

# BYLAWS OF THE EAST HAWAI‘I CULTURAL COUNCIL

## ARTICLE I - OFFICES

### 1.01 Registered Office

The East Hawai‘i Cultural Council shall at all times maintain in the State of Hawai‘i a registered agent, whose business office shall be the registered office of the East Hawai‘i Cultural Council.

### 1.02 Other Offices

The East Hawai‘i Cultural Council may also have such other offices within or without the State of HAWAI‘I as the board of directors may, from time to time, designate, and as the business and affairs of the East Hawaii Cultural Council may require.

## ARTICLE II - PURPOSES AND POWERS

### 2.01 Nature of Corporation

- a) Nonprofit Legal Status. The East Hawai‘i Cultural Council, a nonprofit corporation formed under the HAWAI‘I REVISED STATUTES, HRS-414-D, which is organized and shall be operated in accordance with the meaning and provisions of Section 501(c)(3) of the Internal Revenue Code and the regulations issued thereunder.
- b) Exempt Activities Limitation. Notwithstanding any other provision of these Bylaws, no director, officer, employee, member, or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code as it now exists or may be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the corporation shall inure to the benefit or be distributable to any director, officer, member, or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.
- c) Property. The property of this corporation is irrevocably dedicated to charitable and education purposes. The corporation will not issue any stock and no part of its assets, income or earnings shall ever insure to or for the benefit of or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be empowered to make payments and distributions in furtherance of the exempt purposes for which it was formed.
- d) Distribution Upon Dissolution. Upon the winding up and dissolution of this corporation, after paying or adequately providing for the debts and obligations of the corporation, any remaining assets shall be distributed a non-profit fund, foundation or corporation which is organized and operated exclusively for charitable, educational or religious and/or scientific purposes and which as established its tax-exempt status under section 501(c)(3) of the Internal Revenue Code. In lieu of the

above, the board may decide to distribute any remaining assets to the County of Hawai'i general fund.

## **2.02 Primary Purposes**

The East Hawai'i Cultural Council is organized for the purposes generally set forth in its Articles of Incorporation which are filed with the State of Hawai'i.

- a) To stimulate community interest, involvement and support in the arts and cultures in East Hawai'i, including music, dance, drama, visual and communication arts, environmental arts and the skilled crafts.
- b) To preserve and develop the cultural, creative and traditional arts of the various ethnic groups which make up the population of East Hawai'i.
- c) To encourage and facilitate coordination and communication between and among the arts and cultural community, the agencies of the government, private organizations and individuals.
- d) To receive, administer and expend funds from governmental, community and private sources in the interests of culture and the arts.
- e) To oversee the management of the East Hawai'i Cultural Center.

## **2.03 Powers**

The corporation shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the charitable purposes, for which the corporation is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes. The powers of the corporation may include, but not be limited to, the acceptance of contributions from the public and private sectors, whether financial or in-kind contributions.

# **ARTICLE III - MEMBERSHIP**

## **3.01 Membership Classes**

The corporation shall have no members who have any right to vote or title or interest in or to the corporation, its properties and franchises.

## **3.02 Non-Voting Affiliates**

The board of directors may approve classes of non-voting affiliates with rights, privileges, and obligations established by the board. Affiliates may be individuals, businesses, and other organizations that seek to support the mission of the corporation. The board of directors shall have the authority to admit any individual or organization as an affiliate, to recognize representatives of affiliates, and to make determinations as to affiliates' rights, privileges, and obligations. Creation of affiliate or membership classes does not imply any affiliate or membership rights as recognized by the Hawai'i Nonprofit Act. At no time shall affiliates information be shared with or sold to other organizations or groups without the affiliate's consent. At the discretion of the board of directors, affiliates may be given

endorsement, recognition and media coverage at fundraising activities, clinics, other events or at the corporation website. Affiliates have no voting rights, and are not members of the corporation.

### **3.03 Dues**

Any dues for members or affiliates shall be determined by the board of directors.

### **3.05 Termination, Expulsion, and Suspension of Affiliate or Member**

An affiliate or member may be terminated, expelled, or suspended by the board of directors in accordance with the requirements of state law.

## **ARTICLE IV - BOARD OF DIRECTORS**

### **4.01 Purpose of Leadership**

The purpose of the creation of this leadership hierarchy is to establish a cooperative stewardship of the East Hawai'i Cultural Council wherein the powers and responsibilities for creating general policy, ongoing business management, aesthetic considerations and standards, plus the functions of performance, exhibition, and workshops, are invested in a cooperative group of interdependent parties with specialized skills.

