



BY-LAWS OF
LIONS DISTRICT 12-N CHARITIES, INC.

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**BY-LAWS
OF
LIONS DISTRICT 12-N CHARITIES, INC.**

**ARTICLE I
Name**

The name of the corporation shall be: Lions District 12-N Charities, Inc.; referred to herein as the Corporation. The creation of this Corporation is by action of the cabinet of District 12-N, International Association of Lions Club (herein "District 12-N), held in the City of Morristown, Tennessee on July 19, 1997.

**ARTICLE II
Purposes**

The purpose of the Corporation is set forth in its Certificate of Incorporation, as from time to time amended, namely to solicit, collect, and otherwise raise money for the charitable purposes; to expend, contribute, disburse, and otherwise handle and dispose of the same such purposes; either directly to individuals or by contributions to other agencies, organizations, or institutions organized for the same or similar purposes; to assist in harmonizing and making more efficient the work of the organizations all of which shall be qualified within the meaning of section 501(c)(3) of the Internal Revenue Code of 1954.

The Corporation is organized to carry out the charitable activities of District 12-N as determined by its members through adoption of a budget and other directives at the Annual Meeting, at the time of the Annual Convention of District 12-N and shall not deviate from such budget or directives except those instances where it is necessary to do so in order to preserve the qualification of the Corporation under Section 501(c)(3) of the Internal Revenue Code.

**ARTICLE III
Membership - Dues**

The Corporation's members shall consist of all those individuals who are members in good standing of any Lions Club in District 12-N.

There shall be no dues payable by any member.

For the purposes of organizing the Corporation, the Governor of District 12-N shall represent and act on behalf of the members without a meeting, appoint and act on behalf of the initial Directors and the initial officer as hereinafter established.

ARTICLE IV Meetings of Members

Section 1. ANNUAL MEETING

The Annual Meeting of the Corporation's members shall be held at the same date and place as the Annual Convention of District 12-N. At that meeting the members shall elect the President and four (4) Directors of the Corporation, adopt the Lions District 12-N Charities Budget for the ensuing year, and conduct any other business properly brought before the Annual Meeting.

Section 2. SPECIAL MEETINGS

Special meetings of the Corporation's members may be called by the President and shall be called by the President when requested by a majority of the Directors. Notice of special meetings setting forth the purpose, time, and place thereof shall be given to each member of the Corporation by publication of said notice in the authorized newsletter(s) of District 12-N or other means.

Section 3. ACT OF CORPORATION'S MEMBERS

A majority vote of members present at any regular or special meeting shall be the act of the Corporation's members.

ARTICLE V Directors

Section 1. DIRECTORS

The Directors of the Corporation shall consist of twelve (12) elected members from across District 12-N and the individual serving in the office of Governor of District 12-N.

Section 2. TERM

The term of elected Directors shall be three (3) years with four (4) Directors elected annually.

Section 3. DISTRICT OFFICERS

The District Governor will serve as a Director during his or her term as District Governor. The 1st Vice District Governor will serve as an Ex-officio Director during his or her term as 1st Vice District Governor and will be entitled to vote in the event of a tie of the other Directors present and voting. The 2nd Vice District Governor will serve as an Ex-officio Director during his or her term as 2nd Vice District Governor. The Immediate Past District Governor and all current year Charity sponsored Fund Raising events' Chairpersons, (i.e., White Cane Day, Walk, etc.) are non-voting members of the Charities Board.

Section 4. REGISTERED AGENT

There shall be a Registered Agent of the Corporation appointed by the Charities Board of Directors who shall be an ex-officio non-voting member of the Board and shall attend the meetings as necessary to carry out his or her regulatory requirements.

Section 5. **ELECTION AND NOMINATING COMMITTEE**

The election of the President and Directors shall be at the Annual Meeting of the Corporation. A nominating committee shall be appointed by the 12-N Charities Board President not less than ninety (90) days prior to the annual meeting. The duties of the nominating committee are as follows:

- (a) To solicit Lions in District 12-N who might be interested in serving as Directors of the Corporation for a three-year term, and to place the names of qualified Lions, willing to serve, into nomination at the Annual Meeting.
- (b) To solicit Directors of the Corporation serving in their first or second year who might be interested in serving as President of the Corporation, and to place the names of qualified Directors, willing to serve, into nomination at the Annual Meeting.
- (c) To solicit from the Directors of the Corporation serving in their first or second year, and from newly elected Directors, not yet serving, who might be interested in serving as Officers of the Corporation, except the offices of President and Treasurer, and to place the names of qualified Directors/Directors elect, willing to serve, into nomination at the first regular (Organizational Meeting) of the Corporation.

