

# **Rio Rico Historical Society Bylaws**

**Revised on: May 16, 2017**

**Effective Date: May 16, 2017**

## **ARTICLE I**

### **Name**

The name of this society shall be the Rio Rico Historical Society.

## **ARTICLE II**

### **Purposes and Goals**

The purpose of this society shall be to identify and locate artifacts and historical information, protect, preserve, gather, display, publicize, promote, and educate the public about the history, historical documents and artifacts of the Rio Rico area.

The organizational goals to achieve the organizational purpose are to:

- a) Obtain incorporation and 501(c) (3) income tax deductible status for donations.
- b) Obtain, research, save, organize, and display historical books, documents, oral histories, historical sites, and artifacts.
- c) Publicize important events in Rio Rico's rich history.
- d) Provide historical tours of Rio Rico as a fundraiser and to generate interest.
- e) Organize a yearly committee to select fundraising activities to cover organizational expenses.
- f) Organize a committee to celebrate Rio Rico's Golden Anniversary on May 19, 2019.
- g) Organize a committee to create a time capsule for Rio Rico's Golden Anniversary.
- h) Organize a committee to obtain permissions and create historical markers.

- i) Organize a committee to obtain a facility for a curated museum for the display and reclamation of artifacts taken away from Rio Rico.
- j) Obtain a grant writer for historic funding.

## **ARTICLE III**

### **Membership**

The organization shall be a non-discriminatory membership organization. Membership is contingent upon payment of dues for the desired class of membership (see membership classes below) and abiding by the bylaws and any other rules of the organization. Membership shall be on an annual basis expiring twelve months from the date of the last dues payment with the exception of lifetime members. Membership cannot be transferred, sold, assigned, or pledged. The dollar amount for each class shall be set from time to time as required by the Board of Trustees.

Membership shall be of seven classes:

- a) Individual active membership: Any person interested in the purposes of the society shall be eligible.
- b) Family membership: Any family groups interested in the purposes of the society shall be eligible.
- c) Institutional membership: Any organization, corporation, board, school, museum, or library interested in the objectives of the society shall be eligible.
- d) Contributing and sustaining memberships: A person, group or firm offering special support to the objectives of the society shall be eligible. A contributing membership is defined as a one-time financial contribution. A sustaining membership is defined as a recurring financial contribution.
- e) Honorary members: Honorary membership may be conferred upon any person whose activities have contributed to the objectives of the society. Honorary members shall be elected by a three-fourths vote of members present at an annual meeting, upon nomination by the board of trustees.
- f) Lifetime individual and lifetime family: a one-time lifetime payment of a membership fee.
- g) Student membership: any full-time student shall be eligible.

Section 1. Members in "Good Standing" are defined as any member who is current on dues and has attended at least one meeting in the past six general membership meetings. Members in "good standing" may vote on the annual election and business at any meeting after obtaining a "Good Standing" status.

Section 2. Each individual member and each of two (2) family members and each Institutional member shall have one vote at membership meetings. Each Institutional member shall name an individual to serve as the voting member.

Section 3. Any officer, member, or employee can be removed for cause by a two-thirds vote of the Board of Trustees at a regular or special meeting, provided a proper notice of such action is included in the meeting agenda for such meeting. As used herein, “cause” may include conviction of a criminal offense, acts involving moral turpitude, or acts detrimental to the organization. For members of the Board of Trustees, this may include but is not limited to excessive absence from the Board meetings.

Section 4. Any person who makes a monetary donation or an “in kind” donation (if approved by the Board) equal to or greater than the dues of a class of membership will receive that class of membership as an act of appreciation from the Society.

## **ARTICLE IV**

### **Annual Board of Trustees Meeting**

The annual meeting of the Board of Trustees shall be held during January.

## **ARTICLE V**

### **General Membership Meetings**

The General Membership Meetings will be held every other month or as needed.

