

**State of Arkansas Bylaws**  
**Domestic Nonprofit**  
**Park Avenue Community Association (PACA)**

**Article I. Name**

The name of this organization shall be the Park Avenue Community Association (PACA), herein, also referred to as “the Association.” PACA includes the area from the intersection of Park, Central, and Whittington Avenue to Belvedere Country Club. The principal office of the corporation is located P. O. Box 435, Hot Springs National Park, Arkansas, 71902

**Article II. Purpose**

The Park Avenue Community Association is organized with the Arkansas Nonprofit Corporation Act of 1963 for social, benevolent, charitable, philanthropic, and educational endeavors. In general, to conduct Association business and exercise all powers conferred by the laws of the State of Arkansas upon corporations and performed under the laws of the State of Arkansas and the U. S internal Revenue Office regulations for 501(c) (3) non-profit status. The goals of the Park Avenue Community Association are to:

- 1) Promote neighborhood unity, cultural diversity, and to advocate for the Safety of persons and property in the Park Avenue area.
- 2) Promote historic preservation and awareness of historic landmarks in the area.
- 3) Cooperate with government officials to enforce codes and educate citizenry. And
- 4) Comply with regulations and requirements of the Arkansas Secretary of State, Arkansas Attorney General Office, and the U. S. Internal Revenue Service-Section 501(c)(3) status for non-profit associations.

**Article III. Board of Directors**

**Section 1. Number of Directors**

The PACA Board of Directors shall comprise not less than seven (7) and not more than eleven (11) members.

The following Executive Officers of PACA shall serve as ex-officio non-voting members: PACA President; PACA Vice President; PACA Secretary; PACA Treasurer.

## **Section 2. Nomination, Election and Length of Term**

Each Director shall be nominated and elected by the Active Membership at large at the December General Meeting.

Each Director shall hold office for a minimum period of three years, beginning January 1, following their election in December.

Upon expiration of a Director's term in office, they must stand for re-election against candidates proposed by the Active Membership at large.

Executive Officers and/or Board of Directors from other community associations are not eligible for Board of Directors positions.

If a Director, or Executive Officer, leaves the immediate geographic area as defined in Article 1, above, prior to the expiration of their term in office, and desires to continue their service, the Board may vote to waive the residential and / or business ownership requirement for the remainder of the Director's term, or present the matter to the General Membership for a vote. Continued service of individuals no longer eligible for a position as defined, will be decided on an individual basis, at the discretion of the Board of Directors.

Long-serving Directors who are not currently elected members of the Board, may be granted the title "Director Emeritus" in honor of their contributions. Directors Emeritus may attend regular Board Meetings to observe and offer input on decisions to be made.

## **Section 3. Qualification of Directors**

All Active Members in good standing, who meet geographic requirements of being a full-time resident or business owner in the area defined in Article I, are eligible for a position on the Board of Directors.

Potential Directors must have a proven track-record of reputable ethics, business management, and advocate for PACA's goals.

## **Section 4. Meetings of Board of Directors**

Regular meetings of Directors shall be held quarterly with documented agenda and minutes as specified by the corporate documentation policy. The quarterly meeting will be presided over by the Chairperson of the Board in cooperation with fellow board members and Executive Officers.

In absence of Chairperson, the Vice Chair shall preside over quarterly meetings.

While a plenum is preferred, a quorum will exist when two-thirds members are present. All meetings conducted by said quorum shall be valid and bear the same authority as those conducted by a plenum.

Additional meetings may be called by the Chairperson to address specific needs of the association in a timely manner.

Directors and / or Executive Officers shall request additional meetings, when necessary to conduct PACA business, via the Board Chairperson.

### **Section 5. Duties of Board of Directors**

It shall be the duty of members of the Board of Directors to be informed, act in the best interest of the Association, and make fiscally responsible decisions. They must be participatory, act in good faith-above personal interest, and perform their duties in a prudent, reasonable manner. The Board of Directors shall serve without compensation.

Board members shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. Any payments to directors shall be approved in advance in accordance with this Association's conflict of interest policy, as set forth in these bylaws.

