

NOTE: This finalized revision to the chapter by laws was ENDORSED by the Directors on Dec. 4, 2018 and APPROVED by the general membership on January 10, 2019.

KITSAP AUDUBON SOCIETY BYLAWS

PREAMBLE

The purpose of the Kitsap Audubon Society is to preserve the natural world through education, environmental study and habitat protection and to promote awareness and enjoyment of local and regional natural areas.

PREFACE

Unless otherwise specified herein, the term "Society" shall refer to the Kitsap Audubon Society.

PART 1: GENERAL GOVERNANCE

ARTICLE I: MEMBERSHIP

Section 1. Any person interested in the purpose of the Society or the National Audubon Society is eligible for membership in the Society, and upon payment of chapter dues shall be considered a voting member in good standing of the Society. Dues shall be paid annually thereafter.

Section 2. Annual dues and classes of membership shall be established by the Society.

Section 3. Members of the Society include: Those who are members in good standing of the Kitsap Audubon Society only, those who are members of both the Society and the National Audubon Society, and those who are members of the National Audubon Society only. Members of the National Audubon society who are not also members in good standing of the Kitsap Audubon society, may receive the Society newsletter and enjoy all activities of the Society, but will not be considered voting members of the Society.

Section 4. Any person not renewing their membership may be subject to removal from the rolls of voting members.

ARTICLE II: MEMBERSHIP MEETINGS

Section 1. Regular Membership Meetings of the Society shall be held once each month from September through May with an optional meeting in June. Notice of such meetings, including the time, shall be provided either by an annual advance mailing, a reasonably timed mailing, or through appropriate electronic communication.

Section 2. The Annual Membership Meeting of the Society shall be held at the April meeting. Advance notice of the date and time of such meeting shall be disseminated by mail or electronic means to each member not more than fifty (50) days nor less than ten (10) days before the meeting.

Section 3. The members of the Society in good standing who are present shall constitute a quorum for the transaction of the business at any regular or special meeting. Individuals who are members ONLY of the National Audubon Society and not also members of the Society do not count as members for quorum purposes.

Section 4. Each member of the Society present is entitled to one (1) vote and, except as otherwise specifically provided in these Bylaws, a majority vote shall decide each issue. Individuals who are members ONLY of the National Audubon Society and not also members of the Society are NOT eligible to vote in any election of officers or other chapter business.

Section 5. Special meetings may be called by the President, or by a resolution of the Board. Written notice of such meeting, stating the objectives thereof, shall be distributed by mail or electronic means to each member of the Society not less than ten (10) days before the meeting.

ARTICLE III: BOARD OF DIRECTORS

Section 1. *The control and conduct of the business of the Society shall be vested in the Board of Directors. The Board shall consist of the elected officers, the immediate past President and not more than eight members-at-large appointed by the incoming President and approved by the incoming executive committee. All Board Members shall be members in good standing of the Society.*

Section 2. *The members-at-large will serve for a one-year term and may be reappointed.*

Section 3. A vacancy in a member-at-large Board position shall be filled by an appointment of the President with the approval of the elected officers. The member appointed to fill the vacant position shall serve until the end of the original one-year period.

Section 4. The President shall set the dates and frequency of the Board of Directors meetings, holding a minimum of six (6) per year with a quorum in attendance. Reasonable written, oral, or electronic notice of such meetings shall be provided to the Board members.

Section 5. One-third of the total Board membership shall constitute a quorum at any meeting. The majority vote of those present shall determine each issue except where otherwise specified in these Bylaws. Each Board member present is entitled to one (1) vote.

Section 6. Special meetings of the Board may be called by the President or upon request of the majority of the Board. Reasonable written, oral, or electronic notice of such meetings shall be provided to each Board member.

Section 7. The Executive Committee shall consist of the elected officers of the Society and shall carry out such instructions as set forth by the Board of Directors and act on emergency measures between Board meetings.