Section 6. **REGULAR MEETINGS**

Regular meetings of the Directors shall be held twice annually. The first regular meeting shall be held in conjunction with the first cabinet meeting of District 12-N. The purpose of this meeting shall be to elect officers, except for the President, name committees and conduct such other business as may be required or properly come before the Directors. The second regular meeting shall be the Annual meeting held in conjunction with the District Convention. At that meeting the new Directors and the Board President shall be elected for the ensuing Lions year.

Section 7. **SPECIAL MEETINGS**

Special meetings of the Directors shall be held when called by the President or when requested in writing by seven (7) or more Directors.

- (a) No fewer than ten (10) days written notice of special meetings setting forth the purposes and date, time and place shall be given to each Director. Such notice can be given by letter, electronic mail or facsimile transmission.
- (b) Regular and or special meetings of the Directors may be held through the use of alternative meeting formats, such as teleconference, web, email, etc.

Section 8. **QUORUM**

The presence of a majority of the Directors shall constitute a quorum at any meeting of the Directors. Except as otherwise specifically provided, the act of a majority of Directors present at any meeting shall be the act and decision of the Board of Directors.

Section 9. **DUTIES**

The duties of the Board of Directors shall be:

- (a) to transact such business of the Corporation as shall be necessary;
- (b) to review all expenditures and contributions to check for consistency with the purposes of the Corporation and the budget adopted by the members at the annual meeting;

- (c) to report to the members on activities and financial status;
- (d) to prepare and submit to the District 12-N Convention a proposed budget for the upcoming fiscal year and, if necessary as determined by the Board of Directors, to prepare and submit to the District 12-N Convention a proposed revised budget for the current fiscal year;
- (e) to approve committee appointments when required.

SECTION 10. ATTENDANCE

Directors who do not attend at least 50% of the regular and special meetings may be removed from the Board by a majority vote of the Directors present at a regular or special meeting of the Board. Appointments to the vacancies on the Board, regardless of the reason, will be by the elected officers for the balance of the un-served term.

**ARTICLE VI
Officers**

Section 1. OFFICERS

The officers of the Corporation shall be a President, Vice-President, Secretary, Treasurer and such other officers as may be elected by the Board of Directors. The Treasurer of District 12-N shall serve as the Treasurer of the Corporation.

Section 2. DUTIES OF THE OFFICERS

- (a) The President shall preside at all meetings of the Corporation and the Board of Directors and shall perform such other duties as may be prescribed in these Bylaws or assigned by the Directors.
- (b) The Vice-President shall act in the absence or unavailability of the President and shall perform such other duties as may be assigned.
- (c) The Secretary shall record the minutes of all meetings of the Corporation and the Board of Directors and shall perform such other duties as may be assigned.
- (d) The Treasurer shall have custody of all funds of the Corporation; shall keep a full and accurate account of receipts, expenditures, and contributions; shall make disbursements in accordance with an approved budget, as adopted by the members, and approved by another officer of the Corporation; shall present a financial statement at every meeting of the Directors and the members; and shall be responsible for the maintenance of records and books of account in such fashion as to withstand audit and accommodate State and Federal filings as necessary.

**ARTICLE VII
Funds**

Section 1. SOURCES AND USES OF FUNDS

Funds are generated by the following activities:

- 1) Clubs collecting for White Cane.
- 2) Net proceeds from District 12-N Lions fund raising events

- 3) Any additional projects approved at the Annual Meeting.
- 4) Donations/grants directly to Lions District 12-N Charities, Inc.
- 5) Special Club fund raising events.

These funds are used to support the Projects and grants identified in Article VIII, Section 3 of this document.

Section 2. BANK ACCOUNTS

All monies will be deposited in federally insured interest-bearing accounts in a financial institution that is approved by the Corporation's Board of Directors. Withdrawals from this account shall require the signature of two (2) of the following Corporation Officers; President, Treasurer, Secretary, Vice President. The Board of Directors shall determine the amount of surety bond for persons authorized to sign checks and approve the surety company issuing said bond. Only Members of the Corporation can authorize funds to be issued that WERE NOT part of the approved Budget or funds to be withheld that WERE part of the approved Budget. The Board of Directors will use Funds carried over from prior years to ensure that the approved Budget amounts are satisfied. Reports on the status of these funds will be made by the President or the Treasurer at all Lions District 12-N cabinet meetings. These funds will be audited by the District Audit Committee at the end of the fiscal year. The results will be reported to the Corporation's Board of Directors and the District Cabinet and published in the District newsletter.

Section 3. FUND RAISING EVENTS

All District 12-N fund raising events will have a line item for projected income and expenses included in the Budget. The event Chairperson is authorized to deposit a budgeted reserve into a two (2) signature federally insured bank account for the event, which may remain open for the ongoing event. The Corporation Treasurer is authorized to issue the budgeted expense funds to the event chairperson. Monthly reports of the bank account activity and other financial reports will be forwarded to the Corporation Treasurer. Not later than 45 days after the completion of the event all monies in excess of budgeted reserve will be turned over to the Corporation Treasurer.