### **4.02 Number of Directors**

East Hawai'i Cultural Council shall have a board of directors consisting of at least seven (7) and no more than fifteen (15) directors. Within these limits, the board may increase or decrease the number of directors serving on the board, including for the purpose of staggering the terms of directors.

### **4.03 Categories of Directors**

The East Hawai'i Cultural Council shall have two (2) categories of directors who may be part of the board of directors:

- a. Elected Directors. The duly elected persons who are elected to the board (other than the executive director and artistic director) shall be referred to as "Directors" or "Elected Directors." A Director does not have to be a member of the corporation.
- b. Appointed Directors.
  - i. The board of directors may, from time to time, designate by majority vote, directors to serve in the position of executive director and the position of artistic director, both of which shall be referred to as "Directors" or "Appointed Directors."
  - ii. The executive director and artistic director shall be appointed directors for the duration of their employment.

- iii. An appointed director shall be an officer of the board with rights to vote. The appointed director will recuse themselves from voting on decisions that directly affect the executive director's or the artistic director's appointment, contract, employment, compensation, disciplinary action, or dismissal/removal. The appointed director's offices and votes will not count towards the quorum requirement when a vote is being taken that directly affects the executive director's or the artistic director's appointment, contract, employment, compensation, disciplinary action, or dismissal/removal.
- iv. Appointed directors shall be hired or retained solely with regard to qualifications for a particular position. Family relationship to members of the board of directors shall not be cause for special consideration of an applicant.
- v. Appointed directors shall not hold the office of chair, vice chair, secretary, or treasurer while in an appointed director position.

#### **4.04 General Powers**

- a) The board of directors shall have the general power to manage and control the affairs and property of the East Hawai'i Cultural Council, and shall have full power, by majority vote, to adopt rules and regulations governing the actions of the board of directors.
- b) The board of directors shall be responsible for the business and financial management of the Council and the East Hawai'i Cultural Center.

#### **4.05 Terms**

- a) All elected directors shall serve a two-year term, however the term may be extended until a successor has been elected.
- b) Directors may serve terms in succession.
- c) There are no term limits.
- d) The term of office shall be considered to begin January 1 and end December 31 of the second year in office, unless the term is extended until such time as a successor has been elected.

#### **4.06 Qualifications and Election of Directors**

In order to be eligible to serve as a director on the board of directors, the individual must be 18 years of age. Directors may be elected at any board meeting by the majority vote of the existing board of directors. The election of directors to replace those who have fulfilled their term of office shall take place in January of each year.

#### **4.07 Vacancies**

The board of directors may fill vacancies due to the expiration of a director's term of office, resignation, death, or removal of a director or may appoint new directors to fill a previously unfilled board position, subject to the maximum number of directors under these Bylaws.

- a) Unexpected Vacancies. Vacancies in the board of directors due to resignation, death, or removal shall be filled by the board for the balance of the term of the director being replaced.

#### 4.08 Removal of Directors

A director may be removed by two-thirds vote of the board of directors then in office, if:

- a) The director is absent and unexcused from three or more meetings of the board of directors in a twelve month period. The board chair is empowered to excuse directors from attendance for a reason deemed adequate by the board chair. The chair shall not have the power to excuse him/herself from the board meeting attendance and in that case, the board vice chair shall excuse the chair. Or:
- b) For cause or no cause, if before any meeting of the board at which a vote on removal will be made the director in question is given electronic or written notification of the board's intention to discuss her/his case and is given the opportunity to be heard at a meeting of the board.

#### 4.09 Board of Directors Meetings

- a) Regular Meetings. The board of directors shall meet monthly at times and places fixed by the board. Board meetings shall be held upon ten (10) days notice. If sent by mail, facsimile transmission, or electronic mail, the notice shall be deemed to be delivered upon its deposit in the mail or transmission system. Notice of meetings shall specify the place, day, and hour of meeting. The purpose of the meeting need not be specified. The board of directors shall have a minimum of four (4) regular meetings each calendar year.
- b) Special Meetings. Special meetings of the board may be called by the chair, vice chair, or any two (2) other directors of the board of directors.
  - vi. A special meeting must be preceded by at least two (2) days notice to each director of the date, time, and place, but not the purpose, of the meeting. Such notification shall be written and delivered personally or sent by mail, telegram, facsimile or other means of electronic transmission to each Director at his address as shown in the records of the East Hawai'i Cultural Council. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company.
  - vii. The person or persons authorized to call special meetings of the Board of Directors may fix any reasonable date, hour, and place, within the County of Hawai'i, as the date, hour, and place for holding any special meeting of the Board called by them.
- c) Waiver of Notice. Any director may waive notice of any meeting, in accordance with law. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at, and the purpose of, any annual meeting of the Board of Directors need not be specified in the notice or waiver of notice of such meeting.

