

**Bylaws**  
of  
**Community Garden Initiative of Central Texas**  
As adopted by the Membership on March 28, 2009  
And amended on February 9, 2014

These Bylaws constitute the code of rules adopted by Community Garden Initiative of Central Texas (hereafter “the Initiative”) for the regulation and management of its affairs. The Initiative is a nonprofit corporation with Members organized under the Texas Business Organization Code.

**ARTICLE 1**  
**Registered Office and Registered Agent**

**Registered Office and Registered Agent** - The Initiative shall comply with the requirements of the Texas Business Organization Code and maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Initiative’s principal office in Texas. The Board of Directors may change the registered office and the registered agent as provided in the Texas Business Organization Code.

**ARTICLE 2**  
**Purpose**

As set out in the Initiative’s Certificate of Formation, “The Corporation is organized pursuant to the Texas Business Organizations Code.” The purposes for which the Corporation is organized are exclusively charitable within the meaning of the Internal Revenue Service Code, Section 501(c) (3), and the Texas Tax Code, Section 11.18, and consist of the following:

“To beautify, conserve and provide public access to green space by providing opportunities for the public to engage in organic gardening.”

**ARTICLE 3**  
**Membership**

- (1) **Eligibility** – A Member shall be an individual who: (a) has a Membership Contract, (b) is either assigned individually to a garden plot(s) of at least 100 square feet or collectively to a plot(s) that on a prorata basis equals at least 100 sq ft per gardener, (c) is in good standing with the site rules, and (d) shall be an individual of legal voting age.
- (2) **Obligations of Members** - Each Member shall have the obligation to pay Membership dues, abide by these Bylaws, and comply with Site Rules as shall be adopted by the Board. Membership dues shall be set by the Board and may consist of money and completion of service hours.
- (3) **Rights of Members**
  - (a) Each member shall be entitled to one vote on each matter submitted by the Board of Directors to a vote at a Membership meeting, except to the extent that the voting rights are limited or denied by the Certificate of Formation.
  - (b) No member shall be entitled to any dividend or any part of the income of the Initiative or shall share in the distribution of the corporate assets upon dissolution.

- (c) The Board of Directors has the discretion to decide which, if any, matters shall be submitted to the Members for a vote, except that the following decisions will always be submitted to the Membership for a vote: Election of the Board of Directors, dissolution of the corporation, merger or consolidation with another corporation, sale of substantially all the corporation's assets, and most amendments to the corporation's certificate of formation – as required by the Texas Business Organization Code.
  - (d) Membership in the Initiative is a privilege and not a property right. No member shall have any ownership or property right in the funds, property, or other assets of the Initiative.
- (4) **Enrollment of Members** - The Board of Directors shall adopt a Membership Contract form for the enrollment of Members. The contract shall require the name, mailing address, email address, if available, and telephone number of each applicant. If no email address is to be used as the primary source of communication, an up-to-date mailing address must be furnished. There shall be a space for the secretary to sign certifying that the secretary believes the applicant to be eligible for Membership. The applicant becomes a member upon the secretary's signature on the contract and the receipt of the membership fee. The Secretary shall keep an up-to-date Membership list.
- (5) **How the Membership Can Legally Act** - The Membership may act only at a properly called meeting of the Membership where a quorum is present. At such a meeting, a vote of a majority of the Members in attendance shall be an act of the Membership, except that a two-thirds majority of the Members in attendance shall be required for the following: Dissolution of the corporation, merger or consolidation with another corporation, sale of substantially all the corporation's assets, and most amendments to the corporation's certificate of formation – as required by the Texas Business Organization Code.
- (a) Quorum - The attendance of ten percent of Members (as per the Membership list maintained by the Secretary) shall constitute a quorum for the conduct of business at either a Regular or Special Membership Meeting.
  - (b) If proper notice is given for two consecutive meetings and a quorum is not established at either meeting, official action may be taken by a majority vote of the Members present at the second meeting.
  - (c) The Board may provide for a vote of Membership without a meeting by sending the question(s) to be decided to Members using any method by which it can give notice of a meeting. Return of a vote (using any method by which the vote notice is given) by at least 10% of the Membership, by the deadline set out in the vote notice shall constitute official action by Membership.
- (6) **Membership Meeting** - An annual Membership meeting shall be held each May at the Initiative's site(s) or other convenient location in Austin, Texas, at a date and time set by the Board. There shall be quarterly meetings of Members at times and locations set by the Board, one of which shall be the annual meeting held in May.
- (a) The Board of Directors shall call for and consider agenda items from Members prior to the annual meeting.
  - (b) At each annual meeting, the President shall report on the affairs of the Initiative and the Treasurer on its financial affairs.
  - (c) The Board shall give Members at least 14 days and not more than 60 days written notice of the annual meeting. Such written notice shall be delivered by mail, in person, email, or by facsimile, and shall state the place, day, and time of the meeting. The Board of