Director's duties include the following:

1. Perform all duties imposed on them collectively or individually by law, by the articles of incorporation, or by these bylaws.
2. Supervise all officers and agents of the Association to assure that their duties are performed properly.
3. Meet at such times and places as required by these bylaws.
4. Shall be accountable for the strategic planning and sustainability of the Association.
5. Comply with regulations and requirements of the Arkansas Secretary of State and the U. S. Internal Revenue Services (IRS) for 501(c)(3) status for non-profit organizations.

### **Section 6. -Removal**

Directors may be removed from office, with or without cause, as permitted by and in accordance with the laws of this state.

### **Section 7-Procedure for Filling Vacancies**

Vacancies on the Board of Directors shall exist on the death, resignation, or removal of any director, and whenever the number of authorized directors is increased.

Any director may resign effective upon giving written notice to the Chairperson of the Board, the President, the Secretary, or the Board of directors, unless the notice specifies a later time for the effectiveness of such resignation.

No director may resign if the corporation would then be left without a duly elected director or directors in charge of its affairs, except upon notice to the office of the attorney general or other appropriate agency of this state.

## **Article IV. Executive Officers**

### **Section 1. Titles**

The Executive Officers of the Association shall be President, Vice President, Secretary, and Treasurer. Executive Officers must reside and/or maintain a business in the Park Avenue area as defined in Article 1, above. They must have a proven track-record of reputable ethics, business management and/or public service.

Executive Officers and/or Board of Directors from other community association membership are not eligible for any elected PACA Executive Office.

### **Section 2. Duties:**

PACA Executive Officers shall perform their duties under the auspices of the Park Avenue Community Association's Board of Directors.

It shall be the duty of the Executive Officers to be informed, act in the best interest of the organization, and make fiscally responsible decisions. Officers must be participatory, act in good faith- above personal interest, and perform their duties in a prudent, reasonable manner.

Executive Officers shall serve without compensation.

Executive Officers shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. Any payments to Executive Officers shall be approved in accordance with this Association's conflict of interest policy, as set forth in these bylaws.

Executive Officer's duties include the following:

- a) Perform any, and all, duties imposed on them collectively or individually by law, by the articles of incorporation, or by these bylaws.
- b) Meet at such times and places and comply with regulations and requirements of the Arkansas Secretary of State, Arkansas Attorney General Office, and the Internal Revenue Service Section 501(c)(3), as required by these bylaws.

**1) President - The President shall:**

- a) Preside over the Association's monthly meetings,
- b) Work with the Secretary to develop an agenda for monthly meetings,
- c) Schedule monthly speakers and/or programs
- d) Sign official documents,
- e) Appoint all committee chairpersons, and advise on all committee members, and serve as an ex-officio member on all committees,
- f) Sign checks to pay authorized expenditures in the absence of the PACA Executive Treasurer
- g) Delegate responsibilities to Executive Officers or Committee Members in good standing, as needed or prudent for the operation of Association business.

**2) Vice President - The Vice President shall:**

- a) Perform all duties of the President in absence of the President
- b) Function as directed by the President and/or the Board of Directors.

**3) Secretary - The Secretary shall:**

- a) Keep a permanent record of the meetings of the PACA Board of Directors and Executive Officers, as well as monthly meetings of general membership,
- b) Act with the President in directing the correspondence of the organization.
- c) Keep all active membership rosters, report minutes, and coordinate regular meeting agenda with the President.

**4) Treasurer - The Treasurer shall:**

- a) Receive all monies and make disbursements on behalf of the Association upon authority of the Executive Officers or Board of Directors.
- b) Monitor and document all monies and in-kind contributions to PACA, the PACA Splashpad Fund, and the PACA Light Uptown Fund
- c) Monitor and document all expenditures disbursed from PACA, the PACA Splashpad Fund, and the PACA Light Uptown Fund
- d) Provide certain individuals, as approved and directed by the Board, with business checks for expenditures associated with specific, on-going projects on behalf of the Park Avenue Community Association.
- e) Work with said authorized individuals to obtain the necessary information to perform the duties outlined herein.