#### 4.10 Manner of Acting

- a) Quorum. A majority of the directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the board. No business shall be considered by the board at any meeting at which a quorum is not present.
- b) Majority Vote. Except as otherwise required by law or by the articles of incorporation, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board.
- c) Hung Board Decisions. On the occasion that directors of the board are unable to make a decision based on a tied number of votes, the chair or vice chair in the order of presence shall have the power to swing the vote based on his/her discretion.
- d) Participation. Except as required otherwise by law, the Articles of Incorporation, or these Bylaws, directors may participate in a regular or special meeting through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting, including in person, internet video meeting or by telephonic conference call.
  - i. Directors shall be excused from physical attendance from a meeting by the board chair for a reason deemed adequate by the board chair. The chair shall not have the power to excuse him/herself from the board meeting attendance and in that case, the board vice chair shall excuse the chair.
- e) Proxy Voting. There shall be no proxy voting.

#### 4.11 Compensation for Board Service

Directors shall receive no compensation for carrying out their duties as directors. The board may adopt policies providing for reasonable reimbursement of directors for expenses incurred in conjunction with carrying out board responsibilities, such as travel expenses to attend board meetings.

#### 4.12 Compensation for Professional Services by Directors

Directors are not restricted from being remunerated for professional services provided to the corporation. Such remuneration shall be reasonable and fair to the corporation and must be reviewed and approved in accordance with the board Conflict of Interest policy and state law.

### ARTICLE V - COMMITTEES

#### 5.01 Committees

The board of directors may, by the resolution adopted by a majority of the directors then in office, designate one or more committees, each consisting of one (1) or more directors, to serve at the pleasure of the board. Any committee, to the extent provided in the resolution of the board, shall have all the authority of the board, except that no committee, regardless of board resolution, may:

- a) take any final action on matters which also requires board members' approval or approval of a majority of all members;

- b) fill vacancies on the board of directors or in any committee which has the authority of the board;
- c) amend or repeal Bylaws or adopt new Bylaws;
- d) amend or repeal any resolution of the board of directors which by its express terms is not so amendable or repealable;
- e) appoint any other committees of the board of directors or the members of these committees;
- f) expend corporate funds to support a nominee for director; or
- g) approve any transaction;
  - i. to which the corporation is a party and one or more directors have a material financial interest;  
or
  - ii. between the corporation and one or more of its directors or between the corporation or any person in which one or more of its directors have a material financial interest.

### **5.02 Meetings and Action of Committees**

Meetings and action of the committees shall be governed by and held and taken in accordance with, the provisions of Article IV of these Bylaws concerning meetings of the directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the board of directors or by resolution of the committee. Special meetings of the committee may also be called by resolution of the board of directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The board of directors may adopt rules for the governing of the committee not inconsistent with the provision of these Bylaws.

### **5.03 Informal Action By The Board of Directors**

Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be agreed by the consensus of a quorum. For purposes of this section an e-mail transmission from an e-mail address on record constitutes a valid writing. The intent of this provision is to allow the board of directors to use email to approve actions, as long as a quorum of board members gives consent.

### **5.04 Ad Hoc Committees**

Ad hoc committees may be created by the board of directors. The members and chairpersons of ad hoc committees shall be approved by the board of directors.

### **5.05 Advisory Committee**

Advisory committees may be created by the board of directors. The members and chairpersons of advisory committees shall be approved by the board of directors. Advisory committees or advisors are non-voting affiliates with rights, privileges, and obligations established by the board. Advisors may be individuals that represent businesses and other organizations that seek to support the mission of the corporation. The board of directors shall have the authority to admit any individual as an advisor and to

make determinations as to the advisor's rights, privileges, and obligations. At no time shall advisor information be shared with or sold to other organizations or groups without the advisor's consent. At the discretion of the board of directors, advisors may be given endorsement, recognition and media coverage at fundraising activities, clinics, other events or at the corporation website. Advisors have no voting rights, and are not members of the corporation.

## **ARTICLE VI - OFFICERS**

### **6.01 Board Officers**

The officers of the corporation shall be a board chair, vice-chair, secretary, and treasurer, all of whom shall be chosen by, and serve at the pleasure of, the board of directors. Each board officer shall have the authority and shall perform the duties set forth in these Bylaws or by resolution of the board or by direction of an officer authorized by the board to prescribe the duties and authority of other officers. The board may also appoint additional vice-chairs and such other officers as it deems expedient for the proper conduct of the business of the corporation, each of whom shall have such authority and shall perform such duties as the board of directors may determine. One person may hold two or more board offices, but no board officer may act in more than one capacity where action of two or more officers is required.

