

OPTIONAL BYLAW PROVISIONS

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FULL PROVISIONS

Article X. Purposes

ARTICLE X.

PURPOSES

SECTION 1. Nonprofit Corporation. The Corporation is a nonprofit corporation. It is organized pursuant to the provisions of the Georgia Nonprofit Corporation Code and shall have no capital stock and no shareholders. The corporation shall be neither organized nor operated for pecuniary gain or profit. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, any Member, Director, officer, or trustee of the corporation, or any other private person.

SECTION 2. Charitable Purpose. The Corporation is organized exclusively for charitable, educational, and scientific purposes as is contemplated in the Internal Revenue Code Section 501(c)(3), or corresponding sections of any future federal tax code. The Corporation is further authorized to receive and to make contributions in furtherance of these purposes, and to make distributions to organizations that may exist in carrying out those purposes and to organizations that qualify under Internal Revenue Code Section 501(c)(3).

SECTION 3. Promotion of the Arts. In furtherance of these purposes, the Corporation shall sponsor and encourage cultural and educational activities and shall direct, encourage, promote and stimulate the practice and appreciation of the Arts in the local community. The term "Art" is understood to include Performing, Literary, Visual and all other forms of the arts.

SECTION 4. Activities. Specifically, the Community Arts Agency shall strive to bring quality arts exhibits and performances to the community it serves and to assist and to support local efforts which enable members of the community to be involved in their own art. The Arts Council may:

- a) Work cooperatively with all arts and civic groups to build audiences and participants in the arts and to coordinate, encourage, promote and sponsor the arts in the territory including cooperating with the efforts of other interested entities, groups and persons
- b) Work to develop and promote arts in the schools, and arts in education in collaboration with other eligible city / county organizations

- c) Work to develop an arts program which will embrace the broad spectrum of the arts in the territory and which will encourage, cultivate and otherwise develop local support for arts events, arts activities and arts participation
- d) Coordinate community arts events, programs and performances
- e) Work to elevate the quality of life for citizens of the community
- f) Be a community resource for information, materials and programming
- g) Provide education, training and technical assistance to individuals and nonprofit organizations in the territory
- h) Sponsor and conduct competitions, contests, special events and awards for the purpose of promoting and supporting artistic excellence
- i) Work to develop and promote community based cultural tourism
- j) Work to secure government support for the arts at all levels
- k) Perform all other acts necessary or incidental to the above and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, to carry out any of the purposes of the corporation, as set forth in its Articles of Incorporation, including the exercise of all other power and authority enjoyed by corporations generally by virtue of the provisions of the Georgia Nonprofit Corporation Code (within and subject to the limitations of section 501(c)(3) of the Internal Revenue Code)

SECTION 5. General Powers. The Corporation shall have all those general powers specified in §§14-3-302 and 14-3-303 of the Georgia Nonprofit Corporation Code, including the power to do everything necessary, proper, advisable or convenient for the accomplishment of any other purposes set forth herein, provided the same is not forbidden by the laws of the State of Georgia.

Article X. Tax Exempt status

ARTICLE X.

TAX-EXEMPT STATUS

SECTION 1. Tax-Exempt Status. The affairs of the corporation at all times shall be conducted in such a manner to assure its status as a “publicly supported” organization as defined

in section 509(a)(1) or section 509(a)(2) or section 509(a)(3) of the Internal Revenue Code, and so in other ways to qualify for exemption from tax pursuant to section 501(c)(3) of the Internal Revenue Code.

a) The corporation shall not carry on propaganda, or attempt to influence legislation, to an extent that would disqualify it for tax exemption under section 501(c)(3) of the Internal Revenue Code by reason of attempting to influence legislation. The corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

(b) Notwithstanding any other provisions of the Articles of Incorporation, or these Bylaws, the corporation shall not carry on any other activities not permitted to be carried on: (I) by a corporation exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code and which is other than a private foundation within the meaning of section 509(a) of the Internal Revenue Code; or (ii) by a corporation, Contributions to which are deductible for federal income tax purposes under section 170(c)(2) of the Internal Revenue Code.

SECTION 2. Intent. It is intended that the corporation shall have, and continue to have, the status of an organization which is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code and which is other than a private foundation within the meaning of section 509(a) of the Internal Revenue Code. All terms and provisions of the Articles of Incorporation and the Bylaws of the corporation, and all authority and operations of the corporation, shall be construed, applied and carried out in accordance with such intent.

Article X. Whistle Blower

ARTICLE X.

