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MEMORANDUM

To: Board of Directors
From: Executive Director

Date: Meeting of the Board
July 16, 2024

TOPIC: NON-PROFIT ORGANIZATION (LUMBER YARD/FUNDRAISING)

In 2019 the Executive Director brought forward to the DDA Board a concept of developing and incorporating a Non-Profit Corporation that would act as an ancillary and supportive arm of the work performed by the DDA on a daily basis. The concept was formalized in proposed Articles of Incorporation and Bylaws, but never moved past the discussion stage.

With the development of the Lumber Yard, this concept now becomes even more prescient. The public space project contemplated by the DDA, with input and charge from the public, will result in a project requiring management and day to day operational support. It also begs for a more attractive basis for fund raising through foundational support and private donation (many of which seek the trust and benefits of non-profit status and organization).

The Main Street America program emphasizes several benefits of having a nonprofit arm for local Main Street organizations. These include:

- **Enhanced Fundraising and Grant Opportunities:** Nonprofits can access a broader range of funding sources, including grants, donations, and sponsorships, which can significantly bolster the financial resources available for revitalization efforts.
- **Increased Community Engagement:** Nonprofit status can enhance credibility and trust within the community, encouraging greater volunteer involvement and partnerships with local businesses and civic groups.
- **Sustainable Organizational Structure:** A nonprofit framework provides a stable and sustainable organizational structure, enabling long-term planning and consistent program implementation. This helps ensure that revitalization efforts are continuous and not dependent on fluctuating public or private support.
- **Tax Benefits and Incentives:** Nonprofit status offers tax advantages, such as tax exemptions and eligibility for certain tax credits, which can further support financial stability and growth.

These benefits collectively help Main Street programs achieve their goals of economic vitality, design improvements, effective promotion, and strong organizational foundations, leading to the successful revitalization of downtown areas.

The concept brought to the Board in 2019 was well founded, and would now provide a substantial benefit to the effort and work in the Downtown and this District.

HERITAGE CONSULTING

In January 2024 the interim director, Janet Bloom, brought forth a grant for tech services from MSOC in the amount of \$7500, and asked the Board to approve an additional \$4373 from GL 248-260-829-000 (Planning Services) to engage Donna Harris in the development of a fundraising and broader partner network for support, grants, and funding. This is ready to move forward, BUT, after meetings and discussion with Ms. Harris about the direction of the Lumber yard and the Downtown, it has been mutually and strongly suggested that this effort be the backbone of developing a non-profit based arm to enhance programming and access to fund raising efforts.

This would not be a replacement of the DDA, nor would it in any way diminish the work of this organization. It would be a strong arm for finding resources and talents to bring the TIF based work we do to life through greater partnerships and funding,

DECISIONS NEEDED

1. Should we pursue and create a Non-Profit Organization?
2. Should the Executive Director prepare the organizational documents and proposed bylaws for review at our August meeting?
3. What would be the purposes of the organization? Is it a thriving Downtown entity, or just focused on the operations and management of the Lumber Yard?
4. What should we call this entity?
5. How should it be populated?



The mission of the Lake Orion DDA is to enhance the economic potential and preserve the historical character of the Lake Orion DDA District, *the heart and hub of the Orion Community*, through promotional activities and an organizational structure that focuses on community involvement with local businesses, residents and other stakeholders.

DDA Board Meeting

DATE: January 16, 2024
FROM: Janet Bloom, Interim DDA Executive Director
SUBJECT: Main Street Oakland County (MSOC) Tech Visit - Fundraising Proposal

Background Information: Lake Orion DDA can participate in the Main Street Oakland County (MSOC) Tech Visit program where funds of \$7,500 will apply to a Tech Visit from MSOC.

The Lake Orion DDA board had approved a Tech Visit from MSOC as a fundraising proposal, which MSOC researched and have brought forth a proposal for review. The Lake Orion DDA has budgeted \$5,000 in account #248-260-829-000, Planning Services, for this activity.

The proposal would use a consultant, Heritage Consulting, Inc., to prepare a comprehensive fundraising plan. The plan would help the Lake Orion DDA diversity their revenue sources by looking at the use of a 501(c)3, member/investor/individual donor campaigns, furthering sponsorship, special events, grants, fundraising events, government appropriations, review DDA/TIF revenue, merchandise sales, and examine the property acquisition project.

The Heritage Consulting, Inc. Proposal Summary:

Scope of Work:

Create Fundraising Committee (3-5 people) — *Diane*

FIRST Site Visit — review current revenue resources (discuss current pros/cons)/work with committee on new ideas/create draft workplans/501(c)3 discussion

*talked w/ Janet / Emily / Diane
w/sg ↓ ↑ revenue
10/15/2023*

Present first draft of fundraising plan within two weeks. Revisions due from committee in 7 days.

Final plan due within ten days of final revisions from committee.

Optional Zoom Trainings:

- A) 60-minute training on investor/membership campaign/growing donor base over time
- B) 60-minute training on starting Year End Giving campaign, and growing this revenue
- C) 60-minute training on fundraising events for downtown organizations

methodology

If Capital Campaign is likely, committee and subcommittee formation and guidance will be provided.

SECOND Site Visit: 90-minute committee training presentation on planning and implementing a capital campaign with newly established committee. The visit will also include follow-up with fundraising committee meeting, and a first meeting with Capital Campaign Committee.

Complete Fundraising Plan will include sample documents and 2024 calendar of new fundraising events.

Optional proposals available:

- 1) Specific coaching on one or more fundraising activities.
- 2) Review IRS Form 1023 complete by attorney prior to submission to the IRS.

Anticipated Project Timeline:

March 2024 project launch: Initial call and first onsite visit.

April 2024: Draft of Fundraising Plan, Committee feedback

May 2024: Second onsite visit, trainings/visits with committees; Revise Fundraising Plan and send final along with sample documents to Lake Orion DDA. — meet Chris/Larry (after we know about pension)

Handwritten notes:
after decision
prior to
decision
work
prior
for
revising
at year

Cost Breakdown:

\$1000 per day with Donna Ann Harris, along with employed interns who assist. Project is based on ten (10) days work.

Estimated travel for two visits: \$1,873

Personnel: \$10,000

Total entire project: \$11,873

MSOC funds at \$7,500

Final Cost to Lake Orion DDA: \$4,373

(May modify scope to \$7500 value, so all MSOC funds cover the cost.)

Recommended Motion: To approve the fundraising proposal by Heritage Consulting, Inc. at the cost of \$11,873, of which, \$7,500 will be covered by MSOC funds, for a final total for Lake Orion DDA of \$4,373. The Lake Orion DDA will remit the remainder of the funds, \$4,373, from account #248-260-829-000, Planning Services.

Alternative Motion: To approve the fundraising proposal by Heritage Consulting, Inc. with modifications to the scope so the total cost is \$7,500, of which, MSOC will cover the entire cost.