Directors, in the alternative, may provide notice through other means such as by posting notice in a conspicuous place at the principal office of the Initiative, newsletter, newspaper, or such additional means as the Board of Directors shall deem effective.

- (7) **Special Membership Meetings** - Special Membership Meetings may be called at any time (a) by the President, (b) by a majority of the Board of Directors, or (c) by written request with a stated purpose of 5% of the Members. Notice of Special Membership Meetings shall be given in the same manner as notice for the Annual Membership Meeting as provided for above, except that the notice shall contain the purpose for which the meeting is called.

#### **ARTICLE 4 Board of Directors and Officers**

- (1) **Powers** - The Board of Directors (“Board”) of this Initiative is vested with the management of the business and affairs of this Initiative, subject to the Texas Business Organization Code, the Certificate of Formation, and these Bylaws.
- (2) **Qualifications** - All Directors shall be Members of the Initiative. Directorship shall not be denied to any person who is a member in good standing on the basis of race, creed, sex, sexual orientation, religion, or national origin. Employees of the Initiative are ineligible to serve on the Board of Directors.
- (3) **Number of Directors** - The Initiative shall have a Board of Directors elected by membership and comprised of a President, Vice-President, Secretary, Treasurer and three additional directors. If there is more than one site, then each site shall have one Director elected by the Members who garden at that site. (For example, if there are two sites, then each site will have a Director elected by site gardeners and there will be one additional Director elected by all Members.)
- (4) **Officers**
- (a) **President** - The President will supervise and control the affairs of the Initiative. The President will perform all duties incident to such office and such other duties as may be provided in these Bylaws or as may be prescribed from time to time by the Board of Directors. The President shall preside at all board meetings and shall exercise parliamentary control in accordance with Roberts Rules of Order, Newly Revised. The President shall serve as an ex-officio member of all standing committees, unless otherwise provided by the Board of Directors or these Bylaws. The President, with the Vice President and advice of the Directors, will appoint or accept volunteers for public representation, coordinators, and committees, with the exception of the Nominating Committee. The President shall, with the advice of the Board of Directors and in accordance with the requirements of these Bylaws, set the agenda for each meeting of the Board of Directors. The President will serve as liaison to the Texas School for the Blind and Visually Impaired, or any other landlords or governmental agencies.
- (b) **Vice-President** - The Vice-President shall act in place of the President in the event of the President's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the board. The Vice-President shall serve as parliamentarian and interpret any ambiguities of the Bylaws. The Vice-President shall coordinate the work of the Zone Coordinators, which includes their training. The Vice-President shall support the process of Plot Compliance/Non-compliance as stated in the Site Rules, which may result in notifying a member of Termination of Membership.
- (c) **Secretary** - The Secretary will perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Certificate of Formation, or by these Bylaws. S/he: shall attest to and maintain the Bylaws, the Membership list, and other legal records of the Initiative, or copies thereof, at the principal office of the Initiative;

shall take or ensure that someone takes minutes of all meetings of the committees and Board of Directors, and shall keep copies of all minutes at the principal office of the Initiative; shall keep a record of the names and addresses, telephone numbers, facsimile numbers, and electronic mail addresses of the Directors at the principal office of the Initiative; shall, with the approval of the Board of Directors, set up procedures for any elections held by the Initiative; shall keep a record of all votes cast in such elections; shall ensure that all records of the Initiative, minutes of all official meetings, and records of all votes, are made available for inspection by any member of the Board of Directors at the principal office of the Initiative during regular business hours; shall see that all notices are duly given in accordance with these Bylaws or as required by law; shall see that all books, reports, statements, certificates, and other documents and records of the Initiative are properly kept and filed. In the case of the absence or disability of the Secretary, or the Secretary's refusal or neglect to fulfill the duties of Secretary, the Vice President shall perform the functions of the Secretary.