## **ARTICLE VI**

### **Officers and Board of Trustees**

#### **Section 1. Officers and Board of Trustees**

The Board of Trustees shall be elected at the annual meeting and serve for a two year term and consist of 7 Board members. The officers of the Board will consist of a president, a vice president, a secretary, a treasurer and a member at large. The remainder of the Board members will be directors. The officers will be selected annually by the elected Board members. Board members who leave the Board during their term will be replaced by appointment by the remaining Board members until the annual general membership elections elect a new Board member. The additional 2 board members will initially serve a one year term in order to stagger the Board members terms in future elections.

Section 2. The Board of Trustees shall have general control and supervision of the funds and property of the organization, set its policies, and review all acquisitions and deaccessions. All non-budgeted, non-emergency items in excess of \$500 shall be brought to the Board for approval.

Section 3. The Board of Trustees meeting is conducted by the President, in accordance with Roberts Rules of Order.

Section 4. The Vice-President shall act in the absence of the President in either the Board of Trustees meeting or the General Membership meeting.

## **ARTICLE VII**

### **Election of Board of Trustees**

Section 1. All trustees shall be elected by a plurality of votes cast by secret ballot at the annual meeting.

Section 2. Not less than two months prior to the annual meeting, the secretary of the society shall send to each member of the society a blank upon which such member may nominate one person for each office open to election. Nominations shall be returned not less than one month before the annual meeting. The first election shall be held as soon as possible after the bylaws have been approved by the general membership. The terms of office for the officers elected at the first election shall continue through a full term of office until the next annual membership meeting (January 2017 or January 2018 as appropriate), one or two years thereafter.

Section 3. A candidate for election shall be an individual active member. No nominations shall be accepted after the one month deadline prior to the annual meeting, nor will write-in candidates be accepted.

Section 4. A person who has been elected to the board of trustees for two consecutive terms, or, shall not be nominated to the same office unless one year elapses between the end of his or her last term and the beginning of the term for which he or she is nominated. An exception is provided if no other nominees are received and accepted at the time of the election for that office.

Section 5. Trustees shall be installed at the close of the annual meeting at which they are elected and shall serve until their successors have been duly elected and installed. In the event of resignation or incapacity of any officer except the president, or any trustee, the vacancy may be filled by a vote of the general membership for the unexpired term of office. The Board of Trustees shall temporarily appoint a member of the society to replace the vacancy until a special election of the general membership can be held.

Section 6. Absences - If any officer fails to attend three (3) consecutive meetings or more than 50% of the meetings during a year of the Board of Trustees without excuse accepted as satisfactory by the Board, such officer shall be deemed to have resigned and the vacancy shall be filled.

Section 7. No person shall hold office if not a member in "Good Standing" and no member shall hold more than one officer position at a time. This does not preclude a member holding more than one non-Trustee position at a time. A member may not hold both a Trustee and a paid non-Trustee position at the same time.

## **ARTICLE VIII**

### **Amendment**

These bylaws may be amended at any regular or special meeting by a two-thirds vote of those voting, provided notice was given at the previous meeting or at least ten days prior notice was given for a special meeting. All proposed amendments shall be submitted in writing.

## **ARTICLE IX**

### **Schedule and Quorum for Meetings**

Section 1. Regular meetings of the society shall be held every odd numbered month. The Secretary shall send out meeting notices and agendas to the general membership at least ten days prior to the general membership meeting.

Section 2. Special meetings may be called by the President.

Section 3. The Board of Trustees shall meet every month. Special meetings of the board of trustees may be called by the President. At any meeting of the Board of Trustees, three members shall constitute a quorum. The Board of Trustees, through the President, shall render an annual report at each annual meeting.

Section 4. One-fifth of the active members of the society shall constitute a quorum.

## **ARTICLE X**

### **Duties of the Trustees**

Section 1. The President shall have executive supervision over the activities of the society within the scope provided by these bylaws and shall preside at all meetings. The president shall report annually on the activities of the society and shall appoint the members and chairs of committees and delegates not otherwise provided for. The President shall preside at all Board meetings, call special meetings of the Board of Trustees as needed.

