

# ***Havasu 6000***

## **By-Laws**

### **By-Laws adopted by Board of Directors April 15, 2012**

Hereafter to be known as the: “***Havasu 6000.***” The ***Havasu 6000*** is an Arizona non-profit 501(c) (3), public service member corporation.

1. **Mission:** The mission of the ***Havasu 6000*** is to significantly improve the economy of Lake Havasu City and the region by promoting the success and growth of higher education in Lake Havasu City.

The initial goal for the short term is 6,000 university and college students with an economic impact of \$150 million per year on Lake Havasu City and a long-term goal of 20,000 university and college students with an economic impact of \$1/2 billion per year on Lake Havasu City.

2. **Character of Affairs:** The character of affairs of the ***Havasu 6000*** is to significantly impact the economy of Lake Havasu City and the region through the promotion of higher education and in particular, through the support of universities and the community college in Lake Havasu City.

Success in these areas will help; stabilize the economy, grow better paying jobs, grow small businesses, attract desirable new business and industry, and advance K-12 education, culture, and the arts in general. Such improvements in Lake Havasu City will have a very positive economic impact on Parker, Bullhead City, Kingman, Mohave County, and western Arizona.

Recognizing there would be no university in Lake Havasu City without the lake, the character of affairs of the ***Havasu 6000*** will include key issues with the lake and beaches with particular emphasis on the city’s leadership and management of these assets.

3. **Membership:** ***Havasu 6000*** basic memberships are free and open to any person, business, club, partnership, corporation, government, or non-governmental entity willing to join and support the purposes of the ***Havasu 6000.***

All dues paying members may vote for the Board of Directors and for the officers of the ***Havasu 6000.*** All donors shall be considered dues-paying members.

The Board of Directors, at its discretion, may change membership requirements to suit changing conditions.

4. **Dues:** A large number of dues-paying members will be needed to sustain the organization. The Board of Directors may at its discretion impose or change, membership dues or fees. The initial dues for voting members shall be a minimum of \$5 per year. Members at the \$200 or more per year level will be eligible for election to the Board of Directors. \$5,000 donors (aggregated) and above shall be considered paid for life.

5. **Board of Directors:** The Initial Incorporator of the ***Havasu 6000*** will initiate a membership drive, organize the first annual meeting, and nominate candidates for the initial Board. The initial Board will elect a full slate of officers. The Initial Incorporator shall also serve as the President of the corporation and as the Statutory Agent until a successor for President has been elected.

Thereafter, the ***Havasu 6000*** dues-paying members shall elect directors for the Board in numbers and on a schedule determined by the Board. Board members at each annual meeting shall elect

the officers of the *Havasu 6000*. These offices will consist of President, President Elect, Past President, Secretary, and Treasurer. This Board shall meet regularly in order to properly address the business affairs of the *Havasu 6000*.

An annual meeting shall be held each February or March unless changed by the Board, to elect a Board of Directors, to elect officers, and to conduct any business that may be brought before it.

(a) **Removal for Absence.** Three consecutive unexcused absences from meetings, or failure to attend one-half of the meetings held during a fiscal year, may be cause for a member's removal from the Board of Directors.

6. **Executive Committee:** The Executive Committee shall consist of the President as chair, President Elect, Secretary, Treasurer, immediate past-President, Executive Director, and the Initial Incorporator. The Executive Committee shall answer directly to the Board of Directors.

7. **Duties of the Board of Directors:** The Board of Directors shall be responsible for all business affairs of the *Havasu 6000*.

8. **Periodic Reviews:** To ensure the *Havasu 6000* operates in a manner consistent with charitable purposes and does not engage in activities that might jeopardize its tax-exempt status, periodic reviews shall be conducted.

When conducting the periodic reviews as provided for in this Article, the *Havasu 6000* may use outside advisors. If outside advisors are used, this shall not relieve the Board of its responsibility for ensuring the periodic reviews are properly conducted.

9. **Executive Director:** An Executive Director may be employed by the Board whose duties, job description and compensation are fully known to and approved by the Board of Directors. The Executive Director shall answer directly to the Board.

10. **Length of Board Member Terms:** Board members are elected for two-year terms.

11. **Term Limits of Officers:** All officers and members of the Executive Committee, serve at the will of the members. However, all officers and members of the Executive Committee must be elected or re-elected at the annual meeting.

12. **Board Meetings:** Frequency and dates of Board meetings are to be set by the Board. However, special meetings can be called by the President. A quorum will consist of 50% plus one (1) of currently active Board members. The President may call Board meetings on a 24-hour notice by phone, fax, e-mail, or other appropriate means. By consent of the Board, Board business may be conducted by teleconferencing, regular meetings, or by other appropriate and legal means.

13. **Nominating Committee:** The Board Development Committee is the nominating committee. Board members may be nominated for re-election. Votes for Board members may also be accepted by write-in on the ballot at the annual meeting. Only Board members may be nominated for a position of officer of the *Havasu 6000*. Only dues paying members may vote for Board members and officers of the Board.