Section 8. The Chairperson of the Board shall be the President of the Society.

ARTICLE IV: OFFICERS

Section 1. *The elected officers of the Society shall be a President, Vice President, Secretary and Treasurer.*

Section 2. All officers shall hold office for a one year term. The President and Treasurer may be re-elected for a second consecutive one year term and may serve in that same office for not more than two consecutive years. After serving in one of these offices for two consecutive years, a gap of at least one year is required prior to returning to that same office. The Vice President and Secretary may serve unlimited consecutive terms in those same offices.

Section 3. Any officer may be removed from office at any time by a majority vote of the members of the Society present at any regular or special meeting. A notice stating that a removal vote will be taken shall be provided to each member at least ten (10) days prior to the meeting either by mail or electronic distribution.

Section 4. A vacancy in any office shall be filled by the majority vote of the Board of Directors. The member elected shall hold office until the next annual meeting, at which time the vacancy shall be filled in accordance with Article VII. If necessary, the President may appoint an individual to fill a vacant officer position on a temporary basis either pending approval by the Board or replacement with a regularly appointed or elected officer.

Section 5. The President shall be President of the Society, Chairperson of the Board of Directors and ex officio member of all committees except the Nominating Committee, and shall perform all other duties associated with the office of President.

Section 6. The Vice President shall assist the President in the carrying out of his/her duties and shall preside at all meetings in the absence of the President. The Vice President shall participate in two committees or projects of his/her choice during each one year term of office.

Section 7. The Secretary shall keep a record of all proceedings of the Board and votes of the general membership and shall conduct all correspondence of the Society as directed by the President.

Section 8. The Treasurer shall have custody of the Society's funds (except where specified elsewhere in these Bylaws), shall disburse the funds as may be ordered by the Board, **and** shall report to the Board of Directors at the regular meetings or as requested. These practices are further amplified in Article V below.

Section 9. All checks and drafts of the Society must be signed by either the Treasurer or the President.

ARTICLE V: FINANCIAL REPORTING AND REVIEW

Section 1. The Treasurer shall provide each member of the Board with printed reports of the preceding month's financial activity at each Board meeting, consisting of a Balance Sheet as of the closing date of that month, and a detail of cash account activity, showing both deposits and checks written during the period. A copy of the most recent bank statement and reconciliation should be circulated for Board review.

Section 2. The Treasurer will distribute to each member of the Board, a fiscal year-to-date Income Statement on at least a quarterly basis, as well as updated actual-versus-budgeted income and expense figures for the same period.

Section 3. The Treasurer will obtain quarterly reports from Investment Managers, update the Society's accounts accordingly, and inform the Board of gains or losses in investment values.

Section 4. The Treasurer will prepare an Annual Financial Report at the end of each fiscal year, a copy of which shall be published in the membership newsletter the following September, and also included in the Annual Report to the National Audubon Society.

Section 5. According to Generally Accepted Accounting Practices (GAAP), the Treasurer's responsibilities should be separated from bookkeeping duties in order to provide additional oversight. When this is not practical, it is the duty of the Board to practice an even greater degree of diligence.

Section 6. The Treasurer is responsible for the timely filing of all documents required by the Internal Revenue Service (IRS) and State of Washington. When Certified Public Accountant (CPA) review of the books is necessary in order to comply with IRS requirements and reporting, an internal audit should not be needed. Electronic copies of documents filed with the IRS and Washington State should be provided to Board members for review.

Section 7. Diligent review by the Board of monthly and quarterly reports the Treasurer is required to provide, in itself, should make a year-end audit unnecessary. In the event an audit is deemed advisable, as may be the case if IRS reporting is prepared by other than a qualified CPA, the Board may engage a professional CPA for a review of the financial records, or appoint an Audit Committee of at least three non-Board members in good standing, who will be guided in their task by the Society's Policy for Internal Audits.