- (d) **Treasurer** - The Treasurer will have charge and custody of all funds of the Initiative, will oversee and supervise the financial business of the Initiative, will render reports and accountings to the Directors as required by the Board of Directors, and will perform in general all duties incident to the office of Treasurer and such other duties as may be required by law, by the Certificate of Formation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors. S/he and the staff of the Initiative shall devise a plan providing for the acceptance and disbursement of all funds of the Initiative which shall be approved by the Board of Directors. The Treasurer, with the approval of the Board of Directors, shall set up all checking, savings, and investment accounts of the Initiative and deposit all such funds in the name of the Initiative in such accounts. The Treasurer's signature shall be the authorized signature for all checking, savings, and investment accounts of the Initiative unless the Treasurer, with the approval of the Board of Directors, designates another member of the Board of Directors or employee of the Initiative as the authorized signatory for a particular type of disbursement. S/he shall prepare a monthly report for the Board of Directors, providing an accounting of all transactions and of the financial conditions of the Initiative. S/he shall keep all financing records, books, and annual reports of the financial activities of the Initiative at the principal office of the Initiative and make them available at the request of any Director or Member of the Initiative during regular business hours for inspection and copying, or as required by any governmental entity.
- (5) **Election of Directors** - Elections of Directors to fill any expired terms shall be held at the Annual Membership meeting. The Board may adopt a procedure for early voting of Officers and Directors only.
  - (a) The Nominations Committee will present the slate of candidates not less than seven days prior to the Annual Meeting.
  - (b) Nominations may be accepted from the floor at the annual meeting.
  - (c) Voting shall take place at the Annual Meeting and continue for five (5) days. Absentee voting shall be accepted for the following five days.
- (6) **Term of Office for Directors** - Directors shall serve terms of two (2) years or until their successor is elected. After serving two consecutive terms, a Director must vacate his or her position for at least one year before seeking re-election to another term. Terms of office for Directors run from June 1 through May 31.
- (7) **Staggered Terms** - There shall be staggered terms of office for Directors. Elections for the President, Vice-President, and Treasurer shall occur in odd numbered years, and elections of the Secretary and the three Directors shall occur in even numbered years.

- (8) **Attendance** - Directors are expected to attend at least 75% of Board meetings. Any Director not present at 75% of the Board meetings in a one-year election cycle shall be deemed to have resigned unless the Board excuses the absences by a majority of the directors then in office other than the director being voted on.
- (9) **Resignation** - Any Director may resign at any time by delivering written notice to the Secretary for President of the Board of Directors. Such resignation shall take effect upon receipt and acceptance by the Board or, if later, at the time specified in the notice.
- (10) **Vacancies** - Vacancies on the Board shall be filled by the directors, except the office of President, which shall be filled by the Vice-President. The Board may fill a vacancy by appointment or may call a special Membership meeting for an election to fill a vacancy in an elected office other than President. The Board may choose not to fill a vacancy.
- (11) **Compensation** - Directors and Officers shall not receive any salaries or other compensation for their services as Board Members, but, by resolution of the Board of Directors, may be reimbursed for any actual expenses incurred in the performance of their duties for the Initiative. The Board shall establish a policy governing such potential reimbursements at the time it adopts its annual budget. The Initiative shall not loan money or property to, or guarantee the obligation of, any Director, or Officer, or Member. Directors may receive compensation for serving the Initiative in a capacity other than as a director of the Initiative so long as such service and remuneration for such service is explicitly approved by the Board and recorded in the Board's minutes.
- (12) **Duties of Directors** - A Director shall discharge the director's duties in good faith, with ordinary care, in a manner the director reasonably believes to be in the best interest of the Initiative and in any other manner as set forth in the Texas Business Code, as amended. Any Director who fails to comply with the duties as outlined in the Bylaws is subject to removal from office by a two-thirds vote of the Board.
- (13) **Recall** - Officers and directors may be recalled as provided in this section. Recall of an officer or director shall be initiated by a petition signed by 10% of the Members. The Nominating Committee shall notify the officer or director and cause a meeting to be called of Sunshine Community Garden membership for the purpose of voting on the recall petition. A quorum for the meeting shall be 50% of the SCG members. A two-thirds vote of members present and voting is required for the recall.