Heritage Consulting Inc.

Donna Ann Harris - Principal
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422 South Camac St., Philadelphia, PA 19147

January 2, 2024

Tim Colbeck
Senior Planner
Planning and Local Business Development
Economic Development
Oakland County, Michigan
Executive Office Building 41W
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Waterford, MI 48328-2762

Via Email: colbeckt@OakGov.com

Dear Tim:

Thank you for speaking with me on December 15, 2023, and for supplying me with the following six items: the Lake Orion DDA November 2023 Revenue/Expense report, work plans for fundraising and the property acquisition, Board roster, 2023 yearlong sponsorship brochure, and the annual status on TIF DDA form. If there is a Strategic Plan, I would like to see it.

Project Understanding

During our call you told me that Molly Lalone had recently left for another job in Oakland County, and that the Board was looking for her replacement. They have hired a consulting firm to serve as an interim director who will manage the organization's day-to-day affairs while they search for a new Executive Director. You answered my questions about the recent referendum and noted that Lake Orion voters decided to retain the DDA.

You also explained that the Lake Orion DDA wishes to diversify their revenue sources to permit them to take on larger scale projects. You mentioned that the organization is currently classified as a 501(c)(6) entity. They will need to create a companion 501(c)(3) nonprofit organization (perhaps a Friends of Lake Orion DDA) as a tax-exempt entity to carry forth their fundraising activities. You also mentioned that Main Street Oakland County may be able to provide funds to pay for an attorney to file IRS form 1023 Application for Recognition of Tax-Exempt Status for Lake Orion to create this new tax-exempt entity.

The Lake Orion DDA Board is seeking advice to create a comprehensive fundraising plan, which would including work plans for all or some of the following traditional Main Street revenue sources:

1. Membership/investor/individual donor campaign, Giving Tuesday or End of Year Giving: I am uncertain if the organization uses any of these fundraising tools for individual donations.
2. Sponsorship: review of current sponsorship program with Events staff to determine if any changes are needed.
3. Special events designed to introduce people to the downtown and often to raise money: review of existing profit and loss statements with Events staff to determine if any changes are needed.
4. Fundraising events designed to raise money only: I am uncertain if the organization hosts these events
5. Grants from government (all levels), tourism grants, and grants from other sources including public, family, or community foundations: You mentioned that the Lake Orion DDA gets GM Partnership grants.
6. Government appropriations from local, Township, or County government: I am uncertain if the organization receives any governmental appropriations.
7. DDA/TIF revenue: review this revenue source with Board President to determine growth over time
8. Merchandise sales: review with staff who manages this revenue source to see if any changes are needed.
9. Property Acquisition Project: Discuss with Fundraising Committee how this project is currently conceived, the current status, key activities, and entities needed to move the project forward. Determine what kind of future individual fundraising and grant writing may be needed, and the considerable advance work needed to plan a capital campaign. Update the Work plan with new information from Committee.

Fundraising Plan Scope of Work

- The Lake Orion DDA will create a small Fundraising Committee (3 to 5 people) in advance of my visit to work with me on the creation of the Fundraising Plan. Ideally, the committee should include the Board President, MSOC staff, Event staff person, and two or three additional Board members interested and willing to lead potential fundraising projects.
- During the first visit to Lake Orion, review the current revenue sources with the Fundraising Committee. Discuss the pros/cons of each revenue source on the list above with the Committee. Committee to meet in the evening of the first day of my visit for 2-3 hours and an hour in the morning the next day.
- During the evening meeting, decide with the Fundraising Committee which new fundraising activities seem most appropriate. Donna will create draft work plans for these activities for the Committee to review within two weeks of the visit. Provide sample documents (such as membership brochures, fundraising event work plans, yearlong sponsorship solicitations, Year End Gifts calendars, sample solicitation letters etc.) from my files for each new revenue source in the Fundraising Plan final document.
- During the evening meeting, discuss the creation of a companion 501(c)(3) organization to manage fundraising activities. Main Street Oakland County may be able to provide funds to pay for an attorney to file IRS form 1023 Application for Recognition of Tax-Exempt Status. Morning meeting with Board President and MSOC staff to discuss creation of new 501(c)(3) entity, timing, and information needed.
- After the visit, create the first draft of the Fundraising Plan within two weeks. Committee members to supply revisions to me within seven (7) days of submission. I will revise work plans and the final Fundraising Plan will include sample documents from my files and 2024 calendar of new activities for

— Bill Hunter — Emma — volunteer work

the year. This final Fundraising Plan will be available within ten days of receipt of revisions from the Committee.

- Optional: If the Committee is interested, provide a 60-minute training presentation on starting an investor/membership campaign, and growing your donor base over time. This training can be conducted on Zoom.
- Optional: If the Committee is interested, provide a 60-minute training presentation on starting Year End Giving campaign, and growing this revenue source over time. This training can be conducted on Zoom.
- Optional: If the Committee is interested, provide a 60-minute training presentation on fundraising events for downtown organizations. This training can be conducted on Zoom.
- If a capital campaign is likely, create another Committee specifically for that work. In the Work Plan I will advise about Committee membership and subcommittees needed.
- During the second visit to Lake Orion, provide a 90-minute committee training presentation about planning and implementation of a capital campaign with the new committee. Training will focus on identifying potential donors, cultivating them over time, and the most effective process for making "The ASK," the direct solicitation to donors. Ideally, this training should be done in person in Lake Orion as it involves two exercises not conducive to Zoom. Combine this visit with a follow-up Fundraising Committee meeting to talk about progress, and a first meeting to create a new Capital Campaign Committee.
- Complete Final Fundraising Plan. The final Fundraising Plan will include sample documents from my files as mentioned above, and 2024 calendar of new fundraising activities for the year.
- If the Lake Orion DDA seeks specific coaching on one or more of the new fundraising activities, I can create another proposal if desired.
- If the Lake Orion DDA wishes me to review the IRS form 1023 completed by the attorney before it is submitted to the IRS, I can create another proposal if desired.

Personnel and Qualifications

Heritage Consulting Inc. is well known as a fundraising expert in the Main Street world. Donna also considerable historic preservation, facilitation, nonprofit organizational development, and expertise in creating revolving loan funds. Donna has helped create new loan funds for Joplin MO (a local Main Street organization), Columbus OH Landmarks Foundation, and is currently finishing a project with Historic Denver Inc. Donna is chairing (as a volunteer) the Revolving Loan Fund Committee for the Preservation Alliance for Greater Philadelphia which is creating a \$640,000 Revolving Loan Fund for Philadelphia homeowners of locally landmarked properties in 2024.

About Donna

Donna Ann Harris is the principal of Heritage Consulting Inc., founded in 2004, which is a Philadelphia-based Women's Business Enterprise (WBE) consulting firm. Heritage Consulting aids non-profit organizations and government agencies nationwide in the following practice areas: downtown and commercial district revitalization, historic preservation, tourism product development, and non-profit organizational development.

