

BYLAWS
of
Friends of Kairos Nicaragua, Inc.

Article 1 General

The following are the Bylaws of Friends of Kairos Nicaragua, Inc. (referred to herein as the “Corporation”), a Minnesota nonprofit corporation organized pursuant to Minnesota Statutes Chapter 317A.

Article 2 Membership

Membership shall consist of the Board of Directors.

Article 3 Board of Directors

1. Board role, size, and compensation:

The board is responsible for overall policy and direction of the association, and delegates responsibility of day-to-day operations to the staff and committees. The board shall have up to 7, but not fewer than 3 members. The board receives no compensation other than reasonable expenses.

2. Terms:

All board members shall serve two-year terms, but are eligible for re-election for up to five consecutive terms. Board terms are staggered, so that at least a minority of the board remains in office each year.

3. Meetings and notice:

The board shall meet at least quarterly, at an agreed upon time and place. An official board meeting requires that each board member have written notice or email notice at least two weeks in advance. Any director may waive notice of any meeting orally, in writing, or by attendance at the meeting. If all of the directors are present at a meeting of the Board, no notice will be required, and any business may be conducted at the meeting.

4. Electronic Communications and Voting.

The Board may conduct official business electronically, via teleconference. In the event of a live teleconference, decisions of the board require the same criteria as a face to face meeting – in that a simple majority prevails. The Board may also make decisions via email and similar means of communication. If a matter is officially decided in this manner, the decision must be unanimous, and notice given to all that the matter has been agreed to. These decisions will be documented formally in the subsequent board meeting so that they are recorded in the minutes of the Corporation. (Reference Minnesota Statutes Section 317A.239). No special formatting for the email exchange is required, but it should contain these provisions:

- a. **Caption / Introduction** – stating that this is an action of the Board.
- b. **Recitals** – the reasons for taking the action.

c. **Actions** – what is agreed to be accomplished.

5. **Board elections:**

During the last quarter of each fiscal year of the Corporation, the board of directors shall elect Directors to replace those whose terms will expire at the end of the fiscal year. This election shall take place during a regular meeting of the directors, called in accordance with the provisions of these bylaws.

6. **Election procedures:**

New directors shall be elected by a majority of directors present at such a meeting, provided there is a quorum present. Directors so elected shall serve a term beginning on the first day of the next fiscal year.

7. **Quorum:**

A quorum must be attended by a majority of board members for business transactions to take place and motions to pass.

8. **Officers and Duties:**

There shall be four officers of the board, consisting of a chair, vice-chair, secretary and treasurer. Their duties are as follows:

- a. The **chair** shall convene regularly scheduled board meetings, shall preside or arrange for other members of the Executive Committee to preside at each meeting in the following order: vice-chair, secretary, treasurer.
- b. The **vice-chair** shall chair committees on special subjects as designated by the board.
- c. The **secretary** shall be responsible for keeping records of board actions, including overseeing the taking of minutes at all board meetings, sending out meeting announcements, distributing copies of minutes and the agenda to each board member, and assuring that corporate records are maintained.
- d. The **treasurer** shall make a report at each board meeting. The treasurer shall chair the finance committee, assist in the preparation of the budget, help develop fundraising plans, and make financial information available to board members and the public.

9. **Vacancies:** When a vacancy on the board exists mid-term, the secretary must receive nominations for new members from present board members two weeks in advance of a board meeting. These nominations shall be sent out to board members with the regular board meeting announcement, to be voted upon at the next board meeting. These vacancies will be filled only to the end of the particular board member's term.

10. **Resignation, termination, and absences:**

Resignation from the board must be in writing and received by the secretary. A board member shall be terminated from the board due to excess absences, more than two unexcused absences from board meetings in a year. A board member may be removed for other reasons by a three-fourths vote of the remaining directors.

11. **Special meetings:** Special meetings of the board shall be called upon the request of the chair, or one-third of the board. Notices of special meetings shall be sent out by the secretary to each board member at least two weeks in advance.

Article 4 Powers of The Board of Directors

The Board shall have all powers necessary for the administration of the affairs of the Corporation. Subject to the limitations of the Articles of Incorporation and the relevant state and federal laws, the powers of the Board shall include without limitation the power to:

1. Budgets. Adopt and amend annual operating and capital budgets.
2. Expenditures. Expend Corporation assets in pursuit of the goals of the Corporation.
3. Hire and discharge agents and other contractors to perform work on behalf of the Corporation.
4. Make contracts and incur liabilities.
5. Maintain officers' and directors' liability insurance.
6. Create banking accounts for the business of the Association.
7. Exercise any other powers conferred by law or necessary for the governance and operation of the Corporation.

Article 5 Policy Governing the Distribution of Funds to other Organizations.

The Corporation, in furtherance of its mission and objectives, anticipates that it will be funding programs in other countries, and it will be making grants to organizations in other countries. These organizations (identified herein as "Contractors") provide services and expertise in locations where it is most needed. The oversight of these Contractors must conform to those required by the IRS, and will include these steps:

1. **Initial Vetting**

The Corporation will review the charter documents, history and activities of a Contractor to ensure that it conforms to the mission and goals of the Corporation. The Corporation will interview the principal individuals responsible for the operations of the Contractor, and conduct an on-site visit.

2. **Nonprofit Practices**

The Corporation will ensure that the operations of the Contractor conform to the practices required of a typical US based nonprofit, namely:

- a. Its net earnings may not benefit any private shareholder or individual and the organization is prohibited from benefitting private interests other than incidentally.
- b. It must not devote a substantial part of its activities to attempting to influence legislation.
- c. It must not participate or intervene in political campaigns for public office.
- d. Its purpose and activities may not be illegal or violate public policy, and

- e. It must provide sufficient financial information in order to allow the Corporation to comply with IRS reporting and notice requirements.

3. Periodic Review

The Board of Directors and its delegates periodically visit the Contractor in its domicile and review its operations and records.

4. Board Approval

The board reviews all requests for funds, and requires that the requests specify the proposed use of the funds, and specify the periodic accounting of funds granted.

5. Regular Communications

The Directors of the Corporation communicate with the Contractor on a frequent basis, via email, telephone and reports.

6. Financial Reporting

The Contractor provides the Corporation with a periodic report of activities and finances sufficient to determine the extent and scope of the Contractor's operations on behalf of the Corporation. These reports are quarterly at a minimum.

7. Written Agreements

Services provided by the Contractor are detailed in a written form or "service agreement", describing the services and the details of the finances. If these are ongoing services, they may be summarized in an annual agreement which is reviewed each year.

Article 6 .Requests for Funds – Designated Purposes.

1. The Corporation, in furtherance of its mission and objectives, anticipates that it will request funds donated for specific purposes approved by the Corporation, and to approve expenditures and grants in accordance with that specified purpose. The Organization will make its best efforts to ensure that the donated funds are used for the approved purpose.
2. The Organization always retains the right to withdraw the approval of the grant or use of funds for the purpose specified, and to use them for other approved purposes. This is to ensure that the funds are always used in accordance with approved goals of the Organization.
3. For that reason, the Organization refuses to accept contributions that are specifically earmarked for a given purpose or specific foreign organization.
4. The Organization will make this policy known to donors upon request.

Article 7 The Amendment of these Bylaws.

The Bylaws of the Corporation may be amended by a two-thirds vote of the Board of Directors, conducted at a meeting which is called specifically for the purpose of amending the Bylaws. The amended Bylaws must be filed with the appropriate agencies.