FINANCIAL STANDARDS

SECTION 1. Board Standards. To help ensure that the corporation complies with the highest standards of financial reporting and lawful and ethical behavior, the Board of Directors establishes the following procedure for the reporting of illegal or unethical conduct in connection with the Organization's finances or other aspects of its operations, and the retention and treatment of such complaints, including confidential, anonymous submissions received from employees.

SECTION 2. Complaints. Should any person know or have a reasonable belief that persons associated with the Organization plan to engage or have engaged in illegal or unethical conduct in connection with the finances or other aspect of the Organization's operations, that person should immediately file a complaint with the President. Employees of the Organization may submit Complaints on a confidential, anonymous basis. If the Complaint concerns the President or the Executive Director, or the complainant is not comfortable reporting to the President or Executive Director, then the complainant should notify the the Vice President or another Director instead. Issues arising under the Organization's equal employment opportunity policy, including the policy against harassment, employee benefit policies and issues generally handled by individuals responsible for the Organization's personnel practices and procedures are not covered by this provision. Mechanisms for resolving such issues are addressed in separate procedures.

SECTION 3. Complaint Procedure. The President, Vice President or other Director will report all Complaints to the chair of the appropriate committee, such as the Executive or Human Resources Committee, or if the President is the subject of the Complaint, to another member of the appropriate committee, prior to the next regularly scheduled meeting. In appropriate circumstances, an Executive Director, other Officer or Director may report a Complaint to the Board President. Reports to the President, Vice President or other committee member will include a copy of the Complaint, its date, nature and source (unless the complainant is an employee who has requested confidentiality and/or anonymity), how it was communicated, whether the President or other Officer or Director regards the Complaint as credible, and proposals to address it. The President, Vice President, committee chair or other committee member will promptly report the Complaint to the full committee, except that the Complaint will not be shared with an individual who is the subject of the Complaint. Likewise, if a Complaint is reported to the Board President, they will promptly report the Complaint to the full Board, except to any individual who is the subject of the Complaint. All credible allegations will be followed up promptly, with further investigation conducted if needed to resolve disputed facts. In conducting its investigations, the Organization will respect an employee's request for confidentiality and/or anonymity and will strive to keep the identity of other complainants as confidential as possible, consistent with the need to conduct adequate review and investigation.

SECTION 4. Disciplinary Action. The committee to which a Complaint has been reported will inform the Board if any Complaint is confirmed, or if the committee otherwise believes that the Board should be made aware of the situation. The committee will have ultimate authority over the treatment of any Complaints reported to it, subject to the Board's oversight. The committee or, in the case of Complaints reported to the full Board, the Board will ensure that records of all Complaints are maintained in accordance with the Organization's document retention policy. The Organization will take appropriate action in response to any Complaints, including, but not limited to, disciplinary action whether removal of a Director pursuant to the corporations bylaws, or termination of any employee subject to existing policy and procedures, who, in the Organization's assessment, has engaged in misconduct covered herein, and the Board shall have the option of reporting any misconduct to the relevant civil or criminal authorities.

SECTION 5. Retaliation Prohibited. The Organization will not knowingly, with the intent to retaliate, take any action harmful to any person, including interference with lawful employment or livelihood, for reporting a Complaint in good faith pursuant to this policy or to law enforcement officers, governmental agencies or bodies, or persons with supervisory authority over the complainant. Likewise, there will be no punishment or other retaliation for providing information regarding a Complaint in good faith to, or otherwise assisting in any investigation regarding a Complaint conducted by, the Organization, law enforcement officers, governmental agencies or bodies, or persons with supervisory authority over the complainant. Finally, there will be no punishment or other retaliation for filing a Complaint in good faith, or otherwise participating or assisting in a proceeding filed or about to be filed (with any knowledge of the Organization) regarding any Complaint. An individual who deliberately or maliciously provides false information may be subject to disciplinary action up to and including termination.

Article X. Standard of Care

ARTICLE X. STANDARD OF CARE

SECTION 1. Prudent Board Director. A Board Director shall perform the duties of a Board Director, including duties as a member of any committee of the Board on which the Board

Director may serve, in good faith, in a manner such Board Director believes to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

SECTION 2. Reasonable Reliance. In performing the duties of a Board Director, a Board Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(i) Corporate Officers or Employees: One or more officers or employees of the corporation whom the Board Director believes to be reliable and competent in the matters presented;

(ii) Professionals: Legal counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or

(iii) Board Committees: A committee of the Board upon which the Board Director does not serve, as to matters within its designated authority, which committee the Board Director believes to merit confidence, so long as in any such case, the Board Director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

SECTION 3. Investments. Except with respect to assets which are directly related to the corporation's charitable programs, in investing, reinvesting, purchasing, acquiring, exchanging, selling and managing the corporation's investments, the Board shall avoid speculation, looking instead to the permanent disposition of the funds, considering the probable income, as well as the probable safety of the corporation's capital.