ARTICLE VI: NOMINATING COMMITTEE

Section 1. The Board of Directors shall elect annually, at the December Board Meeting, a Nominating Committee consisting of not less than three (3) members of the Society who are not officers. The names of the members of the Nominating Committee shall be announced to the membership of the Society and suggestions for officers may be submitted to the committee by any member of the Society.

Section 2. The Nominating Committee shall nominate candidates to succeed the current officers. Its report shall be presented at the March Membership meeting.

ARTICLE VII: ELECTIONS

Section 1. The election of officers shall take place at the April meeting. The new officers will take office effective July 1.

Section 2. Candidates presented by the Nominating Committee shall be elected by voice vote of the membership of the Society present at the Annual Meeting, or by motion from the floor to elect the entire slate of candidates presented by the Nominating Committee, provided that there is no more than one

candidate for any office. In the event there is more than one candidate for an office, the election to such office shall be by ballot with the winner receiving the majority of votes.

Section 3. Nothing herein contained shall prevent nominations of officers from the floor at the time of the meeting at which elections are to be held.

ARTICLE VIII: COMMITTEES

Section 1. The Board of Directors may direct formation of various standing committees to organize and facilitate various important and ongoing functions for the Society. The Board shall provide oversight for standing committees and periodically review and amend the list as needed.

Section 2. The President, with the approval of the Board, shall appoint chairpersons of standing committees who, in turn, may select their own committee members with recommendations and suggestions from the Board. Terms of office shall be for one year or until their successors are appointed. Committee chairpersons will furnish the Board with a written or oral report when requested to do so by a Board member. This report will be presented at the next regular or special Board meeting.

Section 3. The President, with the approval of the Board of Directors, may appoint temporary committees whose terms of office will be determined by the length of their assignment. The temporary committee Chair will present a report at a Board meeting as soon as the assignment is completed or when requested by the Board.

Section 4. All members of Standing and Temporary Committees shall be members of the Society in good standing.

ARTICLE IX: COMMITMENTS

This Society shall not enter into any commitments binding upon the National Audubon Society without written authorization by the National Audubon Society, nor shall the National Audubon Society, without the written authorization by this Society, enter into any commitments binding upon this Society.

ARTICLE X: DISCONTINUANCE

Section 1. This Society may terminate its status as a Chapter of the National Audubon Society, and the National Audubon Society may terminate the status of this Society as a Chapter of the National Audubon Society, pursuant to procedures set forth in the National Society's 'Audubon Chapter Policy' in effect at the time of termination.

Section 2. Upon discontinuance of the Society all assets shall be distributed at the discretion of the Board of Directors to another Audubon society and/or another organization that shares the same mission as Kitsap Audubon Society.

ARTICLE XI: PARLIAMENTARY AUTHORITY

In matters not covered by these Bylaws, Roberts Rules of Order shall govern.

ARTICLE XII: AMENDMENTS

Section 1. Amendments to Part 1 (General Governance) of the Bylaws may be proposed by a motion approved by a majority of the Board of Directors, or by written petition from any ten (10) members and filed with the Secretary. Proposed amendments shall either be mailed or distributed electronically to each member of the Society, publicized in the newsletter or posted on the Society's website. If posted on the website, a note regarding the proposed changes will be publicized in the newsletter. Any member of the Society may request a written copy. After members have received written notification, the proposed amendments shall be read at the first membership meeting thereafter and read and acted upon at the following membership meeting. In the case of extensive changes, the proposed amendments shall be posted, not read, at the two meetings. The amendments shall be adopted after receiving the affirmative votes of a least two-thirds of the Society members present. Amendments to Part 2 (Bequest and Endowment Policy) of these Bylaws shall be made in accordance with Article V of Part 2.