ARTICLE VIII Charities Projects and Grants

Section 1. CHARITIES PROJECTS

To increase the effectiveness of Lionism and to provide a common base of support for District 12-N, certain projects may be designated as Charities Projects. The Lions District 12-N Charities, Inc. Board of Directors will provide a recommended level of support at the Annual Meeting for approval.

Section 2. CHANGES TO DESIGNATED CHARITIES PROJECTS

In order for a new project to be designated or a current project to be removed as a Charities Project, the sponsoring Club or Organization must provide a written proposal to the Charities Board of Directors at least thirty (30) days prior to a Charities meeting at which the proposal will be

considered. The Charities Board of Directors shall review the proposal and make a recommendation to the Corporation's members. Notification of this proposal and recommendation shall be provided to all members by publishing the proposed amendments in the District 12-N News and Views and/or other media at least thirty (30) days prior to the Annual Meeting at which the proposal will be considered. The members present and voting at the Annual Meeting must approve the adoption or removal of the project by a majority vote.

Section 3. **DESIGNATED CHARITIES PROJECTS**

- 1) Lions Volunteer Blind Industries
- 2) East Tennessee Lions Eye Bank
- 3) Learning Ally
- 4) Leader Dogs for the Blind
- 5) Friends of Tennessee School for the Blind
- 6) Tennessee School for the Deaf
- 7) World Services for the Blind
- 8) Diabetes Awareness
- 9) Lions Quest
- 10) Braille Slate
- 11) Childhood Cancer
- 12) Sight and Hearing Foundation, Inc. of Maryville
- 13) District Governor's Emergency Fund (see Section 4).
- 14) District Discretionary Fund (see Section 5).

Section 4. **DISTRICT GOVERNOR'S EMERGENCY FUND**

To provide for prompt response to humanitarian needs within District 12-N, a sum of \$1,000 will be designated each year as the District Governor's Emergency Fund. This fund may be used at the discretion of the District Governor to supplement funds available from one or more Clubs in the District to meet any unusual needs.

Section 5. **DISTRICT DISCRETIONARY FUNDS**

To provide for prompt response to individual humanitarian needs within District 12-N a sum, not to exceed \$5,000, will be designated each year as the District Discretionary Fund.

- 1) This Discretionary fund will be administered by the Discretionary Fund Committee made up of the current District Governor, as Chairperson, the 1st Vice-District Governor, the Immediate Past District Governor, the Charities Board of Directors President, and two (2) active Lions appointed by the District Governor from Clubs in good standing.
- 2) This committee will consider personal need requests sponsored by District 12-N Clubs.

Section 6. **LIMITATIONS ON USE OF DESIGNATED CHARITIES PROJECTS FUNDS**

- 1) All dispersals to Designated Charities Projects will be reported at the next Charities Board meeting, the next Cabinet meeting, and the Annual meeting.
- 2) No part of these funds shall ever be used to support the administrative expenses of any Club or the District.
- 3) No funds shall be transferred between Designated Charities Projects.
- 4) Any Designated Charities Projects Funds unused from the previous Lions Fiscal Year will be made available as funds that can be used as grants for the ensuing year as prescribed in

Section 8.

- 5) These funds shall not be placed in a trust or foundation.

Section 7. REPORTS

The Chairperson for each of the Designated Charities Projects shall be required to work with the Directors of the Lions District 12-N Charities, Inc. to provide a summary of the funds to be donated by the Lions District 12-N Charities, Inc. These reports shall come from financial reports of each project from the previous year. These reports shall show that the funds received from Lions District 12-N Charities, Inc. must have been used for operating expenses or for capital equipment purchases. These reports must show that the funds received were not placed in a trust or foundation by the project. The information supplied will be used to determine the eligibility of funds to be expended to a said project for the ensuing Lions District 12-N Charities, Inc. fiscal year.

Section 8. ACTIVITY FUND GRANTS

If the balance of the unrestricted funds in the 12-N Charities Activity Fund at the end of the present Lions Year exceeds \$90,000, after all projects are funded at their budgeted levels for the Fiscal Lions Year, this section provides a method to distribute those funds over \$90,000 in the next Lions Year as grants.

Any potential grant must be:

- 1) Sponsored by a 12-N Lions Club in good standing;
- 2) Endorsed by the Charities Board of Directors;
- 3) Endorsed by the 12-N Cabinet at its fall meeting.

The Charities Board of Directors shall determine the merit and funding level for any grant requests. The Board will present the proposal for vote at the Annual Meeting.