## **ARTICLE 5**

### **Board of Directors Meetings**

- (1) **Place of Board Meetings** - Meetings of the Board of Directors will be held at any place that the majority of the Board may designate. Board meetings are open to the Membership. Notice of location and time of meetings must be given at least a week in advance.
- (2) **Regular and Special Meetings** - Regular Meetings of the Board of Directors shall be held quarterly, or more often if deemed necessary by the Board. Special Meetings may be called by the President or any three Directors.
- (3) **Notice of Board Meetings** - Notice of the date, time, and place of Regular Meetings shall be given to each Director by regular mail, telephone (including voice mail), facsimile, or e-mail no less than 14 days prior to the Regular Meeting. Notice of the date, time, and place of Special Meetings shall be given to each Director using the same methods, but with no less than five (5) days notice prior to the Special Meeting.
- (4) **Waiver of Notice** - Attendance by a Director at any meeting of the Board of Directors for which the Director did not receive the required notice will constitute a waiver of notice of such meeting unless the Director objects at the beginning of the meeting to the transaction of business on the grounds that the meeting was not lawfully called or convened.

- (5) **Quorum** - A majority of the incumbent Directors (not counting vacancies) shall constitute a quorum for the purposes of convening a meeting or conducting business. At Board meetings where a quorum is present, a majority vote of the Directors attending shall constitute an act of the Board unless a greater number is required by the Certificate of Formation or by any provision of these Bylaws.
- (6) **Actions without a Meeting** - Any action required or permitted to be taken by the Board of Directors under the Texas Business Organization Code, the Certificate of Formation, and these Bylaws may be taken without a meeting, if all Directors unanimously consent in writing or e-mail or facsimile, setting forth the action to be taken. Such written consent shall have the same force and effect as a unanimous vote of the Board.
- (7) **Proxy** - Proxy votes shall not be allowed.

## **ARTICLE 6 Committees**

- (1) **Standing Committees** – Only Initiative Members shall serve as committee members. The Initiative shall have two Standing Committees: Nominations and Audit. Each Standing Committee shall have at least three members.
  - (a) **Nominating Committee** - The Membership of the Initiative shall elect the Nominating Committee at the Annual Meeting of the Initiative for a one-year term. The Nominating Committee shall develop a slate of candidates for the Officer and Director positions whenever there is an election. Any nominee must have agreed in writing to uphold the position as stated in the Bylaws or as amended by the Membership. A member of the Nominating Committee may serve no more than two (2) consecutive terms.
  - (b) **Audit Committee** - The Board of Directors shall appoint the members of the Audit Committee. The responsibilities of the Audit Committee are to assist the board in fulfilling its oversight responsibilities with respect to (1) the audit of the organization's books and records, (2) the Initiative's compliance with legal and tax requirements; and (3) the system of internal controls that the Initiative has established.
- (2) **Additional Committees** - The Board of Directors may from time to time designate and appoint additional standing or temporary committees by majority vote of the Board of Directors. Such committees shall have and exercise such prescribed authority as is designated by the Board of Directors. The Directors may authorize these committees to exercise any powers, responsibilities, and duties consistent with the Certificate of Formation and these Bylaws.
- (3) **Appointment of Members and Chair, Number and Term** - The President shall appoint the Members and chair of all Committees with the exception of the Nominations Committee and shall fill any vacancies, with the advice and counsel of the Board. Each Committee shall have no less than three (3) Members.
- (4) **Quorum** - A majority of the Committee's Members (not counting vacancies) shall constitute a quorum for the purposes of convening a meeting or conducting business. At committee meetings where a quorum is present, a majority vote of the Committee Members attending shall constitute an act of the Committee.
- (5) **Meetings and Records** – Unless otherwise designated by the Board, Committees will select the number, time, date and location of all meetings. Each Committee shall maintain a written agenda

and minutes of all meetings, and shall provide a copy of each agenda and meeting minutes to the Secretary of the Board.