Article X. Public Statements

ARTICLE X.

PUBLIC STATEMENTS

SECTION 1. Public Statements. No person, except for the President, shall be authorized to make any public statements, whether written or oral, purporting to represent the official policy, position, or opinion of this Corporation, without first having obtained the approval of the Board of Directors. Any person who is authorized to make any public statement, whether written or oral, purporting to represent the official policy, position, recommendation or

opinion of the Corporation, shall first make it clear that he or she is representing the Corporation. Thereafter, throughout the entire presentation, he or she shall confine his/her presentation only to those matters which have been properly approved by the Corporation. He or she shall not at the same time present any statement purporting to represent any other firm, group, or organization or purporting to represent his or her own personal views.

Article X. Meetings

ARTICLE X.

MEETINGS

SECTION 1. Annual Meeting. The annual meeting of the Board of Directors of the Corporation shall be held each year in the month of September. At the annual meeting, the members shall (i) hear reports from the President of the Board and from the Executive Director; (ii) elect, when appropriate, new members to the Board of Directors; (iii) transact any other business as may lawfully come before the meeting. In addition, special meetings of the Board of Directors for any purpose may be called at any time upon written notice mailed at least ten (10) days in advance of the meeting. Any special meetings may be called at the instance of the President of the Board. If at any meeting of the Board of Directors there shall be less than a quorum present, the majority of those present may adjourn the meeting, without further notice except announcements at the meeting, until a quorum shall have been obtained.

SECTION 2. Regular Meetings. The Board of Directors shall meet from January to May and from September to November at a time or place to be determined by the Board. The Board of Directors may provide, by Resolution, the time and place, either within or without the State of Georgia, for the holding of additional regular meetings of the Board without other notice than said Resolution.

SECTION 3. Special Meetings. Special meetings of the Board of Directors shall be called by or at the request of the President or any two Directors with notice to all Members of the Board. The President or Director authorized to call special meetings of the Board may fix any place, within or without the State of Georgia, as the place for holding any special meeting of the Board.

SECTION 4. Notice. Notice of any special meeting of the Board of Directors shall be given at least ten (10) days previous thereto by written notice delivered personally or sent by

mail or telegram, or by e-mail, to each Director's address as shown by the records of the corporation. If mailed, the notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, the notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. If notice be given by e-mail, the notice shall be deemed delivered when sent to Director's e-mail address of record. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of the meeting, except where a Director attends a meeting for the purpose of objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of the meeting, unless specifically required by law or by these bylaws.

SECTION 5. Waiver of Notice. No notice of any meeting need be given any Director who attends a meeting, unless the Director at the beginning of the meeting states any objection or objections to the place or time of the meeting, to the manner in which it has been called or convened, or to the transaction of business thereby. Further, notice shall not be required to be given to any Director who at any time before or after the meeting waives notice of the same in writing.

SECTION 6. Consent. Any action required or permitted by these Bylaws or otherwise to be taken at any meeting of the Board of Directors or of a Committee may be taken without a meeting, if written consent setting forth the actions so taken shall be signed by a majority of the Directors or members of the Committee, as the case may be, and the written consent is filed with the minutes of the proceedings of the Board or the Committee, as the case may be.

SECTION 7. Conference Calls. Members of the Board of Directors or any committee designated by the Board may participate in a meeting of the Board or committee by means of proxy, telephone, telephone conference, or similar communications equipment, by means of which all persons participating in the meeting can communicate with each other. Participation in a meeting pursuant to this Section shall constitute presence in person at said meeting.

SECTION 8. Internet or Web Conference. The Board of Directors may provide, by Resolution, the time and procedure for Members of the Board of Directors, the Executive Committee or any Committee duly designated by the Board to participate in a meeting of the Board or Committee by internet or web conference, internet listserv or similar technology, by

means of which all persons participating in the meeting can communicate with each other. Participation in a meeting pursuant to this Section may be held over the period of time set out in the Resolution for holding such meeting. Participation in a meeting pursuant to this Section shall constitute presence in person at said meeting. All actions that could be taken at a meeting where members of the Board or members of Committees would be physically present at the same time, may be taken during any meetings held by the means set out above unless otherwise restricted or prohibited herein.

SECTION 9. Robert's Rules of Order. Robert's Rules of Order as last revised shall govern the proceedings of all meetings of the Board of Directors and its Committees.

Article X Executive Director, Staff and Digital Millennium Copyright Act

ARTICLE X.