Section 9. RECEIVING GIFTS AND GRANTS

The Lions District 12-N Charities, Inc. will accept gifts and grants for designated purposes and activities which are permitted for a qualified organization under 501(c)(3) of the Internal Revenue Code, as amended, and are determined by the Charities Board of Directors to be in the spirit and purpose of Lions Clubs International.

All such gifts and grants will be used solely for the designated purpose or project which may include Designated Charities Projects, in which case they will be dispensed in addition to any amounts authorized in the Charities Activities Budget for any year in which they are received or disbursed. If the grant or gift allows discretion as to when the amounts are to be applied or disbursed, that determination shall be made by the Charities Board of Directors.

Any District 12-N Lions Club, in good standing, may apply to the Charities Board of Directors for approval to seek a grant or gift in the name of the Lions District 12-N Charities, Inc

**ARTICLE IX
Miscellaneous**

Section 1. FINANCIAL OBLIGATIONS

The Board of Directors of the Lions District 12-N Charities, Inc. shall not incur obligations in any fiscal year which will affect an unbalanced budget or deficit in said fiscal year.

Section 2. **COMPENSATION**

No Charities Officer or Director shall receive any compensation in his or her official capacity except for fair expenses incurred.

Section 3. **FISCAL YEAR**

The Fiscal Year of the Lions District 12-N Charities, Inc. shall be from July 1st to June 30th.

Section 4. **CONFLICT OF INTEREST**

For purposes of this provision, the term "interest" shall include personal interest, interest as director, officer, member, stockholder, shareholder, partner, manager, trustee or beneficiary of any concern and having an immediate family member who holds such an interest in any concern. The term "concern" shall mean any corporation, association, trust, partnership, limited liability entity, firm, person or other entity other than the organization.

No director or officer of the organization shall be disqualified from holding any office in the organization by reason of any interest in any concern. A director or officer of the organization shall not be disqualified from dealing, either as vendor, purchaser or otherwise, or contracting or entering into any other transaction with the organization or with any entity of which the organization is an affiliate. No transaction of the organization shall be voidable by reason of the fact that any director or officer of the organization has an interest in the concern with which such transaction is entered into, provided:

1. The interest of such officer or director is fully disclosed to the board of directors.
2. Such transaction is duly approved by the board of directors not so interested or connected as being in the best interests of the organization.
3. Payments to the interested officer or director are reasonable and do not exceed fair market value.
4. No interested officer or director may vote or lobby on the matter or be counted in determining the existence of a quorum at the meeting at which such transaction may be authorized.

The minutes of meetings at which such votes are taken shall record such disclosure, abstention, and rationale for approval.

Section 5. **DISSOLUTION**

Upon termination or dissolution of Lions District 12-N Charities, Inc., any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501 (c)(3) of the Internal Revenue Code of 1986 (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation.

The organization to receive the assets of Lions District 12-N Charities, Inc. hereunder shall be

selected by the discretion of a majority of the managing body of Lions District 12-N Charities, Inc. and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against Lions District 12-N Charities, Inc. by one (1) or more of its managing body which verified petition shall contain such statements as reasonable to indicate applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets to be distributed, giving preference if practicable to organizations located within the State of Tennessee.

In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which at least generally, includes a purpose similar to this corporation, then the court shall direct the dissolution of its assets lawfully available for distribution to the treasurer of the State of Tennessee to be added to the general fund.

ARTICLE X Practice

Roberts Rules of Order, as revised from time to time, shall determine all questions of order and procedure for any meeting of the Corporation, Directors, or any committee.

ARTICLE XI Amendments

Section 1. ADOPTION OF AMENDMENTS

These By-Laws may be amended at any regular or special meeting of the Corporation's Members, at which a quorum is present, by affirmative vote of two-thirds (2/3) of the members present and voting, provided the Directors have previously considered and reported on the merits of such amendments prior to the vote.

Section 2. NOTICE

No amendment(s) shall be put to a vote unless written notice thereof stating the proposed amendment(s), shall have been given to each member by publication in the newsletter of District 12-N where practical, or by notice to the President of each Lions Club in District 12-N at least fifteen (15) days prior to the meeting at which the vote on the proposed amendment(s) is to be taken.

Certificate of Adoption of Bylaws

We, the undersigned, do hereby certify that the above stated Bylaws of Lions District 12-N Charities, Inc. were approved by the members of Lions District 12-N Charities, Inc. on March 9, 2019 and constitute a complete copy of the Bylaws of the Corporation

Board President E. Dean Harshbarger Date March 9, 2019
Printed Name

Board President Dean Harshbarger 3/9/19
Signature

Board Secretary Paulette E. Bailey Date March 9, 2019
Printed Name

Board Secretary Paulette Bailey 3/9/19
Signature