Prior to starting her firm 19 years ago, Donna was State Coordinator for the Illinois Main Street program for two years and the Manager of the Illinois suburban Main Street program for four years. During her tenure as State Coordinator, Ms. Harris served 56 Illinois Main Street communities, led a staff of 12, and managed a budget of over a million dollars. Since 2004, Donna has worked with state, countywide, and local Main Street programs in 28 states. She has spoken at every National Main Street Center annual conference since 2004, and at the International Downtown Association annual meetings in 2008, 2009, 2013, 2018, and 2019.

Prior to her Main Street career, Donna spent 15 years as an executive director of three start-ups and two mature historic preservation organizations. In these positions in New Jersey, Pennsylvania, and Illinois, she began membership drives; led strategic planning efforts, public relations activities, and a capital campaign; raised more than \$3.75 million in grants; managed staffs ranging in size from two to ten; and was responsible for organizational, project, and endowment budgets of up to \$2.6 million.

Donna Ann Harris's experience includes work with real estate-oriented preservation organizations. For eight years in the 1990s, Donna managed, marketed, and monitored the 130-building easement portfolio at the Philadelphia Historic Preservation Corporation (now Preservation Alliance for Greater Philadelphia).

Donna is best known as a fundraising trainer to the Main Street movement. She has presented for Main Street America at their certification institute, and she recorded three 90-minute training webinars on Funding Revitalization Programs for Main Street America, which are available on-demand for a fee on the Main Street America website, see [Course Descriptions - Main Street America](#). Donna has provided fundraising training at the National Main Street Center Conference, at more than 20 state Main Street conferences, and for local organizations on the following topics:

1. Diversify Your Revenue Sources
2. Make More Money from Investor Campaigns
3. Turning Supporters into Donors
4. 135 Downtown Fundraising Events
5. Why Aren't you Asking For Year End Gifts?
6. Creating Yearlong Sponsorship Programs
7. Planning for a Capital Campaign
8. The Ask: Getting your Board More Comfortable with Direct Solicitation
9. I Hate Fundraising: Removing Anxiety and Boosting Board Participation
10. Creating a Fundraising Plan and Calendar
11. Seeking Big Donations? Cultivate Donors First
12. Is an Improvement District Feasible in Your Town?

Donna has undertaken a research and writing project for Main Street Oregon in 2021 on MAIN STREET HANDBOOK Increasing Your Main Street's Financial Stability: A Guide to Turning Supporters into Donors. See the handbook here [MainStreetWorkbookTurningSupportersIntoDonors 7-3 pdf.pdf](#) (heritageconsultinginc.com)

Donna has also consulted with communities to establish downtown incentive programs, including façade improvements and design guidelines. The firm's work on the Haddon Heights, NJ Design Guidelines (2022) won the Preservation Education Award from the Preservation Alliance for Greater Philadelphia and the Education Award from Preservation New Jersey in 2021. The firm's work on a digital history project for the



City of Camden Heritage Tourism Interactive Touch Screen Kiosk won the 2023 Preservation New Jersey David H. Knights New Preservation Initiatives Award.

Donna is also well known in the preservation community for her 2007 book, *New Solutions for House Museums: Ensuring the Long-Term Preservation of America's Historic Houses*, published by AltaMira Press. The book has been the best-selling title for the American Association for State and Local History since its publication. A considerably expanded and updated second edition was published in 2020 by Rowman and Littlefield Publishers/AASLH.

Timeline

We are assuming that the work will start this Spring, likely in March 2024.

First month

Zoom call with Board President, MSOC staff, and Interim Executive Director in advance of first visit. Prepare for and host call. Set date for visit.

First Visit will be 1.5 to 2 days. Meet with Fundraising Committee in evening, and again next morning.

Second Month

Prepare draft Fundraising Plan, send to Committee to review, receive comments back within a week

Optional: conduct zoom training Membership/investor/individual fundraising campaigns.

Optional: conduct zoom training Year End Giving/ Giving Tuesday.

Optional: conduct zoom training Fundraising events for downtowns.

Third month

Second Visit, 1 day, conduct training on Planning for a Capital Campaign, meet with Fundraising Committee on progress and meet with newly formed Capital Campaign Committee

Revise Fundraising Plan, collect sample documents, send final to Lake Orion DDA

Total with optional trainings

10 days

Billing Rates

Heritage Consulting Inc. will undertake this project as a fixed fee. Heritage Consulting's billing rate is \$1000 a day for this project. Heritage Consulting Inc. employs interns to assist us in various parts of this project and these costs have been included in our fee. Donna Ann Harris, principal of Heritage Consulting Inc. will work on this project as indicated in the scope of the work.

Costs

Personnel

I have estimated my work to take a total of 10 days and have detailed the estimated costs at \$1873 for travel for two visits to Lake Orion.

Zoom call with Board President, MSOC staff in advance of first visit, preparation and call	.5 day
First Visit: 1.5 to 2 days	2 days
Prepare draft Fundraising Plan	3.5 days
Optional: conduct zoom training Membership	.5 day
Optional: conduct zoom training Year End Giving	.5 day
Optional: conduct zoom training Fundraising events for downtowns.	.5 day
Second Visit: Provide training on Capital Campaigns, meet with Fundraising Committee and newly formed Capital Campaign Committee	1 day
Revise Fundraising Plan, collect sample documents, send to Lake Orion	1.5 days
Total with optional trainings	10 days

Estimated travel costs

Airfare 2 visits @ \$350 each	700
Cab to/from airport Phila x 2	140
Car rental in MI, insurance, taxes, 3 days @ \$90	270
Gas tolls parking estimate x 2 trips @ \$40	80
Baggage fee \$35 x 4, 2 trips	140
Per diem GSA rate \$64 day x 3 days	192
Hotel GSA rate \$117 x 3 days	351
Total estimated travel costs	\$1873

Personnel \$10,000

Travel allowance \$1873

Total entire project \$11,873

Payment Schedule

Heritage Consulting Inc. will submit invoices billed monthly. Our monthly fee will be based on the entire amount of professional fees to be paid to Donna Ann Harris in equal installments divided by the three (3) months of the project, or \$3,333.33 monthly. Payment is preferred in fifteen days, but due within 30 days. Travel costs will be billed in the month they are incurred.

Insurance

Heritage Consulting Inc. maintains a \$2 million-dollar general liability policy and can list Main Street Oakland County as an additional insured during the project if desired.

Proprietary Proposal

The contents of this proposal are proprietary information and, as such, should not be distributed
Proposal Fundraising Plan for Lake Orion, Heritage Consulting Inc. 1/1/2024

beyond Main Street Oakland County and the Board President of Lake Orion DDA without the written consent of Donna Ann Harris. This proposal and the information presented herein remain valid for 30 days or until a contract is signed. If any services are requested outside of the scope of work described herein, Heritage Consulting Inc. will bill hourly at current rates on a time and-materials basis along with any associated expenses incurred.

