS, INC.

BY-LAWS

Adopted April 27, 2020 by the GallupARTS Board of Directors

ARTICLE I - LEGAL NAME

gallupARTS, INC. is the legal name of the Organization under the corporation laws of the State of New Mexico.

ARTICLE II - BUSINESS OFFICE

The principal business office of GallupARTS shall be located at 123 W. Coal Ave. Gallup, NM 87301.

ARTICLE III - MISSION STATEMENT

The mission of GallupARTS is to foster creativity, culture, commerce, and quality of life in Gallup and McKinley County through the arts.

ARTICLE IV - PURPOSE

gallupARTS is organized exclusively for charitable and educational purposes as a tax exempt organization under Section 501(c)3 of the Internal Revenue Code 1954, or the corresponding provision of any future United States Internal Revenue Code.

ARTICLE V - GENERAL MEMBERSHIP

Section 1: Qualifications

Any individual, organization, or business interested in supporting and advancing the mission and goals of GallupARTS can become a non-voting general Member. Members may join by paying the initial dues as established by the Board of Directors, and may keep their membership in good standing by paying annual renewal dues. Corresponding acknowledgement will be made to the Member, and Members may receive certain benefits as established by the Board of Directors.

Section 2: Annual Member Event

An annual event honoring current Members and providing GallupARTS' end-of-year report will be held annually each Fall/Winter.

ARTICLE VI - BOARD OF DIRECTORS

Section 1: Number and Qualifications

The Board of Directors will consist of a total of up to eleven members including: four persons elected as officers plus seven other persons. Board Members may include residents, artists,

creatives, arts business owners, arts or general educators, entrepreneurs, civic leaders, and other interested parties. Every effort will be made to ensure that the Board is comprised to reflect the Gallup area's diverse, multi-cultural community.

Section 2: Powers

Board of Directors will be responsible for the government and direction of GallupARTS. The Board will make all of the rules and regulations deemed necessary for the conduct of its affairs and the management of its property as consistent with the Charter and By-laws of the Organization.

Section 3: Requirements

Board Members must make meaningful contributions in terms of time (i.e., committee work) and/or financial contribution.

Section 4: Election

The Board may suggest possible new members, with their permission, to the Executive Committee to fill vacancies on the Board. The Executive Committee will invite potential new members to make a formal application. It will review the application and conduct an interview. The Executive Committee can then recommend the potential new member to the Board. New members shall be elected by affirmative votes by the majority of the Board.

Section 5: Terms

A Board Member may serve in terms of two years to be determined at the time of acceptance of a Board membership.

Section 6: Regular Meetings and Attendance

The Board will meet at least six times per year to be held at such time and place as may be designated by the Board. An absence of three consecutive regular meetings without notification to the Board President will constitute a resignation from the Board, which the Board President will officially acknowledge with a letter of termination.

Section 7: Special Meetings

Any Board Member may request that the President convene a special meeting.

Section 8: Notice of Meetings

Notice of each meeting of the Board, whether regular or special, shall be given to each Board Member. Notice of each regular meeting of the Board shall be given not less than ten days prior to the date of such meeting. Notice of each special meeting of the Board shall be given not less than 24 hours days prior to the date of such special meeting. Notice may be given in person; by telephone, electronic transmission, electronic mail, or other form of wire or wireless communication; or by mail or private carrier. Oral notice is effective when communicated in a comprehensible manner.

Section 9: Quorum

One-half (50%) of the Board membership shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 10: Voting and Manner of Acting

Each Board Member has one vote. Email voting by the Board between meetings is acceptable in rare, time sensitive occurrences. The act of a majority of the Board Members present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law or by these by-laws.

Section 11: Resignation

A Board Member may resign from the GallupARTS Board by providing written notice of his/her intention to the Board President. Such resignation shall take effect on the date of the receipt of such notice, unless the notice specifies a later time for the effectiveness of such resignation. Acceptance of such resignation shall not be necessary to make it effective.

Section 12: Removal

Any Board Member may be removed, with or without cause, by the vote of a majority of the current Board Members.

Section 13: Advisory Board Members

The Board may appoint Advisory Members as necessary for the purpose of securing additional, specialized representation.

Section 14: Liability

No Board Member shall be personally liable to GallupARTS nor its members or affiliates for monetary damages for breach of fiduciary duties as a Board Member unless:

1. the Board Member has breached or failed to perform the duties of the Director's Office in compliance with Section 53-8-25.1 NMSA 1978 or a successor statute; and
2. the breach or failure to perform constitutes misconduct or recklessness.