Section 2. The Vice-President shall assume the duties of the president in the event of absence, incapacity, resignation, or removal of the president, IAW Article VII Section 5, and perform other position-related duties as requested by the Board of Trustees.

Section 3. The Secretary shall keep the minutes of meetings of the society and of the Board of Trustees, maintain and keep current a list of members and their attendance and provide that list to the Sergeant-at-Arms prior to any election, render an annual report of current members and their attendance, write official correspondence as requested, and perform other position-related duties as requested by the Board of Trustees. The Secretary shall notify all members of upcoming meeting not later than ten days prior to the meeting.

Section 4. The Treasurer shall be responsible for the safekeeping of society funds, for depositing all monies with a reliable banking company in the name of the society, and perform other position-related duties as requested by the Board of Trustees. Monies received shall be recorded with numbered receipts. Monies shall be paid out by numbered checks signed by the treasurer and the president. The treasurer will collect dues, keep financial records and documents, supervise banking and pay accounts payable. The Treasurer shall render a financial annual report to the membership, a monthly report to the Board of Trustees, and prepare necessary records for the yearly financial, compilation, review, or audit performed by an outside auditor. An audit is not necessary until the annual income exceeds \$10,000, or unless required by the terms of a grant. The reporting year is January 1<sup>st</sup> to December 31<sup>st</sup>. The Treasurer shall prepare and submit the account books and financial records to the Audit Committee for review and audit in January of each year. The Treasurer shall be responsible for ensuring that all tax returns for the society are filed, as prescribed by law. The Board of Trustees will approve all requests for expense reimbursement and forward to the Treasurer for payment.

Section 5. Member-at-Large shall be responsible for representing the views of the general membership, is a full-voting member of the Board of Trustees, and will perform other position-related duties as requested by the Board of Trustees.

## **ARTICLE XI**

### **Duties of the Non-Trustee Positions**

Section 1. The non-trustee positions are positions filled by the Board of Trustees that are desired functions for the operation of the society and are desired to be filled. Additional non-trustee positions may be created by the Board of Trustees as required.

Section 2. The Grant Writer shall be responsible for the research and submission of requests for funding grants and any other position-related duties as required by the Board of Trustees. Grants received shall be transferred directly to the Treasurer.

Section 3. The Librarian shall be responsible for the organization, upkeep, condition, and access to the library of historic books and documents and any other position-related duties as required by the Board of Trustees.

Section 4. The Museum Curator shall be responsible for the curation of the museum, historic artifacts, as well as, the reclamation and repatriation of artifacts from Rio Rico that are held by other organizations and in private collections and any other position-related duties as required by the Board of Trustees.

Section 5. The Public Affairs Representative shall be responsible for publicity for the organization to include a web page, social media, newsletters, submission of news articles to news media outlets, and photography of organization activities, and any other position-related duties as required by the Board of Trustees. The Public Affairs Rep shall coordinate publicity with the President.

Section 6. Sergeant-at-Arms shall be responsible for ensuring that the Board of Trustees' meeting and the general membership meetings follow the Robert's Rules of Order and the Bylaws of the society. The Sergeant-at-Arms shall also determine those members who are in good standing and eligible to vote and any other position-related duties as required by the Board of Trustees.

Section 7. The Board of Trustees shall have the power to conduct all affairs of the society. The Board of Trustees shall decide questions of policy that for any reason cannot be acted upon at a meeting of the society and perform such other functions as designated in the bylaws or otherwise assigned to it.

## **ARTICLE XII**

### **Professional Staff**

The Board of Trustees by a two-thirds (2/3) affirmative vote may hire, set the compensation for, and/or fire professional staff who shall have such duties and benefits as the Board may designate from time to time.

## **ARTICLE XIII**

### **Committees**

Section 1. The society shall have the following standing committees:

(a) Library Committee. Will assist the Librarian in collecting, cataloging, caring for, arranging, and repairing books, manuscripts, newspapers, and other historical source material. The Library Committee shall conduct and assist in historical research.

