

# **Noble Paws, Inc.**

An Alaska Nonprofit Corporation

## **CORPORATE BYLAWS**

### **ARTICLE I – NAME AND ORGANIZATION**

#### **Section 1. Corporate Name**

The name of this corporation is Noble Paws, Inc. The corporation may also use the name Noble Paws.

#### **Section 2. Inclusion of Articles of Incorporation**

The Articles of Incorporation of the corporation shall be made part of these Bylaws as if they were recited verbatim herein, and every provision of the Articles of Incorporation shall be a provision of these Bylaws.

#### **Section 3. Members**

The membership of the corporation shall consist of the members of the Board of Directors created in Article II.

#### **Section 4. Prohibited Activities**

The corporation is a charitable corporation under §501(c)(3) of the Internal Revenue Code. The board of directors is prohibited from taking any action or permitting any inaction which would jeopardize, impair or defeat the corporation's status as a charitable corporation under the Internal Revenue Code or the regulations issued under the Code. Similarly, the corporation is a nonprofit corporation under the laws of the State of Alaska. The board of directors is prohibited from taking any action or permitting any inaction which would jeopardize, impair or defeat the corporation's status as a nonprofit corporation under Alaska law.

#### **Section 5. Nonpartisan Organization and Neutrality**

Because the mission of the corporation involves persons with special needs, it is critical that the corporation not permit itself to be associated with partisan causes, and that the corporation have a policy of strict neutrality with regard to all electoral issues. The board of directors is prohibited from taking any action or permitting any inaction which would jeopardize either the nonpartisan character or the neutrality of the corporation.

### **ARTICLE II – CORPORATE PURPOSE**

#### **Section 1. 501.c.3 Purpose**

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

## **Section 2. Specific Objectives and Purposes**

Noble Paws provides dog sled training and services for persons with special needs, disabilities and at-risk behaviors. This service includes the use of a trained dog sled team and handicap accessible dog sleds. The sleds are modified and/or custom made to accommodate the specific needs of the participants.

The specific objectives and purpose of this organization shall be:

- a. to provide instruction in the sport of dog mushing to persons with special needs, disabilities and/or at-risk behaviors;
- b. to provide facilities, equipment and a trained dog team for participants to engage in the promotion and participation of the sport of dog mushing;
- c. to provide opportunities for participants to engage in recreational, competitive and backcountry mushing;
- d. to sponsor, host and/or participate in events and activities that promote the sport of dog mushing.

## **ARTICLE III - BOARD OF DIRECTORS**

### **Section 1. Composition**

The Board of Directors (“the Board”) shall consist of a minimum of THREE (3) and a maximum of SEVEN (7) persons selected by the Board.

### **Section 2. Purpose of Board**

The purpose of the Board of Directors is to formulate policy for the development and implementation of the program. The Board of Directors shall have the authority and responsible to:

- a. If deemed necessary, employ staff, as well as independent contractors, including but not limited to establishing reasonable compensation and prescribing their duties.
- b. Determine and promote the organization's public-service goals and engage in strategic planning to achieve these goals.
- c. Develop the organization's policies and provide oversight and management of the organization in conjunction with the Executive Director.
- d. Develop and approve an annual budget that disperses funds in such a manner that supports the overarching mission of the organization.

### **Section 3. Regular Meetings**

The Board shall conduct not less than three (3) regular meetings annually. The first regular meeting in each year shall occur in AUGUST, the second regular meeting in each year shall

occur in DECEMBER, the third regular meeting in each year shall occur in APRIL. Notice of the date, time and place of each regular meeting shall be given by the Secretary or the Secretary's designee in writing or telephonically to all Board members. Notice of any regular meeting shall be given not less than SEVEN nor more than SIXTY days in advance of the date of the meeting.

- a. Because Alaska law does not clearly authorize that notice of a meeting be given by electronic mail, notice of a regular or special meeting of the Board may not be given by electronic mail.
- b. The Secretary or the Secretary's designee is permitted to accept a waiver of notice of a regular or special meeting of the Board given by electronic mail, provided that the Secretary or the Secretary's designee is reasonably satisfied of the authenticity of the electronic mail message.