#### **ARTICLE 7 Code of Ethics**

The Initiative and its Directors and Employees will comply with the following Code in all of their actions. As long as the Initiative is in existence, no director, officer or employee of the Initiative shall:

- (1) do any act in violation of these Bylaws or a binding obligation of the Initiative;
- (2) do any act with the intention of harming the Initiative or any of its operations;
- (3) do any act that would make it unnecessarily difficult to carry on the intended or ordinary business of the Initiative;
- (4) receive an improper personal benefit from the operation of the Initiative;
- (5) use the assets of this Initiative, directly or indirectly, for any purpose other than carrying on the business of this Initiative;
- (6) wrongfully transfer or dispose of Initiative property, including intangible property such as goodwill; and
- (7) use the name of the Initiative (or any substantially similar name) or any trademark or trade name adopted by the Initiative, except on behalf of the Initiative in the ordinary course of the Initiative's mission.

#### **ARTICLE 8 Rules of Procedure**

The proceedings and business of the Board of Directors shall be governed by *Robert's Rules of Order, Newly Revised* unless otherwise provided herein.

#### **ARTICLE 9 Indemnification**

- (1) **Insurance** - The Initiative will provide indemnification insurance for its Board Members, and Members, and the Board shall select the amount and limits of such insurance policy.
- (2) **Indemnification** - To the full extent permitted by law, any person (and the heirs, executors, and administrators of such person) made or threatened to be made a party to any action, suit, or proceeding by reason of the fact that he/she is or was a Director or Officer of the Initiative, shall be indemnified by the Initiative against any and all liability and the reasonable expenses, including attorney's fees and disbursements, incurred by him/her (or by his heirs, executors or administrators) in connection with the defense or settlement of such action, suit, or proceeding, or in connection with any appearance therein.
- (3) **Limits on Indemnification** - Notwithstanding the above, the Initiative will indemnify a person only if he/she acted in good faith and reasonably believed that his conduct was in the Initiative's

best interests. In the case of a criminal proceeding, the person may be indemnified only if he/she had no reasonable cause to believe his conduct was unlawful.

## **ARTICLE 10 Operations**

- (1) **Execution of Documents** - Unless specifically authorized by the Board of Directors or as otherwise required by law, all final contracts, deeds, conveyances, leases, promissory notes, or legal written instruments executed in the name of and on behalf of the Initiative shall be signed and executed by the President and Treasurer, pursuant to the general authorization of the Board. All conveyances of land by deed shall be signed by the President or two other Officers and must be approved by a resolution of the Board of Directors.
- (2) **Disbursement of Funds** - Financial Transactions that have a value of \$5,000 or more if not included in the annual budget shall require majority approval of the Board of Directors. In all other transactions, the Treasurer may dispense with the funds of the Initiative in accordance with expenditures approved by the Board of Directors and the purposes of the Initiative as set out in the Certificate of Formation and these Bylaws. Notwithstanding the above, all checks of more than \$1,500 disbursing funds from any of the Initiative's accounts shall require the signatures of the Treasurer and one other Director as authorized by Board resolution. For purposes of this clause, "signature" may include electronic approval. The Treasurer may not be a signatory on a check written to him or herself.
- (3) **Records** - The Initiative will keep correct and complete records of account and will also keep minutes of the proceedings of the Board meetings and Committees. The Initiative will keep at its principal place of business the original or a copy of its Bylaws, including amendments to date certified by the Secretary of the Initiative.
- (4) **Inspection of Books and Records** - All books and records of the Initiative may be inspected by any Member for any purpose at any reasonable time on written demand.
- (5) **Deposits** - All funds of the Initiative shall be deposited to the credit of the Initiative in banks, trust companies, or other depositories that the Board of Directors selects.
- (6) **Loans** - The Initiative will make no loans to any Member or employee.
- (7) **Fiscal Year** - The fiscal year of the Initiative shall be the Calendar Year.
- (8) **Audit** - The Audit Committee shall conduct an annual audit. The Board shall determine whether the Initiative shall have an annual audit or financial review by an independent CPA.
- (9) **Assets** – Establishment, liquidation or closure of bank accounts, Certificates of Deposit or other assets shall be approved by the Board of Directors.