(b) Museum Committee. Will assist the Museum Curator in the collection, cataloging, cleaning, repairing, and storing of historic objects; for arranging museum exhibits, and the correct historic interpretation of these exhibits; for the care and upkeep of museum facilities.

(c) Publications Committee. Will assist the Public Affairs Representative in finding ways and means for publishing joint or individual research studies; newsletter to members, a quarterly bulletin, or books; for publicity; for staging radio and television programs.

(d) Historic Sites Committee. Responsible for establishing the historic validity for sites proposed for marking; for marking historic sites; for arranging tours of the sites.

(e) Program Committee. Responsible for arranging and supporting suitable programs and shall ensure that guests and visitors are welcomed warmly and that light refreshments are available at each monthly Society program meeting and all other Society functions as required.

(f) Membership Committee. Responsible for membership drives, processing new candidates for membership, and for welcoming new candidates.

(g) Finance Committee. The Finance Committee is chaired by the Treasurer and shall consist of the President, the Treasurer, a Museum Committee member, the Museum Curator, and a member from the general membership. The Finance Committee shall review and recommend the annual budget. The recommended budget is presented in December to the Board of Trustees for approval. Once approved, the budget shall be submitted to the general membership for adoption at the January annual meeting.

(h) Audit Committee. The Audit Committee is responsible for the review and audit of the account books and financial records conducted in January of each year. The Audit Committee will examine source documents, bank reconciliation, petty cash accounts, and verify requests for reimbursements were performed correctly.

Section 2. Other committees, standing or special, may be appointed by the President as directed by the society or Board of Trustees. No committee of the board shall have authority to bind the board.

## **ARTICLE XIV**

### **Parliamentary Authority**

The rules contained in Robert's Rules of Order shall govern the proceedings of the society except in such cases as are governed by the bylaws. The decision of the Sergeant-at-Arms, in matters of parliamentary procedures (as per Robert's Rules of Order), or the bylaws, shall be final.

## **ARTICLE XV**

### **Conflict of Interest Policy**

Section 1. The purpose of this conflict of interest policy is to protect the Society's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an officer or trustee of the Rio Rico Historical Society or might result in a possible excess benefit transaction.

Section 2. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations. However, this policy is based on the IRS model Conflict of Interest policy, which is an attachment to Form 1023. It adds information needed to allow Rio Rico Historical Society to assess trustee independence in order to answer questions on Form 990.

Section 3. This policy is also intended to identify "independent" trustees.

## Definitions

1. **Interested person** – Any trustee or member of a committee with governing board delegated powers, 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 the Rio Rico Historical Society has a transaction or arrangement,
- b) A compensation arrangement with Rio Rico Historical Society or with any entity or individual with which has a transaction or arrangement, or
- c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which Rio Rico Historical Society is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial (>\$20.00). A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board of Trustees decides that a conflict of interest exists, in accordance with this policy.

3. **Independent Trustee** -- A trustee shall be considered “independent” for the purposes of this policy if he or she is “independent” as defined in the instructions for the IRS 990 form or, until such definition is available, the trustee

- a) is not, and has not been for a period of at least three years, an employee of Rio Rico Historical Society or any entity in which Rio Rico Historical Society has a financial interest;
- b) does not directly or indirectly have a significant business relationship with Rio Rico Historical Society, which might affect independence in decision-making;
- c) is not employed as an executive of another corporation where any of Rio Rico Historical Society’s officers or employees serve on that corporation’s compensation committee; and
- d) does not have an immediate family member who is an officer or employee of Rio Rico Historical Society or who holds a position that has a significant financial relationship with Rio Rico Historical Society.

## **Procedures**

**Section 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 of Trustees.

**Section 2. Recusal of Self –** Any trustee may recuse himself or herself at any time from involvement in any decision or discussion in which the trustee believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.