#### **Section 4. Special Meetings**

Special meetings of the Board may be held at such place and time as shall be stated in the notice of meeting whenever called in writing by the President. Notice of any special meeting shall be given by the Secretary not less than THREE nor more than SIXTY days in advance of the date of the meeting. Notice of any special meeting of the Board shall be accompanied by an agenda of business to be conducted at the special meeting. No business of the corporation shall be conducted at a special meeting of the Board unless it appears in the agenda accompanying the notice, except with the consent of all of the then-current members of the Board.

#### **Section 5. Quorum**

A quorum shall consist of a majority of the then-current members of the Board, not including any Board member who has submitted a resignation in writing to the Board.

#### **Section 6. Presiding Officer**

The President, or in his or her absence the Vice President, shall preside at regular and special meetings. The President or Vice President shall be entitled to vote on all issues coming before the Board, unless otherwise disqualified.

#### **Section 7. Voting**

Each member of the Board shall be entitled to cast one vote. Except as provided in the Bylaws, the Articles of Incorporation or State law, all matters shall be resolved by majority vote.

#### **Section 8. Election of Directors: Term of Office**

The terms of office for member directors of the Board shall be three (3) years, and the directors shall have staggered terms, so that one-third of the directors are elected in each year. The initial terms of each director on the Board, as determined by the then-current members of the Board, shall be for one, two, or three years, with each term of office beginning August 1<sup>st</sup>.

Directors shall be elected by a vote of members present and voting at the first regular meeting of the Board. The directors serve until their successors are elected and qualified.

#### **Section 9. Election of Directors: Procedure**

Nominations for the election of directors may be made from the floor. Cumulative voting for directors shall not be permitted. In the event of a tie in voting for a director, the winner shall be selected by lot.

#### **Section 10. Compensation**

Directors shall serve without compensation except that a reasonable fee may be paid to directors for attending regular and special meetings of the board. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. Any payments to directors shall be approved in advance in accordance with this corporation's conflict of interest policy, as set forth in Article VII of these bylaws.

#### **Section 11. Vacancies**

Vacancies occurring in any office shall be filled by the Board at its next regular meeting or special meeting. Any vacancy shall be filled only for the unexpired term of the vacant office.

#### **Section 12. Removal of Directors**

Any director of the Board may be removed, with or without cause, by a two-thirds vote of the Board.

- a. Any director who is charged with a serious crime or misdemeanor which, in the judgment of the Board of Directors, carries a risk of damage to the reputation of the corporation may be removed for cause.

#### **Section 13. Non-liability of Directors**

The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

#### **Section 14. Indemnification of Officers and Directors**

The directors and officers of the corporation shall be indemnified by the corporation to the fullest extent permissible under the laws of this state.

#### **Section 15. Insurance for Corporate Agents**

Except as may be otherwise provided under provisions of law, the board of directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee, or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the articles of incorporation, these bylaws, or provisions of law.

## **ARTICLE IV - EXECUTIVE COMMITTEE**

### **Section 1. Creation of Executive Committee**

The Board may create an Executive Committee of the corporation by written resolution implementing this Article. The Board may terminate the existence of the Executive Committee of the corporation by written resolution. Termination of the existence of the Executive Committee shall not affect any action taken by the Executive Committee prior to termination.

### **Section 2. Composition; Selection**

The Executive Committee shall consist of the President, the Vice President and the Secretary/Treasurer of the corporation and not less than one nor more than three other members of the Board. Non-officer members of the Executive Committee shall be nominated by the Executive Committee to the Board, and approved by the Board.

Members of the Executive Committee shall serve for terms of one year.