ARTICLE VII - NON-DISCRIMINATION CLAUSE

GallupARTS does not discriminate against any person on the basis of race, color, national origin, disability, sex or age in admission, treatment, or participation in its programs, services and activities, or in employment. No person shall be excluded from participation in, or be denied the benefits of any service, or be subjected to discrimination because of race color, nationality, religion, sexual orientation, age, disability.

ARTICLE VIII – OFFICERS

Section 1: Officers

The Officers will be President, Vice President, Secretary and Treasurer.

Section 2: Election and Terms of Office

Officers shall be elected by the Board of Directors bi-annually and assume their duties immediately for a term of two years. In the event of a vacancy prior to the end of an Officer's term, the Board shall make an appointment from the Board membership to complete the remainder of the term.

Section 3: Resignation

Any Officer may resign at any time by giving written notice of resignation to the Board President or Board Secretary. Such resignation shall take effect on the date of the receipt of such notice, unless the notice specifies a later time for the effectiveness of such resignation. Acceptance of such resignation shall not be necessary to make it effective.

Section 4: Removal

The President of the Board, the Vice President, the Secretary, and the Treasurer may be removed from office at any time by a majority vote of the Board.

Section 5: President is the Chief Executive Officer of the Corporation and Chairperson of the Board. The President presides at meetings of the Board. The President will ensure legal and ethical integrity of GallupARTS. The President may support and supervise staff to ensure accountability and responsibility to the projects of GallupARTS. The President sees that all orders and policies of the Board are carried out and has the power to sign contracts and documents which the Board has authorized. The President will provide a report at each Board meeting.

Section 6: Vice President acts under the direction of the President and, in the absence or disability of the President, performs the duties and exercises the powers of the President. The Vice President performs other duties and exercises such powers as the Board may prescribe.

Section 7: Secretary acts under the direction of the President and attends meetings of the Board and prepares and maintains minutes of the proceedings. The Secretary ensures that the membership is notified of the all meetings. The Secretary will perform other duties as the Board may prescribe.

Section 8: Treasurer acts under the direction of the President and has the custody of the corporate funds, verifies full and accurate accounts of receipts and disbursements and ensures that all monies and other valuables are deposited in the name and to the credit of the Corporation in depositories designated by the Board. The Treasurer renders to the Board at its meetings, or when otherwise required, an accounting of all Corporation transactions and of the financial condition of the Corporation. The Treasurer will also prepare and present an annual financial report and handle the filing of the Organization's IRS Form 990. The Treasurer will perform other duties as the Board may prescribe.

ARTICLE IX – COMMITTEES

Section 1: Executive Committee

The Executive Committee shall exercise, to the maximum extent permitted by these by-laws, the full authority of the Board of Directors in the management of the corporation. The Executive Committee may act on behalf of the Board between regular meetings.

1. Chair. The President of the Board shall be Chair of the Executive Committee.
2. Membership. Membership on the Executive Committee shall consist of the Board Officers of gallupARTS, plus any other directors or officers appointed by the Board.
3. Meetings and Reports.
 - a) The Committee shall hold meetings at the call of the Committee Chair, or any two members.
 - b) The Committee shall either maintain minutes of its meetings and provide them to the full Board at regularly scheduled meetings or shall report to the Board, which shall incorporate the report of the Executive Committee into its written minutes

Section 2: Standing Committees

Standing committees may be created to deal with ongoing, major activities within the Organization. The Board may, by the vote of a majority of the Board Members present at a meeting at which a quorum is present, create one or more committees of the Board and appoint one or more members of the Board to serve on any such committees. Such committees shall have and exercise the authority of the Board of Directors in the management of the gallupARTS to the extent set forth by Section 3 of this Article or by resolution of the Board creating any such committee. The designation and appointment of a committee and the delegation to such committee of authority shall not operate to relieve the Board, or any individual Board Member, of any responsibility imposed upon it. Standing committees and corresponding appointments will be reviewed by the Board annually.

Standing Committees will report to the Board at regular meetings.

Standing Committees include:

1. Marketing Committee - Shall be responsible for website management, social media oversight, issuing press releases, liaising with the press, oversight of promotional materials.
2. Fundraising Committee - Shall be responsible for organizing and putting on fundraisers in support of gallupARTS' mission and programs.

Section 3: Limitations

No committee created pursuant to Section 1 or 2 of this Article shall have the authority of the Board in reference to:

1. approve the dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the gallupARTS' assets;
2. elect, appoint or remove directors or permanently fill vacancies on the Board or any committee of the Board;
3. adopt, amend or repeal the By-laws or Articles of Incorporation;
4. amend any resolution of the Board previously established by the Board;
5. approve or change the budget;
6. eliminate programs previously authorized by the Board;
7. change or add membership categories or the rights or benefits of membership; or

8. permanently relocate the business office.