Authorization and Agreement

Please send a copy of this page with the original signature as our authorization to proceed with this project. Please call if there are any questions, or if you require further information. Thank you for considering Heritage Consulting Inc. for this assignment.

Sincerely yours,



Donna Ann Harris, Principal
Heritage Consulting Inc.

Main Street Oakland County Representative

Date

Attached

Heritage Consulting Inc. Firm Biography

Donna Ann Harris Vita

MainStreetWorkbookTurningSupportersIntoDonors 7-3 pdf.pdf (heritageconsultinginc.com)

**SAMPLE OF A FORM OF SUB-ORGANIZATION
WE WOULD CREATE UNDER A GENERAL
NON-PROFIT FOR THE DOWNTOWN
(Gibb created and advised in Pontiac)**

**BYLAWS OF
PONTIAC FARMERS MARKET NONPROFIT
A Michigan Non Profit Corporation**

Adopted:

PONTIAC FARMERS MARKET NONPROFIT
BYLAWS
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**BYLAWS
PONTIAC FARMER'S MARKET NONPROFIT
A Michigan Non Profit Corporation**

MISSION STATEMENT: To improve the health and wellbeing of Pontiac residents through food access, health education, and entrepreneurship, while creating a diverse, health-conscious community.

**ARTICLE I
Authority**

- 1.1 Name of Corporation. The name of the nonprofit corporation shall be PONTIAC FARMERS MARKET NONPROFIT (the "Market").
- 1.2 Registered Office and Registered Agent. The registered office of the Market shall be located at such place in the State of Michigan as may be fixed from time to time by the Board of Directors upon filing of such notices as may be required by law. The registered agent shall have a business office identical with such registered office.
- 1.3 Other Offices. The Board of Directors may at any time in the future establish such other satellite offices (branch or subordinate) at any place or places where the Market is qualified to do business.
- 1.4 Fiscal Year. The Market's fiscal year shall be the calendar year beginning January 1 and ending December 31.

**ARTICLE II
Purpose**

- 2.1 Purpose & Objectives. The purpose and objectives for which this Market is organized are within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986. In the furtherance of said purpose and objectives:
- 2.1.1 The Market shall further its purpose by:
- (i) increasing the demand for fresh, local produce and promoting access to fresh, local produce to the general populace by providing an outlet for local agricultural producers to sell their products directly to customers;
 - (ii) assisting vendors to become certified for local and state programs that provide financial support to residents and enroll in applicable food stamp program (s) in order to provide access to fresh, locally grown produce to the low income community of the Bluffton area;
 - (iii) providing nutritional education to the general populace by distributing information on the benefits of fresh, locally grown produce and providing instruction on the healthy preparation of such produce;
 - (iv) improving the general business climate of Pontiac, Michigan, challenging and averting community deterioration, by providing event(s) to draw individuals and business to the downtown area.
 - (v) assisting farmers, entrepreneurs, food vendors, creators, chefs, and residents by providing information and connecting them to a variety of resources.
- 2.1.2 the Market is specifically authorized to receive and hold by gift, bequest, devise, purchase, lease, or other transfer any real or personal property and to manage, invest, and reinvest the same and to use and dispose of the any such funds, property, or assets for such purposes as above stated;

2.1.3 to hold funds and property of all kinds subject only to such limitations as are imposed by law; and to exercise any and all powers which a nonprofit corporation organized under the laws of the State of Michigan may exercise for the foregoing purposes.

2.1.4 The Market shall perform all things reasonably necessary for the accomplishment of the above purposes which are not in conflict with the laws of the United States or the State of Michigan.

2.2 Acceptance of Funds.

2.2.1 The Market may accept funds or assets which are not restricted in purpose or effect from individuals, private organizations, or public organizations; further, the Market shall not accept any funds from any governmental source whatsoever that may hinder the purpose above stated or disqualify the Market in any way from its tax exempt status under the Internal Revenue Code of 1986 or any law of like tenor and effect, the laws of the United States, or the laws of the State of Michigan; nor shall the Market accept donations of any assets of a restricted nature from any denominational affiliation.

2.2.2 The Market may accept funds, real or personal property, any negotiable instruments, and any other assets by way of donations, contributions, gifts and grants (including those from other corporations) and also including such deferred and conditional gifts, the acceptance of which shall be determined by the Board of Directors to be in the best interests of the Market.

2.3 Resource Dedication. No part of any earnings or resources of the Market shall inure to the benefit of any director or officer of the Market, except that reasonable compensation may be paid for services rendered to or for the Market to effect one of its purposes. No director or officer of the Market or any private individual shall be entitled to share in the distribution of any of the Market assets on dissolution of the Market. Notwithstanding any other provision of the articles of incorporation or these bylaws, the Market shall not conduct, or carry on, any activities not permitted to be conducted or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist, or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section 170(c)(2). Upon the dissolution of the Market or the termination of its affairs, the assets of the Market or the termination of its affairs, the assets of the Market shall be distributed according to provision stated in the articles of incorporation.

ARTICLE III **Powers of Market**

3.1. Powers. Subject to the foregoing statement of purposes, the Market shall have the following powers:

3.1.1 To accept, acquire, receive, take, and hold by bequest, devise, grant gift, purchase, exchange, lease, transfer, judicial order or decree, or otherwise, for any of its objects and purposes, any property, both real and personal, of whatever kind, nature, or description and wherever situated;

3.1.2 To sell, exchange, convey, mortgage, lease, transfer, or otherwise dispose of any such property, both real and personal, as the objects and purposes of the Market may require, subject to such limitations as be prescribed by law;

3.1.3 To borrow money and, from time to time, to make, accept, endorse, execute, and issue bonds, debentures, promissory notes, bills of exchange, and other obligations of the Market for monies borrowed, or in payment for property acquired, or for any of the other purposes of the Market, and to secure the payment of any such obligations by mortgage, pledge, deed, indenture, agreement, or other instrument of trust, or by other lien upon assignment of or agreement in regard to all or any part of the property, rights, or privileges of the Market of the Market wherever situated, whether now owned or hereafter to be acquired;

3.1.4 To invest and reinvest its funds in such stock, commons or preferred, bonds, debentures, mortgages, or in such other securities and property as the Board of Directors shall deem advisable, subject to the limitations and conditions contained in any bequest, devise, grant, or gift, provided such limitations and conditions are not in conflict with the provisions of Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist, or as they may hereafter be amended;

3.2 Limitations and Conditions. In general, and subject to such limitations and conditions as are, or may be, prescribed by law, to exercise such other powers which now are, or hereafter may be, conferred by law upon a corporation organized for the purpose herein above set forth, or necessary or incidental to the powers so conferred, or conducive to the attainment of the purposes of the Market, subject to the further limitation and condition that, notwithstanding any other provision of the articles or these bylaws, only such powers shall be exercised as are in furtherance of the tax-exempt purposes of the Market and as may be exercised by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist, or as they may hereafter be amended, and by an organization to which contributions are deductible under Section 170(c)(2) of such code and regulations as they now exist, or as they may hereafter be amended.