## **ARTICLE 11 Conflicts of Interest**

The purpose of the conflict of interest policy is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the Initiative 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.

- (1) **Definitions:**

- (a) **Interested Persons** - Any Director, Officer, 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 Initiative has a transaction or arrangement; (2) A compensation arrangement with the Initiative or with any entity or individual with which the Initiative 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 Initiative is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. 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.

(2) **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 Initiative 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 or Committee Members whether the transaction or arrangement is in the Initiative'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.
- (d) **Violations of the Conflicts of Interest Policy:**
  - 1. 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.

2. 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.
- (3) **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.
- (4) **Compensation** – No Director or voting member of a committee shall be compensated for service on the Board or Committee.
- (5) **Annual Statements** - Each Director, Principal Officer and Member of a Committee with governing board delegated powers shall annually sign a statement which affirms such 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 Initiative 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.
- (6) **Periodic Reviews** - To ensure the Initiative 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 Initiative’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.
- (7) **Use of Outside Experts** - When conducting the periodic reviews as provided for in section (6), the Initiative may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

## **Article 12 Site Rules**

- (1) The Board shall adopt site rules (“Site Rules”) relating to who is authorized to garden at each of the Initiative’s site(s), maintaining the Initiative as an all-organic gardening site, plot rental fees, plot maintenance, service hours required, water use, construction, and such other matters as the Board deems necessary. Site Rules may provide for cleaning, including weeding and debris removal, of garden plots and common areas not properly maintained and for assessing the reasonable costs of the cleaning to the member. Failure to pay all costs assessed may result in loss of Membership.
- (2) Site Rules must comply with any lease agreement relating to the Initiative’s site(s) and in the event of extent inconsistency, the lease agreement shall control.

- (3) A Member's failure to comply with Site Rules may result in loss of Membership. It shall be within the Board's sole discretion to determine if a Member is in compliance with Site Rules and whether failure to comply shall result in loss of Membership.
- (4) Initial Site Rules adopted by the Board shall become effective on approval of Members authorized to garden at that site. Subsequent changes shall become effective as set by the Board but subject to ratification by Membership of that site at its next meeting. Any change defeated in a ratification vote shall be considered repealed.

**Article 13**  
**Safety and Health Hazards; Abandoned Property**

- (1) Any item determined by the Board, in its sole discretion, to pose a safety or health hazard may be immediately removed or modified to eliminate the hazard. The owner of the item shall not be entitled to compensation for any loss. The reasonable costs of removal may be assessed to the former member.
- (2) Any property of a Member kept at the Initiative's site(s) in violation of Site Rules, not removed or modified as requested by the Board within a reasonable period time period set by the Board shall be deemed to be abandoned and shall become property of the Initiative. The time period shall not be less than 14 days of written notice by the Board. Reasonable costs of removal may be assessed to the member. Failure to pay any costs assessed may result in loss of Membership.
- (3) Any property of a former Member left at the Initiative's site(s) for more than a period time set by the Board which shall not be less than 7 days after the individual ceased to be Member shall be deemed to be abandoned and shall become property of the Initiative. The reasonable costs of removal may be assessed to the former Member.

**ARTICLE 14**  
**Amendments**

These Bylaws may be amended by a two-thirds vote at a quarterly or a special Membership meeting, if at least 30 days notice of the amendment has been given or by 99% vote, if such notice has not been given.

**ARTICLE 15**  
**Dissolution or Sale of Assets**

A unanimous vote of the Board of Directors and a two-thirds majority vote of the Members as described in Article 3(5) herein shall be required to dissolve the Initiative. Upon dissolution of the Initiative, any assets remaining after payment of or provision for its debts and liabilities shall, consistent with the purposes of the organization, be paid over to charitable organizations exempt under the provisions of Section 501 (c)(3) of the U.S. Internal Revenue Code or corresponding provisions of subsequently enacted federal law. No part of the net assets or net earnings of the Initiative shall inure to the benefit of or be paid or distributed to an officer, director, member, employee, or donor of the Initiative.