Section 4: Special Committees or Task Forces

Special committees or task forces not exercising the authority of the Project Board may be created by resolution of the Board. Such committees or task forces are formed only to undertake a limited scope of business during a limited period of time and make recommendations thereon to the Board. These committees and task forces shall not have any authority to bind the Board or GallupARTS. Each task force shall include at least one Board Member.

ARTICLE X – STAFF PERSONS

The Board has the authority to hire or contract staff persons to carry out the general management of the business of the Organization under the direction and supervision of the President of the Board.

ARTICLE XI - STANDARDS OF CONDUCT FOR BOARD MEMBERS

Each Board Member shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Board Member reasonably believes to be in the best interests of GallupARTS. In discharging duties, a Board Member is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (i) one or more Board Members or GallupARTS staff persons whom the Board Member reasonably believes to be reliable and competent in the matters presented, or (ii) a committee of the Board of which the Board Member is not a member if the Board Member reasonably believes the committee merits confidence.

A Board Member is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by the above unwarranted.

ARTICLE XII - CONFLICT OF INTEREST POLICY

Section 1: Purpose

The purpose of the conflict of interest policy is to protect the interests of GallupARTS, a tax-exempt organization, when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Board Member of GallupARTS 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.

Section 2: Definitions

1. Interested Person: Any director, officer, committee member or staff person exercising powers delegated by the Board of Directors, who has a direct or indirect financial interest, as defined below, is an interested person.
2. Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which GallupARTS has a transaction or arrangement,
- b. A compensation arrangement with GallupARTS or with any entity or individual with which GallupARTS has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which GallupARTS is negotiating a transaction or arrangement.
- d. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
- e. A financial interest is not necessarily a conflict of interest. Under Article XII, Section 3, a person who has a financial interest may have a conflict of interest only if the Board of Directors decides that a conflict of interest exists.

Section 3: Procedures

1. 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 Board Members and members of committees with Board-delegated powers considering the proposed transaction or arrangement.
2. 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 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.
3. Procedures for Addressing the Conflict of Interest:
 - a. An interested person may make a presentation at the 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.
 - b. The Board President or committee chair, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the Board or committee shall determine whether the Organization 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.
 - d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors or members whether the transaction or arrangement is in the Organization'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.
4. Violations of the Conflicts of Interest Policy
 - a. If the Board or committee has reasonable cause to believe a director or member has failed to disclose actual or possible conflicts of interest, it shall inform the director or member of the basis for such belief and afford them an opportunity to explain the alleged failure to disclose.
 - b. If, after hearing the director or member's response and after making further investigation as warranted by the circumstances, the 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.

5. Records of Proceedings

The minutes of the Board and all committees with board-delegated powers shall contain:

- a. 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 taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating 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.

6. Annual Statements:

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

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization 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.

ARTICLE XIII: GIFT ACCEPTANCE POLICY

Acceptance of any contribution, gift or grant is at the discretion of the gallupARTS. gallupARTS will not accept any gift unless it can be used or expended consistently with the purpose and mission of gallupARTS.

gallupARTS will refrain from providing advice about the tax or other treatment of gifts and will encourage donors to seek guidance from their own professional advisors to assist them in the process of making their.

gallupARTS will accept donations of cash. Gifts of in-kind services will be accepted at the discretion of gallupARTS.

Certain other gifts, real property, personal property, in-kind gifts, and contributions whose sources are not transparent or whose use is restricted in some manner, must be reviewed prior to acceptance due to the special obligations raised or liabilities they may pose for gallupARTS.

gallupARTS will provide acknowledgments to donors meeting IRS substantiation requirements for property received by the charity as a gift. However, except for gifts of cash and publicly traded securities, no value shall be ascribed to any receipt or other form of substantiation of a gift received by gallupARTS.

gallupARTS will respect the intent of the donor relating to gifts for restricted purposes and those relating to the desire to remain anonymous. With respect to anonymous gifts, gallupARTS will

restrict information about the donor to only those staff members with a need to know.

gallupARTS will not compensate, whether through commissions, finders’ fees, or other means, any third party for directing a gift or a donor to GallupARTS.

ARTICLE XIV: RECORD RETENTION AND DOCUMENT DESTRUCTION POLICY

Section 1: Purpose

In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention, and destruction of documents received or created by GallupARTS in connection with the transaction of Organization business.

This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept, and how records should be destroyed (unless under a legal hold). The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate GallupARTS’s operations by promoting efficiency and freeing up valuable storage space. Employees, volunteers, and contractors of GallupARTS are required to comply with this policy.

Section 2: Document Retention

GallupARTS follows the document retention procedures outlined below. Correspondence related to the following documents will be retained with the documents as well. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time.