ARTICLE IV

Corporate Activities

4.1 Nonpartisan Activities. This Market has been formed under the Michigan Nonprofit Corporation law for the purposes described above, and it shall be nonprofit and nonpartisan. No part of the activities of the Market shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the Market shall not participate or intervene in any political campaign on behalf of any candidate for public office or for or against any cause of measure being submitted to the people for a vote. The Market shall not, except in an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above.

4.2 Means. The Market shall accomplish its objectives through working with other non-profit groups having similar purposes in order to accomplish the Market's objectives; accepting, by donation, gift, devise, or otherwise, private contributions of money or other property from individuals, corporations, or other groups; pursuing grants from local, state or federal agencies, or any other means necessary and advisable to accomplish the purposes described above.

ARTICLE V

Membership

5.1 Member Classifications. Pursuant to the qualifications, and in a manner, set forth by the Board of Directors, a person or organization joins the Market by becoming a member of one of the three following categories of membership.

5.1.1 *Individual Member.* Any person may become an Individual Member of the Market by providing the requested member information and paying the membership fees established by the Board of Directors. Benefits of Individual Membership may include a newsletter, discounts for products and events, and other benefits as established by the Board of Directors.

5.1.2 *Supporting Organization.* Any legal entity may become a Supporting Organization of the Market by providing the requested member information and paying the membership fees established by the Board of Directors. Benefits may include free Individual Membership(s), and may include discounts on additional Individual Memberships for employees of the Supporting Organization, and other benefits as established by the Board of Directors. In addition, Supporting Organization members receive all the benefits of an Individual Member.

5.1.2 *Student Member.* Any full time student at an accredited educational institution may become a

Student Member of the Market by providing the requested member information and paying the membership fees established by the Board of Directors. Benefits of Student Membership may include a newsletter, discounts for products and events, and other benefits as established by the Board of Directors.

5.2 Standards for Membership. The Board of Directors may establish reasonable standards for membership in the Market as part of the Market's Rules and Procedures.

5.3 Renewal/Dissolution. The right of renewal shall rest in the Board of Directors. The Board of Directors may place reasonable conditions and limitations on the renewal of any membership. The offer of renewal of membership, including any limitation or condition, shall be established by transmitting to the member notice that the dues for the ensuing year are due and payable to the Market. The payment of such dues shall constitute an acceptance of the offer. Any conditions or limitations placed upon any renewal may be removed at any time as determined by the Board of Directors. Dissolution or non-renewal of any member Supporting Organization shall terminate its membership and all individual memberships associated thereto. Any member may resign by providing notice to Market.

5.4 Voting. Each member, individual or entity, shall appoint one representative, hereafter known as a "Voting Representative," who shall act as the representative of that member entity in all Market meetings. A "Voting Representative" must be the individual member or a current officer, director, employee, retiree or other designee of the member entity. A Voting Representative may designate in writing a proxy for a meeting if the proxy is also a current officer, director, employee, retiree, or other designee of the member entity. A person can only be a Voting Representative for one member entity at a time. Any question of the status of a Voting Representative or proxy shall be decided by the Board in closed special session prior to the meeting.

5.5 Member Meetings.

5.5.1 *Regular Meetings.* The Market shall hold at least one (1) regular meeting of the members per year, one (1) of which shall be designated the annual meeting by the President. The Vice-President or the Executive Secretary shall provide written notice of the regular meeting(s) to the members. At each annual meeting, directors shall be elected and any other business shall be transacted that may come before the meeting

5.5.2 *Special Meetings.* Special meetings of the members may be called by the President or a majority of the Board. Notice of such meetings should state the purpose or purposes of the special meeting.

5.5.3 *Quorum.* A quorum shall consist of those Voting Representatives present in-person or by proxy at a regularly scheduled meeting or special meeting of the members.

5.5.4 *Rules of Order.* Meetings shall generally follow Roberts Rules of Order.

ARTICLE VI

Board of Directors

6.1 Composition of Board. The management of all the affairs, property, and interests of the Market shall be vested in a Board of Directors which shall be composed of no less than three (3) and no more than fifteen (15), including the initial board. The number of directors may at any time be increased or decreased by amendment of these Bylaws, but no decrease shall have the effect of reducing the required number of directors to less than three (3) directors.

6.2 Classes. The Board of Directors elected at the initial meeting of the Board shall be divided into three classes (Class A, Class B and Class C) each consisting, as nearly as possible, of one-third (1/3) of

the total number of directors elected at that time. The term of office of Class A directors shall expire at the second annual meeting following the meeting at which they are elected. The term of office of the Class B directors shall expire at the next annual meeting thereafter. The term of the Class C directors shall expire at the fourth annual meeting following the annual meeting at which they are elected. At each annual meeting after the initial annual meeting, directors shall be elected for a term of two (2) years to succeed the directors whose terms expire at such meetings.

6.3 Term. Except for the Class B and Class C directors forming the initial Board, Directors serve two-year terms and may be elected for a second two-year term. Each Director serves until the close of the Annual Meeting of the Board, at which time replacements are elected. No person may serve more than two consecutive full two-year terms as a Director, except that if an individual is also serving as an officer of the Market, his or her term as an officer will not be taken into account for purposes of the two consecutive full two-year term limitation.

6.4 Qualification of Directors. All members of the board of directors shall be natural persons.

6.5 Election. The Directors shall be elected by a majority vote of a quorum of the Board of Directors. Each Director shall hold office until the end of his or her term and until a successor shall have been elected and qualified.

6.6 Committees. The Chairman of the Board shall name such committees deemed necessary for the expeditious transaction of the affairs of the Market; such committees may be comprised of or include persons not members of the Board or of the Market; however, the chairman of the committee must be a member of the Board of Directors.

6.7 Directors Duties.

6.7.1 The Board of Directors shall be responsible for the business affairs of the Market and shall fulfill all other responsibilities outlined in these bylaws or the articles of incorporation. It shall have the authority to perform all acts and transact all business for, or on behalf of, the Market, and to manage the property, affairs, work and activities of the organization. Such authority may be delegated to such Officers or other qualified individuals as the Board determines.

6.7.2 All meetings of the Board of Directors may be conducted according to any medium of communication where all directors may simultaneously speak and be heard by all other directors.

6.8 Discipline & Removal. A director can be disciplined or removed as follows:

6.8.1 Two-thirds Vote. A director may be removed without cause by the vote of two-thirds (2/3) of the directors then in office, excluding the director proposed to be removed.