### **6.02 Term of Office**

Each officer shall serve a one-year term of office. A board officer may serve continuously if no replacement is elected by the board. Each board officer's term of office shall begin upon the adjournment of the board meeting at which elected and shall end upon the adjournment of the board meeting during which a successor is elected.

### **6.03 Removal and Resignation**

- a) A director may resign from the board of directors at any time by giving notice of his resignation in writing addressed to the chair or secretary of the East Hawai'i Cultural Council or by presenting his written resignation at an annual, regular, or special meeting of the board of directors without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.
- b) Except as otherwise provided by law, at any meeting of the board of directors called expressly for that purpose, by an affirmative vote of two-thirds (2/3) majority of the board of directors, the board may at any time depose or remove from office any person, officer, director, member, or charter member.

### **6.04 Board Chair**

The board chair shall be the chief volunteer officer of the corporation. The board chair shall lead the board of directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the board of directors, and shall perform all other duties incident to the office or properly required by the board of directors.



### **6.05 Vice Chair**

In the absence or disability of the board chair, the ranking vice-chair or vice-chair designated by the board of directors shall perform the duties of the board chair. When so acting, the vice-chair shall have all the powers of and be subject to all the restrictions upon the board chair. The vice-chair shall have such other powers and perform such other duties prescribed for them by the board of directors or the board chair. The vice-chair shall normally accede to the office of board chair upon the completion of the board chair's term of office.

### **6.06 Secretary**

- a) The secretary shall keep or cause to be kept a book of minutes of all meetings and actions of directors and committees of directors. The minutes of each meeting shall state the time and place that it was held and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws.
- b) The secretary shall cause notice to be given of all meetings of directors and committees as required by the Bylaws. The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or the board chair. The secretary may appoint, with approval of the board, a director to assist in performance of all or part of the duties of the secretary.

### **6.07 Treasurer**

The treasurer shall be the lead director for oversight of the financial condition and affairs of the corporation. The treasurer shall oversee and keep the board informed of the financial condition of the corporation and of audit or financial review results. In conjunction with other directors or officers, the treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the corporation, are made available to the board of directors on a timely basis or as may be required by the board of directors. The treasurer shall perform all duties properly required by the board of directors or the board Chair. The treasurer may appoint, with approval of the board a qualified fiscal agent or member of the staff to assist in performance of all or part of the duties of the treasurer.

### **6.08 Executive Director**

The Executive Director shall manifest the policies of the board of directors in day to day business decisions but shall have no independent authority to authorize programming. The executive director will perform other duties as determined by the board of directors.

### **6.09 Artistic Director**

The Artistic Director will steward the aesthetic standards of the Center and coordinate program committees in a singular vision agreed upon by the Board. The artistic director will perform other duties as determined by the board of directors.

### **6.10 Non-Director Officers**

The board of directors may designate additional officer positions of the corporation and may appoint and assign duties to other non-director officers of the corporation.

## **ARTICLE VII – EMPLOYEES AND AGENTS**

### **7.01 Employees and Agents**

- a) The board of Directors shall create such employment and agency positions as may be required.
- b) The Council shall not discriminate on the basis of race, color, age, national origin, gender, sexual orientation or physical handicap in employment, contractual practices or programs.
- c) Employees and/or agents shall be hired or retained solely with regard to qualifications for particular positions. Family relationship to members of the Board of Directors shall not be cause for special consideration of a job applicant.

## **ARTICLE VIII - CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS**

### **8.01 Contracts and other Writings**

Except as otherwise provided by resolution of the board or board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the corporation shall be executed on its behalf by the treasurer or other persons to whom the corporation has delegated authority to execute such documents in accordance with policies approved by the board. All contracts for employees and appointed directors shall be determined by the board of directors.

### **8.02 Checks, Drafts**

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the board.

### **8.03 Deposits**

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depository as the board or a designated committee of the board may select.

### **8.04 Loans**

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the board. Such authority may be general or confined to specific instances.

### **8.05 Indemnification**

- a) Mandatory Indemnification. The corporation shall indemnify a director or former director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a director of the corporation against reasonable expenses incurred by him or her in connection with the proceedings.