**Section 3. 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 of Trustees meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

### **Section 4. Procedures for Addressing the Conflict of Interest**

- a) An interested person may make a presentation at the Board 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 President shall, when appropriate, appoint a committee to investigate alternatives to the proposed transaction or arrangement.
- c) After exercising due diligence, the Board of Trustees shall determine whether Rio Rico Historical Society 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 shall determine by a majority vote of the disinterested trustees whether the transaction or arrangement is in Rio Rico Historical Society'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.

### **Section 5. Violations of the Conflicts of Interest Policy**

- a) If the Board of Trustees 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.
- b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Trustees determines the member has failed

to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

### **Records of Proceedings**

The minutes of the Board of Trustees 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 of Trustees 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.

### **Compensation**

- a) A voting member of the Board of Trustees who receives compensation, directly or indirectly, from Rio Rico Historical Society for services is precluded from voting on matters pertaining to that member's compensation.
- b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Rio Rico Historical Society for services is precluded from voting on matters pertaining to that member's compensation.
- c) No voting member of the Board of Trustees or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Rio Rico Historical Society, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

### **Annual Statements**

Section 1. Each trustee and member of a committee with Board of Trustee delegated powers shall annually sign a statement which affirms such person:

- a) Has received a copy of the conflict of interest policy,
- b) Has read and understands the policy,
- c) Has agreed to comply with the policy, and

- d) Understands that the Rio Rico Historical Society is a non-profit organization, 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.

Section 2. Each voting member of the Board of Trustees shall annually sign a statement which declares whether such person is an independent trustee.

Section 3. If at any time during the year, the information in the annual statement changes materially, the trustee shall disclose such changes and revise the annual disclosure form.

Section 4. The Board of Trustees shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

### **Periodic Reviews**

To ensure Rio Rico Historical Society operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, annual reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a) Whether compensation arrangements and benefits are reasonable, based on competent survey information (if reasonably available), and the result of arm's length bargaining (parties to an agreement are independent and on an equal footing).
- b) Whether partnerships, joint ventures, and arrangements with management organizations, if any, conform to Rio Rico Historical Society's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement or impermissible private benefit or in an excess benefit transaction.

### **Use of Outside Experts**

Section 1. Use of Outside Experts

- a) When conducting the periodic reviews, Rio Rico Historical Society may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Trustees of its responsibility for ensuring periodic reviews are conducted.
- b) Procedures for disclosing a conflict to the audit committee or, if no audit committee, to the board;
- c) A requirement that the person with the conflict not be present at or participate in board/committee deliberation or vote on matter giving rise to the conflict;
- d) A prohibition against any attempt by the person with the conflict to influence improperly the deliberation or voting on the matter giving rise to the conflict;

- e) A requirement that the existence and resolution of the conflict be documented in the corporation's records, including in the minutes of any meeting at which the conflict was discussed or voted upon.

## Section 2. Related Party Transactions.

Any transaction, agreement or any other arrangement in which a related party has a financial interest and in which the corporation or any affiliate of the corporation is a participant. Authorizes the Attorney General to enjoin, void or rescind any related party transaction, or seek additional damages or remedies.

## **ARTICLE XVI**

### **Whistleblower Policy**

Code of Ethics: The Rio Rico Historical Society requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Rio Rico Historical Society, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Section 1. Procedures for reporting violations or suspected violations of law or corporate policies, including procedures for preserving the confidentiality of reported information;

- a) Reporting Responsibility

This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns internally so that the Rio Rico Historical Society can address and correct inappropriate conduct and actions. It is the responsibility of all board members, officers, employees, and volunteers to report concerns about violations of the Rio Rico Historical Society's code of ethics, laws, or regulations that govern Rio Rico Historical Society's operations.

Violations or suspected violations may be submitted on a confidential basis by the complainant.

Reports of violations or suspected violations will be kept confidential to the maximum extent possible, consistent with the need to conduct an adequate investigation.