6.8.2 Failure to Attend Meetings of the Board. A director may be removed by the vote of two thirds (2/3) of the directors then in office, excluding the director proposed to be removed, for failing to attend two-thirds (2/3) of the total of any regular or special meetings held within any twelve (12) month period.

6.8.3 Violation of Bylaws. A director shall be removed for violating any of the provisions of the Market's by-laws, as set forth herein, or the articles of incorporation.

6.8.4 Fraudulent or Dishonest Conduct. A director shall be removed for engaging in fraudulent or dishonest conduct, or gross abuse of authority or discretion, with respect to the Market.

6.8.5 Director Conflict of Interest. A director may be removed by majority vote of the other directors for a violation of the Market's Conflicts of Interest Policy

6.8.6 Removal by Judicial Proceeding. A director may be removed pursuant to a judicial proceeding as provided under Section 33-31-810 of the South Carolina Nonprofit Corporations Act of 1994, as amended.

6.9 Resignation of Director.

6.9.1 A director may resign at any time by delivering written notice to the board of directors, its presiding officer, or to the president or secretary.

6.9.2 A resignation is effective when the notice is effective unless the notice specifies a later effective date. If a resignation is made effective at a later date, the board may fill the pending vacancy before the effective date if the board provides that the successor does not take office until the effective date.

6.10 Vacancies. Any vacancy on the board of directors may be filled by an affirmative vote of a majority of all the directors remaining in office; provided, however, if a vacancy on the board of directors results in fewer than three (3) remaining directors, the board of directors shall fill such vacancy by an affirmative vote of a majority of the remaining directors.

6.11 Standard of Conduct for Directors.

6.11.1 *General Standards.* A director shall discharge his duties as a director, including his duties as a member of a committee in good faith; with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and in a manner the director reasonably believes to be in the best interests of the Market.

6.11.2 *Reliance on Third Party Information.* In discharging his or her duties, a director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (i) one or more officers or employees of the Market who the director reasonably believes is reliable and competent in the matters presented, (ii) legal counsel, public accountants, or other persons as to matters the director reasonably believes are within the person's professional or expert competence; or (iii) a committee of the board of which the director is not a member, as to matters within its jurisdiction, if the director reasonably believes the committee merits confidence.

6.11.3 *Limitation of Third Party Reliance.* A director is not acting in good faith if the director has knowledge concerning the matter in question that makes reliance otherwise permitted by Article 5.11.2 unwarranted.

6.11.4 *No Trustee Relationship.* A director shall not be deemed a trustee with respect to the Market or with respect to any property held or administered by the Market, including, without limit, property that may be subject to restrictions imposed by the donor or transferor of the property.

6.12 Compensation. Directors shall not receive any compensation from the Market for their services, but by resolution of the Board of Directors may be reimbursed for the expense of attending meetings of the Board or other activities related to the affairs of the Market.

ARTICLE VII

Meetings of Board

7.1 Place of Meeting. Meetings of the Board of Directors may be held at any place within or outside the State of Michigan, as set forth in the notice thereof or in the event of a meeting held pursuant to a waiver of notice, as may be set forth in the waiver, or if no place is so specified, at the principal office of the Market.

7.2 Meetings.

7.2.1 *Annual Meeting.* At a mutually convenient time, the Board of Directors will host an Annual Meeting for such purposes as organization and the transaction of any other business as may come before the Board. In addition to conducting such other business as may be appropriate, the Board will meet to review the past year's accomplishments, assess plans for the future and receive comments.

7.2.2 *Regular Meetings.* Regular meetings of the board may be held from time to time between annual meetings at such times and at such places as shall be fixed by the board of directors.

7.2.3 *Special Meetings.* Special meetings of the board of directors for any purpose may be called at any time by the president or any two Directors in office at that time with proper notification of such call to the Secretary or other corporate officer in charge of issuing notice to all Directors.

Notice for special meetings shall include a description of the matter for which the meeting is called.

7.3 Notice of Meetings. Unless waived in accordance with Section 6.4, notice for all meetings of the board shall be properly given in accordance with the following:

7.3.1 *Method and Timing of Notice.* Written notice of the time and place of any meeting must be given by the Secretary either personally, by telephone, by mail, by telegram, or by other electronic communication in accordance with the following:

- (i) Annual Meeting. Not less than ten (10) days prior to such meeting, if notice is by first class mail, or thirty (30) days prior to such meeting if notice is mailed other than by first class, nor more than fifty (50) days prior to such meeting.
- (ii) Regular Meetings. Not less than two (2) days or more than thirty (30) days prior to such meeting.
- (iii) Special Meetings. Not less than twenty-four (24) hours prior to such meeting.

7.3.2 *Effectiveness of Notice.* Written notice, if comprehensible, is effective at the earliest of the following:

- (i) When received;
- (ii) five (5) days after its deposit in the United States mail, if mailed correctly addressed and with first class postage affixed;
- (iii) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on the behalf of the addressee;
- (iv) fifteen (15) days after its deposit in the United States mail, if mailed correctly addressed and with other than first class, registered, or certified postage affixed;

7.3.3 *Adjournment of Meetings.* If an annual, regular, or special meeting of members is adjourned to a different date, time or place, notice need not be given of the new date, time or place if the new date, time or place is announced at the meeting before adjournment. If the new date, time or place is not announced at the meeting before adjournment, notice of the new date, time and place of the meeting must be given in accordance with this Article 6.3.

7.3.4 *Notice of Purpose of Meeting.* When giving notice of an annual, regular or special meeting of the Board, the Association shall give notice of a matter a Board member intends to raise at the meeting if:

- (i) requested in writing to do so by a person entitled to call a special meeting; and
- (ii) the request is received by the Secretary or President of the Association at least ten (10) days before the Association gives notice of the meeting.

7.4 Waiver of Notice. Notice to a board member is waived by such member upon either of the following:

7.4.1 *Written Waiver by Member.* A board member may waive any notice required by this Article 6.3 before or after the date and time stated in the notice. The waiver must be in writing, be signed by the board member entitled to the notice, and be delivered to the Board for inclusion in the minutes or filing with the Board's records.

7.4.2 *Attendance at Meeting.* A member's attendance at a meeting:

- (i) waives objection to lack of notice or defective notice of the meeting unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting;
- (ii) waives objection to consideration of a particular matter at the meeting that is not within the purpose described in the meeting notice; unless the member objects to considering

the matter when it is presented.

7.5 Action Without Meeting. Action required or permitted to be taken at a board of directors meeting may be taken without a meeting if the action is taken by all members of the board. The action must be evidenced by one of more written consents describing the action taken, signed by each director, and included in the minutes filed with the corporate records reflecting the action taken. Action taken under this Article 6.5 is effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed under this Article 6.5 has the effect of a meeting vote and may be described as such in any document.

7.6 Quorum. A quorum of the Board of Directors shall consist of not less than a majority of the board of directors duly appointed to the board.