- b) Permissible Indemnification. The corporation shall indemnify a director or former director made a party to a proceeding because he or she is or was a director of the corporation, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.
- c) Advance for Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of (I) a written affirmation from the director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this article, and (II) an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation in these Bylaws.
- d) Indemnification of Officers, Agents and Employees. An officer of the corporation who is not a director is entitled to mandatory indemnification under this article to the same extent as a director. The corporation may also indemnify and advance expenses to an employee or agent of the corporation who is not a director, consistent with Hawai'i Law and public policy, provided that such indemnification, and the scope of such indemnification, is set forth by the general or specific action of the board or by contract.

## **ARTICLE IX - MISCELLANEOUS**

### **9.01 Books and Records**

The corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time. The corporation shall keep:

- a) Correct and complete books and records of account.
- b) Minutes of the proceedings of all meetings of its board of directors and a record of all actions taken by board of directors without a meeting.
- c) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date.
- d) A list of the names and business or home addresses of its current directors and officers.
- e) Other records as required by law.

### **9.02 Fiscal Year**

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

### **9.03 Conflict of Interest**

The board shall adopt and periodically review a conflict of interest policy to protect the corporation's interest when it is contemplating any transaction or arrangement which may benefit any director, officer, employee, affiliate, or member of a committee with board-delegated powers.

#### **9.04 Nondiscrimination Policy**

The officers, directors, committee members, employees, and persons served by this corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of East Hawai'i Cultural Council not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

#### **9.05 Conflict in Bylaws**

It is tacitly implied that if the Bylaws are in conflict with any Federal, State, and/or County Law the Bylaws shall supersede.

### **ARTICLE X - DOCUMENT RETENTION POLICY**

#### **10.01 Purpose**

The purpose of this document retention policy is establishing standards for document integrity, retention, and destruction and to promote the proper treatment of East Hawai'i Cultural Council records.

#### **10.02 Policy**

##### ***10.02.1 General Guidelines***

Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

From time to time, East Hawai'i Cultural Council may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

##### ***10.02.2 Exception for Litigation Relevant Documents***

East Hawai'i Cultural Council expects all officers, directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or the East Hawai'i Cultural Council informs you, that corporate records are relevant to litigation, or potential litigation (i.e. a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

### *10.02.3 Minimum Retention Periods for Specific Categories*

- a) Corporate Documents. Corporate records include the corporation's Articles of Incorporation, By-Laws and IRS Form 1023 and Application for Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.
- b) Tax Records. Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the corporation's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.
- c) Employment Records/Personnel Records. State and federal statutes require the corporation to keep certain recruitment, employment and personnel information. The corporation should also keep personnel files that reflect performance reviews and any complaints brought against the corporation or individual employees under applicable state and federal statutes. The corporation should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven years.
- d) Board and Board Committee Materials. Meeting minutes may be retained in perpetuity in the corporation's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three years by the corporation.
- e) Press Releases/Public Filings. The corporation should retain permanent copies of all press releases and publicly filed documents under the theory that the corporation should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the corporation.
- f) Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.
- g) Marketing and Sales Documents. The corporation should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.
- h) Contracts. Final, execution copies of all contracts entered into by the corporation should be retained. The corporation should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.
- i) Correspondence. Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for three years.
- j) Banking and Accounting. Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for three years. Any inventories of products, materials, and supplies and any invoices should be kept for seven years.

- k) Insurance. Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.
- l) Audit Records. External audit reports should be kept permanently. Internal audit reports should be kept for three years.

#### **10.02.4 Electronic Mail.**

E-mail that needs to be saved should be either:

- i. printed in hard copy and kept in the appropriate file; or
- ii. downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

## **ARTICLE XI - AMENDMENTS**

### **11.01 Amendment of Articles of Incorporation**

Any amendment to the Articles of Incorporation may be adopted by approval of two-thirds (2/3) of the board of directors.

### **11.02 Amendment of Bylaws**

These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the board of directors then in office at a meeting of the board, provided, however,

- a) that no amendment shall be made to these Bylaws which would cause the corporation to cease to qualify as an exempt corporation under Section 501 (c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal tax code; and,
- b) that an amendment does not affect the voting rights of directors. An amendment that does affect the voting rights of directors further requires ratification by a two-thirds vote of a quorum of directors at a Board meeting.
- c) that all amendments be consistent with the Articles of Incorporation.

## **CERTIFICATE OF ADOPTION OF BYLAWS**

I do hereby certify that the above stated Bylaws of East Hawai'i Cultural Council were approved by the East Hawai'i Cultural Council's board of directors on October 12, 2016 and constitute a complete copy of the Bylaws of the corporation.

Secretary: \_\_\_\_\_

Signed and Dated Copy in Office

Date: \_\_\_\_\_