14. **Standing Committees:** Standing Committee members and chairpersons must be members of the *Havasu 6000*. The Executive Committee may reconfigure the standing committees as needed. The initial list of standing committees shall include

- The Executive Committee (see article 6);
- Board Member Nominating Committee -- shall include the President, President Elect, Executive Director, and President/CEO of the Partnership for Economic Development if it so chooses to participate.
- Finance Committee – This committee will be chaired by the Treasurer and will work to insure the financial integrity of the *Havasu 6000*
- Membership Committee – This committee will work to secure a membership base that represents the broadest possible cross section of Lake Havasu City citizenry.
- Fund Raising Committee – This committee is the Executive Committee.
- Audit Committee – This committee will provide audit services to the Board consistent with IRS guidelines for Tax Exempt Entities.
- Board Development Committee – This committee to be chaired by the President Elect will include the President and the Executive Director. This committee will coordinate training for Board members and new Board member orientation.

15. **Other Committees:** The President may create other committees that may serve immediate or temporary needs. Any such committee will be considered ad hoc and cease to exist when its purpose is no longer required.

16. **Books and Records:** The *Havasu 6000* shall keep, at its principal office for business, complete books and records of account and minutes of the proceedings of the Board of Directors. Such information may be made available to the public via the *Havasu 6000*'s website at the discretion of the Executive Committee.

17. **Amendment of By-Laws:** The by-laws may be amended, altered, or repealed, or new by-laws adopted by the affirmative vote of a majority of the will of the Board at any regular meeting of the Board, based on recommendations of the President upon consultation with the Executive Committee. The By-Laws are subject to formal review by a duly constituted committee, every two years, or as the need arises.

18. **Contracts:** The *Havasu 6000* may enter into contracts and other transactions as deemed appropriate, and approved by the Board based on recommendations of the President. The *Havasu 6000*, as finances permit, will secure liability insurance for officers, Board members, and general liability for the *Havasu 6000*.

19. **Notes and Obligations:** No notes, obligations, or instruments of debt shall be entered into, made, or executed without the official approval of the Board of Directors, in a regular or special meeting, and based on a recommendation of the Executive Committee.

20. **Execution of Documents:** Unless otherwise authorized by the Executive Committee, all contracts, leases, deeds, deeds of trust, mortgages, powers of attorney, and all other documents, requiring the seal of the Corporation (the *Havasu 6000*) shall be executed for and on behalf of the Corporation by the President. An officer or Executive Director may be specifically authorized by the President in a written directive, to perform such duties in the absence of the President.

21. **Corporate Seal:** The Corporate Seal for the Corporation (the *Havasu 6000*) shall be in the form of an Arizona Notary Public Seal, verifying the signature of the President.

22. **Fiscal Year:** The fiscal year for the Corporation (the *Havasu 6000*) shall be January 1 to December 31.

23. **Certificate of Adoption:** The undersigned, being the President of said Corporation (the *Havasu 6000*), hereby certifies that the forgoing By-Laws were first adopted on the 15th day of April 2013.

Dr. Bill Ullery, Initial Incorporator and President

The *Havasu 6000*

Lake Havasu City, County of Mohave, State of Arizona

## **Conflict of Interest Policy**

**Article 1: Purpose** The purpose of the conflict of interest policy is to protect this tax-exempt organization's (the *Havasu 6000*) interest when it is contemplating entering into a transaction that might benefit the private interest of an officer or director of the *Havasu 6000* 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 non-profit and charitable organizations.

### **Article 2: Definitions**

2.1 **Interested Person:** Any director, principal officer, or member of a committee with governing Board-designated powers, who as a direct or indirect financial interest, as defined below, is an interested person.

2.2 **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 *Havasu 6000* has a transaction or arrangement,

b) A compensation arrangement with the *Havasu 6000* or with any entity or individual with which the *Havasu 6000* has a transaction or arrangement, or

c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the *Havasu 6000* is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article 3, Section 2, a person who has financial interest may have a conflict of interest only if the appropriate governing Board or committee decides that a conflict of interest exists.

### **Article 3: Procedures**

3.1 **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 directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement.

### 3.2 Determining Whether a Conflict of interest Exists:

a) An interested person may make a presentation at the governing Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and vote on, the transaction or arrangement involving the possible conflict of interest.

b) The chairperson of the governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c) After exercising due diligence, the governing Board or committee shall determine whether the *Havasu 6000* 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 governing Board or committee shall determine by majority vote of the disinterested directors whether the transaction or arrangement is in the *Havasu 6000*'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.

**Article 4: Records of Proceedings** The minutes of the governing Board and all committees with Board-designated powers shall contain:

a) The names of all 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 governing 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.

### **Article 5: Compensation**

a) A voting member of the governing Board who receives compensation, directly or indirectly, from the *Havasu 6000* 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 the *Havasu 6000* for services is precluded from voting on matters pertaining to that member's compensation.

c) No voting member of the governing Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the *Havasu 6000*, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

**Article 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 conflict of interest policy,
- b) Has read and understands the policy,
- c) Has agreed to comply with the policy, and
- d) Understands the ***Havasu 6000*** 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.

President  
Board of Directors  
The ***Havasu 6000***  
Lake Havasu City, County of Mohave, State of Arizona