7.7 Proxy Voting. When a member of the Board cannot attend a meeting, he or she may authorize another member of the Market Board to cast his/her ballot provided:

7.7.1 The absent Board member has been informed of the issues to be considered, and

7.7.2 a signed statement by the absent member is presented authorizing the designated person to cast his/her vote.

7.8 Mail or Facsimile Vote. When a situation arises that requires that action of the full Board between the scheduled meeting dates and a special meeting is not required, a mail and/or facsimile vote may be utilized. Such a vote must be ratified at the next regular meeting of the Board and designated in the minutes.

7.9 Electronic Media / Communications. When a situation arises that requires action of the full Board between the scheduled meeting dates and a special meeting is not required, a meeting held by conference call or other communication equipment may be utilized; provided, however, meetings held by call or other communications equipment must permit all persons participating in the meeting to communicate with each other.

7.10 Minutes. Minutes which accurately reflect the events of each meeting will be prepared by or under the direction of the secretary and placed in a permanent book which he/she will maintain.

7.11 Rules of Order. In the absence of any provisions in these bylaws to the contrary, all meetings of the Board of Directors shall be governed by the parliamentary rules and usages contained in the then current edition of Robert's Rules of Order.

ARTICLE VIII

Powers and Duties of the Board

8.1 Specific Powers and Duties. Without prejudice to any general powers designated in these bylaws or the laws of the state of Michigan, the Board shall have the following specific powers and duties:

8.1.1 *Appointment of Agents.* To appoint and at its discretion remove such officers or agents as it shall deem proper and to prescribe their duties.

8.1.2 *Business Transactions.* To sue and be sued, complain and defend in its corporate name: to borrow money and give its notes or other obligations therefore; to pledge, encumber, or mortgage and property it may own; to sell, convey, or dispose of any property it may own; to receive and administer funds for religious purposes; to receive, take title to, hold, and use the proceeds and income of stocks, bonds, obligations, or other securities; to take and hold by bequest, devise, gift, purchase, or lease, either absolutely or in trust, any property, real personal, or mixed, without limitation as to amount or value; to reject any or all gifts, benefits, or devises which it deems not in the best interest of the objectives and purposes of the Market. No director or officer of the Market shall have any liability for debt or obligations of the Market, or for any act performed in good faith on behalf of the Market.

8.1.3 *Records*. To maintain records of Board proceedings and of the activities of its officers and agents.

8.1.4 *Reports*. To cause at the president's direction to be prepared annually in writing to be distributed at the annual meeting a report of the business and activities of the Market. The annual report shall express the financial condition of the Market. In addition, on a quarterly basis, the president shall prepare or have prepared a financial statement for the Market. The Board of Directors may cause audit or a review to be made of the financial affairs of the Market if such a review is deemed necessary by a unanimous board. The president will also prepare for presentation at the annual meeting a statement of both short and long term goals and plans for the Market during the next fiscal year.

8.2 General Power and Duties. In addition to the powers and authorities expressly conferred upon it in these Bylaws and the Articles of Incorporation, the Board of Directors may exercise all such powers of the Market and do all such lawful acts and things that are not otherwise prohibited by statute or by the Articles of Incorporation or by these Bylaws.

ARTICLE IX

Officers of the Market

9.1 Officers. The officers of the Market shall be a president, a secretary, and treasurer. The Market may also have vice-presidents; assistant secretaries, assistant treasurers, and such other officers as may be appointed by the president and approved by a two-thirds vote of the Board of Directors. Any number of offices may be held by the same person, except that the same individual may not concurrently hold both the office of president and secretary or president and treasurer.

9.2 Election and Term of Office. The officers of the corporation shall be elected by a majority of the votes of the Board of Directors and shall serve for terms of one (1) year and until their successors have been elected and qualified, or until their earlier death, resignation, removal, retirement, or disqualification.

9.3 Responsibilities of Officers.

9.3.1 *President*. The President of the Market presides at all meetings of the Board of Directors. The President is also an ex officio member of all committees of the board of directors; appoints, and reappoints the coordinators and chairpersons of all committees; and recommends individuals directors to be hired in staff positions. The President has the responsibility for conducting the correspondence of the organization and, with concurrence of the Board, appointing or creating committees and similar advisory groups and councils. In addition, the president shall perform all duties incident to the office of the president and any such other duties as may be required by law, the articles of incorporation, or by these bylaws, or which may be approved from time to time by the board of directors. Notwithstanding any other provision of these bylaws, the articles of incorporation, or the laws of the state of Michigan, the president's service may be terminated immediately by the affirmative vote of two-thirds of the board of directors.

9.3.2 *Secretary*. The secretary shall have responsibility for the corporate minute book. The secretary shall keep or cause to be kept, at the principal office or such other place as the board of directors may direct, a book of minutes of all meetings and actions of directors or committees of directors, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings. The book shall also contain all such information required by Michigan law to be kept by the Market in such book. The secretary shall give, or cause to be given, notice of all meetings of the Board of Directors. The secretary shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or the president may from time to time delegate.

9.3.3 *Treasurer.* The treasurer shall attend to the following:

- (i) *Accounting Records.* The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records and accounts of the properties and business transactions of the Market, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of accounts shall be open to inspection by any director at all reasonable times in accordance with the laws regarding such inspection.
- (ii) *Deposit and disbursement of money and valuables.* The treasurer shall deposit all and other valuables in the name and to the credit of the Market with such depositories as may be designated by the board of directors; shall render to the president and directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of the Market; and shall have other powers and perform such other duties as may be prescribed by the board of directors or the bylaws. In addition, the Treasurer shall disburse the funds of the Market in accordance with the direction and policies established by the Board of Directors.
- (iii) *Bond.* If required by the board of directors, the treasurer shall give the Market a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of his office and for restoration to the Market of all its books, papers, vouchers, money, and other property of every kind in his possession or under his control on his death, resignation, retirement, or removal from office. The premium for such surety bond shall be paid by the Market.
- (iv) *Other Duties.* The treasurer shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or the president may from time to time delegate.

9.3.4 *Delegation.* If any officer of the Market is absent or unable to act and no other person is authorized to act in such officer's place by the provisions of these Bylaws, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any director or any other person it may select.

9.4 Standard of Conduct for Officers.

9.4.1 *General Standards of Conduct.* An officer of the Market with discretionary authority shall discharge his duties under that authority in good faith; with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in the manner the officer reasonably believes to be in the best interests of the Market.

9.4.2 *Reliance on Third Party Information.* In discharging his or her duties, an officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by one or more officers or employees of the Market who the officer reasonably believes to be reliable and competent in the matters presented or legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

9.4.3 *Limitation based on Actual Knowledge.* An officer is not acting in good faith if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted by Article 8.4.2 unwarranted.

9.4.4 *Officer Not Liable.* An officer is not liable to the Market or other person for any action taken or not taken as an officer, if the officer acted in compliance with this Article 8.4.