- b) No Retaliation

It is contrary to the values of the Rio Rico Historical Society for anyone to retaliate against any board member, officer, employee, or volunteer who in good faith reports an ethics violation, or a suspected violation of law, such as a complaint of discrimination, or suspected fraud, or suspected violation of any regulation governing the operations of the Rio Rico Historical Society. An employee or member who retaliates against someone

who has reported a violation in good faith is subject to discipline up to and including termination of employment or suspension of membership.

c) Reporting Procedure

The Rio Rico Historical Society has an open door policy and suggests that any employees share their questions, concerns, suggestions or complaints with their supervisor. If you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with the President or a Trustee.

If you are a member, the member should report to the Sergeant-at-Arms.

Section 2. Reporting violations of the Whistleblower Policy and its administration.

a) Reporting Violations

Supervisors and managers are required to report complaints or concerns about suspected ethical and legal violations in writing to the Rio Rico Historical Society's Sergeant-at-Arms, who has the responsibility to investigate all reported complaints and to administer the Whistleblower Policy. Members and Trustees with concerns or complaints may also submit their concerns in writing directly to their supervisor or the President or the Sergeant-at-Arms.

b) Report Investigation

The Sergeant-at-Arms will notify the person who submitted a complaint and acknowledge receipt of the reported violation or suspected violation. All reports will be promptly investigated by a committee appointed and chaired by the Sergeant-at-Arms and appropriate corrective action will be taken if warranted by the investigation.

c) Investigation Findings

The Sergeant-at-Arms is required to report findings of the investigation to the Audit Committee and to the Board of Trustees. The Sergeant-at-Arms is responsible for ensuring that all complaints about unethical or illegal conduct are investigated and resolved. The Sergeant-at-Arms will advise the Board of Trustees of all complaints and their resolution and will report at least annually to the Treasurer and the Audit Committee on compliance activity relating to accounting or alleged financial improprieties.

The Sergeant-at-Arms shall immediately notify the Audit Committee and the Finance Committee of any concerns or complaint regarding corporate accounting practices, internal controls or auditing and work with the committee until the matter is resolved.

d) False Reporting

Anyone filing a written complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Section 3. Distribution of the Whistleblower Policy

A copy of the Whistleblower Policy will be distributed by the Sergeant-at-Arms to all Trustees, officers, employees, members, and volunteers who provide substantial services to the corporation.

**ARTICLE XVII**

**Dissolution**

Section 1. A motion to dissolve the Rio Rico Historical Society and terminate its activities shall be introduced at a general meeting after review by the Board of Trustees. At the next general meeting following this introduction, provided that all members are notified by phone or mail in advance of said meeting the dissolution motion will be presented for a vote. Dissolution will require that 2/3 of the general members in attendance vote in its favor.

Section 2. Prior to dissolution, the Board of Trustees shall be responsible for meeting all current requirements of state, federal, and local authorities.

Section 3. Upon dissolution, all possessions, records, documents, and artifacts in the Rio Rico Historical Society's possession shall be turned over to a similar organization that will continue the aims of the Rio Rico Historical Society as determined by a majority of Board of Trustees.

**Article Distribution of Assets upon Dissolution**

In the event of dissolution of the society, 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 a public purpose. The general membership shall determine the distribution of assets.

**ARTICLE XVIII**

**Indemnification and Exemption from Debt**

Indemnity insurance is not necessary until the annual income of the Corporation exceeds \$10,000, then the Corporation shall indemnify each of its officers, whether or not then in office,

and their executors, administrators, and heirs, against all reasonable expenses actually and necessarily incurred by him or her, including, but not limited to, judgements, attorney's fees and court costs in connection with the defense of any litigation or administrative proceeding to which he or she may have been made a party because he or she was a Trustee or officer of the Corporation, provided, however, he or she shall have no right to reimbursement in relation to matters which he or she has been judged liable to the Corporation. The private property of the members, trustees, and officers shall be forever exempt from all Corporation debt and liabilities of any kind.

## **ARTICLE XIX**

### **Effective Date**

These bylaws shall become effective after their approval by the majority of general membership.