STAFF AND EMPLOYEES

SECTION 1. Executive Director. The Board of Directors shall have the power to hire an Executive Director or Administrator as it deems necessary for the operation of the Corporation. Compensation and duties shall be fixed by the Board. An Executive Director may be removed by the Board with or without cause. The Executive Director or Administrator shall not be deemed an officer of the corporation. However, they shall be an ex officio member of the Board of Directors and shall attend all regular meetings of the Board or any of its committees upon request by any Director

SECTION 2. Staff. The Board of Directors shall have ultimate approval for hiring any staff.

SECTION 3. DMCA. For purposes of the Digital Millennium Copyright Act ("DMCA"), 17 U.S.C. Section 512(c)(2), the President is designated as agent for notification of claimed infringement.

Article X. Non-Discrimination and Accessibility

ARTICLE X.

NON-DISCRIMINATION

SECTION 1. Non-Discrimination. Selection of Directors, officers, staff, members or volunteers shall not be based on race, color, religion, age, sex, national origin, sexual orientation,

SECTION 2. Accessibility. The President of the Board shall appoint a member of the Board for all Americans with Disabilities Act of 1990 (ADA) related matters. The President shall act as the corporations ADA coordinator or shall designate a board member to serve in that capacity.

Article X. Volunteers

ARTICLE X.

VOLUNTEERS

SECTION 1. Volunteers. Volunteers of the corporation shall be entitled to protections of the U.S. Volunteer Protection Act of 1997, as amended, to the fullest extent of the Act.

Article X. Conflict of Interest

ARTICLE X.

CONFLICT OF INTEREST

SECTION 1. Conflict of Interest. Any director, officer, key employee or member of the corporation shall be subject to the Conflict of Interest Policy of the corporation. The corporation's Conflict of Interest Policy is adopted and made a part of these bylaws and is attached hereto as Exhibit A. The Conflict of Interest Policy may be amended without further amendment to these bylaws.

Exhibit A

Conflict of Interest Policy Of Community Arts Agency

Section 1. Conflict of Interest Policy & Compensation/Salary Declaration. Any member, director, officer, or key employee of the [Community Arts Agency, Inc.], who has an interest in a contract or other transaction presented to the Board or a committee thereof for authorization, approval or ratification shall make a prompt and full disclosure of their interest to the Board or committee prior to its acting on the contract or transaction. The disclosure shall include any relevant and material facts known to the person about the contract or transaction that might reasonably be construed to be adverse to the corporation's interest.

No member or director shall cast a vote on any matter which has direct bearing on services to be provided by that member, director, or any organization which the member or director represents or in which the member or director has an ownership interest or is otherwise interested or affiliated, which would directly or indirectly financially benefit the member or director. All of

the services will be fully disclosed or known to the Board members present at the meeting at which the contract shall be authorized.

Any member, director, officer, or key employee of the corporation who has an interest in a contract or other transaction presented to the Board or a committee thereof for authorization, approval, or ratification shall make a prompt and full disclosure of his/her interest to the Board or committee prior to acting on the contract or transaction. The disclosure shall include any relevant and material facts known to the person about the contract or transaction which might reasonably be adverse to the corporation's interest.

The body to which any disclosure is made shall thereupon determine by a vote of seventy-five percent (75%) of the board members entitled to vote, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict of interest is deemed to exist, the person shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information, or respond to questions) in the discussions or deliberations with respect to the contract or transaction. The person may be counted in determining whether a quorum is present but may not be counted when the Board or committee of the Board takes action on the transaction. The minutes of the meeting shall reflect the disclosure made, the vote thereon, the abstention from voting and participation, and whether a quorum was present.

Section 2. Purpose. The purpose of the conflict of interest policy is to protect corporations' interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 3. Definitions.

a. Interested Person. Any director, officer, key employees or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

b. Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement.
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

4. A financial interest is not necessarily a conflict of interest. Under this policy a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 4. Procedures.

a. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

b. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

c. **Procedures for Addressing the Conflict of Interest**

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

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

3. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

Section 5. **Violations of the Conflicts of Interest Policy**

a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 6. Records of Proceedings. The minutes of the governing board and all committees with board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 7. Compensation

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

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

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

Section 8. . Annual Statements. Each director, officer, key employee, and member of a committee with governing board delegated powers shall annually sign a statement which affirms that the person:

a. Has received a copy of the conflicts of interest policy,

b. Has read and understands the policy,

c. Has agreed to comply with the policy, and

d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 9. Periodic Reviews. To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 10. . Use of Outside Experts. When conducting the periodic reviews as provided for herein, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

_____ Date _____
President

_____ Date _____
Secretary