9.5 Resignation and Removal of Officers.

9.5.1 *Resignation.* An officer may resign at any time by delivering notice to the Market. The resignation is effective when the notice is received unless the notice specifies a future effective date. If a resignation is made effective at a future date and the Market accepts the future effective

date, the board of directors may fill the pending vacancy before the effective date provided; however, that the successor does not take office until the effective date.

9.5.2 *Removal.* The board by majority vote may remove an officer at any time with or without cause. The board shall remove an officer for a violation of the Market's by-laws, as set forth herein, or the articles of incorporation. The board shall remove an officer for failure to meet the standard of conduct as set forth in Section 33-31-842 of the South Carolina Nonprofit Corporation Act of 1994, as amended.

9.6 Vacancies. If there exists a vacancy in one or more of the officer positions:

9.6.1 *Vacancy in the Office of President.* If the President dies, resigns or becomes otherwise disqualified, the Vice President, if any, shall become President for the balance of the unexpired term. If there is no Vice President, the Board shall appoint a Board Member to serve as interim President for the balance of the unexpired term. If such tenure is less than six months, the new President may be reelected to serve a full one-year term.

9.6.2 *Other Officer Vacancies.* The Board of Directors shall fill any vacancy of the office of Secretary, Treasurer or any other officer positions by the election of another such officer receiving a majority of the votes of the directors entitled to vote.

ARTICLE X

Other Staff

As the Market grows in its needs and resources, other staff may be appointed by the president pursuant to the approval of the Board of Directors. The duties and responsibilities of these staff shall be set forth by the board of directors with the president's input. They may be removed by the president with or without cause.

ARTICLE XI

Committees

11.1 Committees, Councils, Task Forces and Advisory Groups. As the Market grows in its needs and resources, the Board of Directors may establish from time to time one or more standing or special committees, councils, task forces and/or advisory groups. The Board of Directors of the Market, with the input of the President, may establish such committees, councils, task forces and advisory groups as may be necessary to accomplish the mission and purpose of the Market. Members of such committees, councils, task forces and advisory groups may be Board members, Non-Board members, and others dedicated to the mission and purposes of the Market.

11.2 Policies and Procedures. Committees and other groups duly convened under these bylaws will be given duties, responsibilities, terms and rules for operating at the time they are established by the Board of Directors. All such entities will be governed by the policies and procedures applicable to the Board itself as stated within these bylaws.

Article XII

Manner of Acting

The act of a majority of the Directors, Committee members, Councils or other groups duly established by the Market, at a duly called meeting at which a quorum is present shall be the act of that body, unless the act of a greater number is required by law, the Articles of Incorporation of the Market, or these bylaws.

ARTICLE XIII

Distributions and Disbursements

13.1 Distributions and Disbursements. The Board of Directors, not less frequently than annually, shall (a) determine all distributions to be made from net income and principal of the Market pursuant to provisions of the Articles of Incorporation and these bylaws; (b) make, or authorize and direct the payments to organizations or persons to whom payments are to be made, in such amounts and at such

times as it deems necessary to assure use for the charitable purposes and in the manner intended; and (c) determine all disbursements to be made for administrative expenses incurred by the Market and direct payments thereof.

13.2 Manner of Acting. All such determinations shall be made by the affirmative vote of a majority of Directors present at a meeting duly called at which a quorum is present, unless otherwise expressly provided in these bylaws or by direction of the donor as a condition of the gift.

ARTICLE XIV **Conflicting Interest Transactions**

The Board shall adopt and enforce a Conflicts of Interest Policy.

ARTICLE XV **Indemnification of Board of Directors, Officers, Employees and Agents**

Unless otherwise provided in the articles of incorporation the Board of Directors, Officers, employees and agents shall be immune from suit arising from the conduct of the affairs of the Market; provided, however, this immunity from suit shall not apply when such conduct amounts to willful, wanton, or gross negligence. Nothing in this Article shall be construed to grant immunity to the Market. The Market shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Market or who is or was serving at the request of the Market as an officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, or employee benefit plan, against any liability asserted against such person and incurred by such person in any such capacity or arising out of any status as such, whether or not the Market would have the power to indemnify such person against such liability under the provisions of this Article.

ARTICLE XVI **Books and Records, Contracts, Checks and Deposits**

16.1 Books and Records. The Market shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors; and shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its directors, giving the names and addresses of all directors.

16.2 Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Market, in addition to the officers so authorized under these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Market. Such authority must be in writing and may be general or confined to specific instances or purposes.

16.3 Checks, Drafts, Notes, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Market shall be signed by such officer or officers agent or agents, of the Market and in such other manner as may from time to time be determined by resolution of the Board of Directors. In absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President of the Market.

16.4 Deposits. All funds of the Market shall be deposited from time to time to the credit of the Market in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE XVII **Miscellaneous**

17.1 Construction. As used herein, the neuter gender shall also denote the masculine and feminine, the masculine gender shall also denote the feminine and neuter, and the feminine gender the masculine or neuter.

17.2 Severability. If any portion of these bylaws shall be invalid or inoperative, then, so far as is

reasonable and possible (a) the remainder of these bylaws shall be considered valid and operative, and (b) effect shall be given to the intent manifested by the portion held invalid or inoperative.

17.3 Table of Contents; Headings. The table of contents and headings are for organization, convenience and clarity only.

17.4 Relation to Articles of Incorporation. These bylaws are subject to, and governed by, the Articles of Incorporation.

17.5 References to Internal Revenue Code. All references in these bylaws to sections of the Internal Revenue Code shall be considered references to the Internal Revenue Code of 1986, as from time to time amended, to the corresponding provisions of any applicable future United State Internal Revenue Law, and to all regulations issued under such sections and provisions.

ARTICLE XVIII

Tax Exempt Status

18.1 Tax-Exempt Status. The affairs of the Market at all times shall be conducted in such a manner as to assure the Market's status as an organization qualifying for exemption from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.

18.2 Dissolution. The Market may be dissolved and liquidated at any time by a unanimous affirmative vote of all of the Directors at a meeting of the Board of Directors duly called with notice for that purpose.

18.3 Liquidation on Dissolution. In the event of the dissolution of the Market, after paying all liabilities, the Board of Directors shall dispose of the remaining assets in accordance with the Articles of Incorporation.

ARTICLE XIX

Amendments

Amendments to these Bylaws shall be made only at a regular meeting of the Board of Directors where the amendment was presented to each board member at least five (5) days prior to the meeting and three-fourth (3/4) of the board affirmatively votes to adopt such an amendment. This is to certify that the foregoing is a true and correct copy of the Bylaws of the Pontiac Farmer's Market Nonprofit, a Michigan non-profit corporation, and that such revised bylaws were duly adopted by the board of directors of said corporation on the _____ day of _____, 20____.

Dated: _____

By:

Secretary