### **Section 3. Authority**

Except when the Board is meeting at a regular meeting or special meeting, the Executive Committee shall have all of the powers and authority of the Board which the Board may delegate to an executive committee under Alaska law, except that the Executive Committee shall have no authority to do or perform any of the following acts:

- a. The Executive Committee shall not do, perform or authorize any action or inaction which would jeopardize, impair or alter the existence of the nonprofit corporation, the non-profit character of the corporation, or the tax-exempt status of the corporation, including, without limitation, the status of the corporation under the Internal Revenue Code, §501(c)(3).
- b. The Executive Committee shall not amend or alter the Bylaws or Articles of Incorporation of the corporation.
- c. The Executive Committee shall not elect officers, and shall not elect or remove directors, except that the Executive Committee may fill vacancies caused by the resignation or withdrawal of officers and directors pending the next regular or special meeting of the Board. Officers or directors appointed to vacancies by the Executive Committee shall be named as “director pro tem” or “officer pro tem.” If the Executive Committee exercises its authority to remove officers, removal must be by a two-thirds vote.
- d. The Executive Committee shall not fill vacancies on the Executive Committee, except that the Executive Committee may appoint persons as members of the Executive Committee pro tem, to serve until the next regular or special meeting of the Board.
- e. The Executive Committee shall not hire or dismiss the Executive Director.

#### **Section 4. Meetings; Quorum**

The Executive Committee shall meet from time to time at such intervals as it may define. A meeting of the Executive Committee may be held on twenty-four hours written or telephonic notice to the Executive Committee members. A majority of the Executive Committee members shall constitute a quorum.

#### **Section 5. Presiding Officer**

The President, or in his/her absence the Vice President, shall preside at all meetings.

#### **Section 6. Voting**

Each member of the Executive Committee shall be entitled to cast one vote. The presiding officer may vote on all matters as to which he/she is not disqualified. Except as provided in the Bylaws, the Articles of Incorporation or State law, all matters shall be resolved by majority vote.

### **ARTICLE V – OFFICERS**

#### **Section 1. Officers**

The officers shall consist of a President, Vice President, Secretary/Treasurer and such other officers as deemed necessary by the Board.

#### **Section 2. President**

It shall be the duty of the President to preside at meetings of the Board. Subject to the approval of the Board, the President shall appoint and fill vacancies on committees. The President shall have such additional duties as the Board may provide from time to time.

#### **Section 3. Vice President**

The Vice President serves as the presiding officer in the absence of the President at meetings of the Board and Executive Committee, and assists the President. The Vice President shall have such additional duties as the Board may provide from time to time.

#### **Section 4. Secretary**

The Secretary shall supervise or perform the keeping of a true and accurate record of proceedings of the Board and the Executive Committee. The Secretary shall have such additional duties as the Board may provide from time to time.

#### **Section 5. Treasurer**

The Treasurer shall supervise or perform the maintenance of the financial records of the corporation and keep an accurate account of all moneys received and disbursed by the corporation. The Treasurer shall have such additional duties as the Board may provide from time to time.

#### **Section 6. Election of Officers**

Officers shall be elected by the Board at the APRIL regular meeting of the Board in each year. The Executive Committee shall present nominations to the members of the Board, but

nominations from the floor shall be permitted. In the event of a tie vote for an officer, the winner shall be determined by lot.

### **Section 7. Terms of Office**

Officers shall be elected to terms of one year, or until their successors are elected and qualified.

## **ARTICLE VI - CORPORATE STAFF**

### **Section 1. Executive Director: Selection**

The Executive Director shall be selected by and serve at the pleasure of the BOARD OF DIRECTORS, according to such terms and conditions as the Board of Directors determines.

### **Section 2. Executive Director: Authority**

The Executive Director shall be charged with the day-to-day operation of the corporation, under the supervision and direction of the Board of Directors. The Executive Director shall be a non-voting ex officio member of the Board.

## **ARTICLE VII – CONFLICT OF INTEREST & COMPENSATION APPROVAL**

### **Section 1. Purpose of Conflict of Interest Policy**

The purpose of this conflict of interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. 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**

- a. Interested Person.** Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - 1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;

2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation 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 Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### **Section 3. Conflict of Interest Avoidance Procedures**

- a. **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.
- b. **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 governing 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.
- c. **Procedures for Addressing the Conflict of Interest.** 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 the vote on, the transaction or arrangement involving the possible conflict of interest. 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.