Corporate Records	
Articles of Incorporation	Permanent
By-laws	Permanent
Board Meeting Agendas and Minutes	Permanent
Committee Meeting Agendas and Minutes	Permanent
Board Policies/Resolutions	Permanent
Annual Reports to Public Regulation Commission	Permanent
Charitable Organization Registration with NM Attorney General	Permanent
Annual Reports to the Attorney General	Permanent
Construction Documents	Permanent
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Sales Tax Exemption Letter	Permanent
Contracts and agreements (after date of expiration)	7 years
Software licenses and support agreements	7 years

Equipment files and maintenance records	7 years
Conflict of interest disclosure forms	4 years
Correspondence (general)	3 years
Accounting and Corporate Tax Records	
Audit reports and management letters	Permanent
Monthly and annual financial statements	Permanent
Depreciation Schedules	Permanent
IRS Form 990 Tax Returns	Permanent
General Ledgers	7 years
Charts of Accounts	7 years
Business Expense Records	7 years
IRS Forms 1099	7 years
Journal Entries	7 years
Invoices	7 years
Expense reports/reimbursement requests	7 years
Investment records, reports, and correspondence	7 years
Sales Records (concessions, merchandise sales, etc)	5 years
Petty Cash Vouchers	3 years
Cash Receipts	3 years
Credit Card Receipts	3 years
Bank Records	
Check Registers	7 years
Bank Deposit Slips	7 years
Bank Statements and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years
Payroll and Employment Tax Records	
Payroll Registers	Permanent
State Unemployment Tax Records	Permanent
Earnings Records	7 years
Garnishment Records	7 years

Payroll Tax Returns	7 years
W-2 Statements	7 years
Employee Records	
Employment and Termination Agreements	Permanent
Retirement and Pension Plan Documents	Permanent
Employee handbooks	Permanent
Records Relating to Promotion, Demotion, or Discharge	7 years after termination
Accident Reports and Worker's Compensation Records	5 years
Salary Schedules	5 years
Employment Applications	3 years
I-9 Forms	3 years after termination
Time Cards	2 years
Member, Donor and Grant Records	
Membership records (classes and dues paid)	7 years
Donor Records and Acknowledgment Letters	7 years
Grant Applications and Contracts	7 years after completion, unless otherwise required by grantor
Grants and Scholarships Awarded by the Organization	7 years after date of award or project completion
Legal, Insurance, and Safety Records	
Appraisals	Permanent
Copyright Registrations	Permanent
Trademark Registrations	Permanent
Insurance Policies	Permanent
Real Estate Documents (Deeds, leases, purchase records)	Permanent
Stock and Bond Records	Permanent
Environmental Studies	Permanent
Insurance Claims (after settlement)	7 years
Leases	6 years after expiration
OSHA Documents	5 years
General Contracts	3 years after termination

Corporate Communications (One set of the following documents to be kept on-site and one set to be kept off-site)	
Media releases	Permanent
Annual reports (five copies, minimum)	Permanent
Other publications	7 years
Photos	7 years
Press clippings	7 years

Section 3: Electronic Documents, Records and Accounts

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. A full chart of digital accounts and passwords pertinent to the operation of gallupARTS will be maintained.

Section 4: Emergency Planning

gallupARTS’s records will be stored in a safe, secure, and accessible manner. Documents, financial files and account login information that are essential to keeping gallupARTS operating in an emergency will be duplicated. The Board President and at least two officers will at all times know and have access to the location of the files.

Section 5: Document Destruction

gallupARTS’s Executive Committee is responsible for the ongoing process of identifying its records, which have met the required retention period, and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

Section 6: Compliance

Failure on the part of employees or contractors to follow this policy can result in possible civil and criminal sanctions against gallupARTS and its employees and possible disciplinary action against responsible individuals. The Executive Committee will periodically review these procedures with legal counsel or the Organization’s certified public accountant to ensure that they are in compliance with new or revised regulations.

ARTICLE XV: CORPORATE DISSOLUTION

Upon the dissolution of this Corporation, the Corporation will, after paying or making provision for the payment of its liabilities, distribute all of its assets to arts and/or education organizations in McKinley County-qualified as exempt organizations under Section 501(c)(3) of the Internal Revenue Code 1954 or the corresponding provision of any future Internal Revenue code. Any indisposed assets will be disposed of by a court of jurisdiction of the county in which the

principal office of the Corporation is locate to facilities and/or organizations operating as 501(c)3.

ARTICLE XVI: AMENDMENTS

These By-laws and the Articles of Incorporation may be amended by the Board at any meeting following prescribed voting procedure. Not less than thirty days' written notice of the nature of the proposed amendments must be given to all Board members prior to the meeting.

APPROVED:

President of the Board:

Date_____

Secretary of the Board:

Date_____