Section 2. Amendments to the Articles of Incorporation shall be made in the following manner: the Board of Directors shall adopt a resolution setting forth the proposed amendment, which shall then be submitted to a vote at a membership meeting. Written or electronic notice of the proposed amendment shall be given to each member of the Society no more than fifty (50) days and no less than ten (10) days before such meeting. The proposed amendment shall be adopted after receiving the affirmative votes of a least two-thirds (2/3) of the Society members present.

Section 3. Any changes in the By Laws or Articles of Incorporation must be filed with the State of Washington, Secretary of State's office.

PART 2: KITSAP AUDUBON SOCIETY BEQUEST & ENDOWMENT POLICY

If there is a conflict between this Policy and other KAS Bylaws, this Policy shall control. Future amendments to this Policy must be made in the manner prescribed in this Policy, not in the manner prescribed elsewhere in the Bylaws.

ARTICLE I: INVESTMENT OF BEQUEST FUNDS AND OTHER LARGE GIFTS

When a bequest or other large gift is bestowed upon KAS, unless the bequest or other funds are directed by the donor for a specific purpose that will result in the funds being spent within a one-year timeframe, the bequest funds must be invested in a KAS endowment fund at a community foundation or an outside investment organization or firm with a representative in Kitsap County ("Investment Managers"). No more than two Investment Managers are to be active at one time. Newly-received

bequest funds or other large gifts of assets can be invested in an existing KAS endowment fund or in a newly-created KAS endowment fund with the same Investment Manager, and the KAS treasurer will track fund allocation as necessary. Absent any restrictive or prescriptive terms and conditions, the Board will generally cause any bequest or donation to be managed under this policy to be consolidated in a single investment fund. Bequests or donations that have complex terms of use associated with them may be invested in separate funds in order to ensure management consistent with unique directions.

If it is deemed necessary to change an Investment Manager, this must be done with a 2/3 approval vote of the entire KAS Board of Directors.

Although the term “endowment” is used in this Policy, an “endowment fund” need not be managed as a permanent endowment unless the donor providing the bequest or other large gift required that the gift be managed as a permanent endowment. A “permanent endowment” is a fund that will be managed under the WA State Uniform Prudential Management of Institutional Funds Act as an endowment, meaning as a fund that will be managed to exist for perpetuity and that will generally only distribute a certain percent of the fund’s income each year. In other words, if a bequest or other large gift is placed in a KAS endowment fund, all of those funds may be completely spent over time unless the donor required that the funds be managed as a true endowment.

ARTICLE II: ENDOWMENT SPENDING COMMITTEE

If the need arises, an Endowment Spending Committee may be formed by the Board of Directors. The committee may be formed to serve on a temporary or ongoing basis depending on the Board’s perceived need. If formed, the committee shall be formed consisting of three members of the Society elected by two-thirds (2/3) of the entire KAS Board of Directors. Endowment Spending Committee members may or may not be Board members. If the need for a committee is temporary, its members will serve until the Board of Directors deems the need has been satisfied, and shall be dissolved by a vote of at least two-thirds (2/3) of the entire Board membership. If established to serve in a prolonged capacity, committee members shall have a term of three years with one member changing each year. Initially, one member will only have a one-year term and one member will have a two-year term, and one member will have a three-year term. Thereafter, all terms will be for three years, with one member’s term expiring each year. Members cannot serve consecutive terms. A committee member may be removed subject to a vote of at least two-thirds (2/3) of the entire KAS Board of Directors. If a member is removed or steps down from the Endowment Spending Committee, the KAS Board of Directors will approve a temporary replacement to fill out the vacated position. After the temporary term has expired, the KAS Board of Directors shall appoint a full-term replacement.

The responsibilities of the Endowment Spending Committee are as follows:

- Adhere to any guiding precepts provided by the Board of Directors pertaining to spending limits, apportionment among categories of expenditures, and other related matters.
- Receive, consider, and possibly forward to the Board requests for expenditures from the KAS endowment fund(s).

- Assist the Board with proper implementation and enforcement of this Policy.
- Report to the Board on any significant matter pertaining to the committee's work.