After exercising due diligence, the governing board or committee shall determine whether the corporation 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.

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 a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation'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.

- d. Violations of the Conflicts of Interest Policy.** If the governing board or committee 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.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing 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.

#### **Section 4. Records of Board and Board Committee Proceedings**

The minutes of meetings of the governing 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 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.

#### **Section 5. Compensation Approval Policies**

A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the board or a duly

constituted compensation committee of the board shall also comply with the following additional requirements and procedures:

- a. The terms of compensation shall be approved by the board or compensation committee prior to the first payment of compensation;
- b. All members of the board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):
  1. Is not the person who is the subject of the compensation arrangement, or a family member of such person;
  2. Is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
  3. Does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement;
  4. Has no material financial interest affected by the compensation arrangement; and
  5. Does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.
- c. The board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
  1. Compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
  2. The availability of similar services in the geographic area of this organization;
  3. Current compensation surveys compiled by independent firms;
  4. Actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

- d. The terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:
  1. The terms of the compensation arrangement and the date it was approved;
  2. The members of the board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each board or committee member;
  3. The comparability data obtained and relied upon and how the data was obtained;
  4. If the board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board or committee shall record in the minutes of the meeting the basis for its determination;
  5. If the board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the board or committee meeting;
  6. Any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement);
  7. The minutes of board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board or committee meeting or 60 days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the board and

committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the board or committee.

### **Section 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 corporation 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.

### **Section 7. Periodic Reviews**

To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic 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, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

### **Section 8. Use of Outside Experts**

When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

## **ARTICLE VIII - OTHER PROVISIONS**

### **Section 1. Ratification**

The business of any meeting, however called and noticed, and wherever held, shall be as valid as those at a meeting duly called and noticed, if a quorum is present provided that either before or after the meeting each of the members of the board or committee not present signs a written waiver of notice or consent to holding such meeting or an approval of the minutes for that meeting. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

## **Section 2. Conduct of Meetings Telephonically**

The Board, the Executive Committee, and any other committee may conduct any meeting telephonically, or by teleconferencing, unless otherwise forbidden by law.

## **Section 3. Permanent Standing Committees**

Permanent Standing Committees may be created by the Board or the Executive Committee. Members of the Executive Committee shall be appointed by the President, subject to approval by the Executive Committee. All Standing Committees shall be chaired by Board members, but the members need not be directors of the corporation. Each committee Chairperson and committee member shall continue to serve in that capacity until a successor has been appointed, unless the Chairperson ceases to be a member of the Board or the committee is terminated.

## **Section 4. Other Committees**

Other committees of a temporary character (ad hoc) may be appointed by the President, subject to approval by the Executive Committee and/or the Board of Directors.

# **ARTICLE IX - AMENDMENTS TO BYLAWS**

## **Section 1. Bylaw Amendments**

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority of the members of the Board present and voting at a regular or special meeting.

## **Section 2. Articles of Incorporation Amendments**

These Articles of Incorporation may be altered or amended by an absolute majority of the members of the Board voting at a regular or special meeting.

# **ARTICLE X - FISCAL POLICIES**

## **Section 1. Fiscal Year**

The fiscal year of the corporation shall be from July 1 through June 30.

## **Section 2. Accounting Standards**

The books and accounts shall be kept in accordance with sound accounting practices.

## **Section 3. Checks, Drafts and Notes; Contracts**

Unless the Executive Committee or the Board provides otherwise by resolution, no check, draft, note or contract involving more than Five Thousand Dollars (\$5,000.00) may issue without the signature of two officers of the corporation, or one officer and one member.

## **ADOPTION OF BYLAWS**

We, the undersigned, are all of the initial directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing bylaws, consisting of the eight (8) preceding pages, as the bylaws of this corporation.

ADOPTED AND APPROVED by the Board of Directors on this 25<sup>th</sup> day of August, 2013.

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Steve Vick, President - Noble Paws, Inc.

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ATTEST: Tracy Mikowski, Secretary - Noble Paws, Inc.