ARTICLE III: BOARD OF DIRECTORS

The duties and responsibilities of the KAS Board of Directors related to this policy are as follows:

- Exercise oversight over all matters and activities under the purview of the Endowment Spending Committee (if appointed).
- Approve selections and changes to Investment Managers as detailed elsewhere in this policy.
- Manage Endowment Spending Committee membership as detailed elsewhere in this policy.
- Periodically provide a set of precepts to guide Endowment Spending Committee (if appointed) deliberations. Precepts will address appropriate spending levels, priorities and apportionment of spending among categories of projects/programs, and other matters as necessary.
- Approve, deny, or amend, as necessary, all project/program spending proposals presented by the Endowment Spending Committee as detailed elsewhere in this policy.
- Present to the general membership any matters requiring approval from that body as detailed in this policy.
- Report at least annually to the general membership on projects and proposals funded under the terms of this policy and outcomes of those efforts as applicable.
- In addition, a Board member assigned by the President, normally the Treasurer, is responsible for the following:
 - Acting as the liaison between KAS and the Investment Manager(s).
 - Providing direction to the Investment Manager(s) regarding investment allocations if desired by the Board.

ARTICLE IV: ENDOWMENT FUND SPENDING PROCEDURES

All requests for expenditures from the KAS endowment fund(s) must first be considered by the Board (or Committee if appointed). If appointed, the Committee shall review all requests for alignment with the KAS mission statement and strategic goals as well as any precepts provided by the Board. They shall also consider whether sufficient funding exists for the request. The Committee shall present each request in detail with their recommendation for full, partial, or zero funding to the KAS Board of Directors. The Committee will function with majority voting, meaning a majority vote of the Committee is necessary to determine the Committee's recommendation on each expenditure.

Approval of any proposed bequest expenditure will require the affirmative vote of two-thirds (2/3) of the entire KAS Board of Directors. Voting will be conducted at a live meeting.

The Board or Endowment Spending Committee may entertain spending requests from any member of the Society or local charitable organizations in line with the KAS mission statement. Bequest spending shall be in accordance with the stated wishes of the giver of the bequest. If none are stated, spending shall be in accordance with the KAS mission statement.

Under ordinary circumstances, funds managed under this policy will be invested and expended so as to ensure that invested funds provide meaningful impact in support of the KAS mission over a span of many years. A vital responsibility of the Board and Endowment Spending Committee will be to determine appropriate target level for spending in each fiscal year (July 1 – June 30). In making this determination, consideration will be given not only to the merits of prospective projects, but also to the current level of funds in an investment fund and the fund's investment performance over the previous year(s).

In the absence of any terms and conditions that might accompany a bequest or donation, spending from unrestricted funds being managed under this policy will ordinarily be limited in any fiscal year to 6.6 percent of the original value of each gift to the investment fund. This limit is premised upon the intent to ensure longevity of endowment funds for a term of approximately thirty years and is based on the following assumptions:

- That funds will be invested under generally conservative management producing an expected annual return of approximately five to seven percent
- That annual returns will be reduced by approximately two percent for management fees
- That 6.6 percent represents a thirty-year "reverse amortization" value approximately corresponding to the upper limit of expected returns (7%) less management fees (2%) for a net return of five percent

Given that extraordinary circumstances may warrant a greater level of spending in any year, the limits described in the preceding paragraph may be exceeded, but only subject to the Board approval policy described above and approval by a two-thirds (2/3) majority of members of the Society present at a properly called and noticed meeting of the general KAS membership.

Two signatures shall be required on all checks drawing on funds invested under this policy.

ARTICLE V: AMENDMENT OF THIS POLICY

This Policy may only be amended upon the affirmative vote of two-thirds (2/3) of the entire KAS Board of Directors and the affirmative vote of more than two-thirds (2/3) of the members of the Society present at a properly called and noticed membership meeting.