- f) Adhere to the following guidelines regarding expenditures and reimbursements made on behalf of PACA, the PACA Splashpad Fund, and the PACA Light Uptown Fund, or other projects authorized by the Board of Directors:
- Record who made each expenditure
  - Provide a detail of what was purchased
  - List the date of the transaction
  - Explain the significance of the purchase to PACA and /or a particular Special Project
  - Account for donor restricted and board designated funds separately from general operating funds, and clearly define the restrictions applicable to these funds.
- g) Present a financial report at all regular monthly meetings of the general membership.
- h) Work with the Board of Directors to present quarterly audits of the Association's financial records
- i) Work with the Board of Directors and an approved, qualified accountant to provide an annual audit of the Association's financial records
- j) Provide a copy of the Monthly Financial Report, via email, to the PACA President, Secretary and Board Chair 24 hours prior to General Monthly Meetings.
- k) Pay all obligations and file required reports in a timely manner.
- l) Make no contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases without specific written approval of the PACA Board of Directors.
- m) Record fixed assets with purchase prices greater than \$500 as capital assets in accounting records.
- n) Obtain competitive bids for items or services costing in excess of \$5,000 per unit. Selection will be based on cost, service, and other elements of the contract
- o) Provide a letter of appreciation to all donors who have contributed goods, services and / or cash in excess of \$100.00, including the amount said donor can reasonably expect to report to the Internal Revenue Service as a qualified donation for income tax purposes.
- p) In compliance with IRS requirements and Generally Accepted Accounting Principles, all in-kind contributions will be recorded at market value. Said in-kind contributions will be included in annual audits.

q) When an individual donor fails to supply the ‘market value’ of an in-kind contribution, the Treasurer may provide a good faith estimate, so long as the method of determining the estimate is clearly spelled out in donor acknowledgement letters. Acknowledgement of all gifts made to PACA and compliance with the current IRS requirements in acknowledgement of such gifts will be made in compliance with IRS Publication 561 “Determining the Value of Donated Property.” IRS Publication 526 “Charitable Contributions” will be relied upon for guidance in these matters and can be downloaded from [www.irs.gov](http://www.irs.gov).

### **Section 3. Nomination, Election, and Term of Office**

Each Executive Officer shall be nominated and elected by the Association’s Active Members in good standing.

Election of officers shall be held at the regular December meeting of the Association.

Each Officer shall hold office for a maximum period of one year beginning January 1, following their election at the December General Meeting.

Upon completion of their term in office, an Executive Officer must stand for re-election against candidates proposed by Active Members in good standing.

### **Section 4 - Removal**

Executive Officers may be removed from office, with or without cause, as permitted by, and in accordance with, the laws of this state.

### **Section 5 - Procedure for Filling Vacancies**

Vacancies of an Executive Officer’s position shall exist:

- 1) on the death, resignation, or removal of any officer, and
- 2) whenever the number of authorized officers is increased.

Any Executive Officer may resign effective upon giving written notice to the Chairperson of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation.

No Executive Officer may resign if the association would then be left without a duly elected officer or director in charge of its affairs, except upon notice to the office of the attorney general or other appropriate agency of this state.

**Article V. Gift Acceptance Policy and Procedures:**

PACA will accept stock or other negotiable instruments as a vehicle for donors to transfer assets to the organization. Transfer and recording the value of the asset shall be done in a consistent manner and in compliance with accounting standards. The **Board** shall sell any stock given to the organization immediately upon receipt by the organization.

PACA will accept contributions of goods or services other than cash that are related to the programs, special projects, and operations of PACA and on-going special projects. Any other contributions of non-cash items must be reviewed and approved by the Board of Directors before acceptance.

PACA will not accept contributions of Real Estate without full disclosure of outstanding tax liabilities, if any, against said Real Estate, and verification that the Real Estate has not been impaired by Super Fund or Brownfield contamination status. Prior to acceptance of Real Estate contributions, the Board shall employ such research as necessary and prudent to satisfy these requirements.

PACA will not accept any contribution that is restricted in any manner that is inconsistent with the organizations mission statement and / or goals.

The PACA Treasurer will file IRS Form 8282 upon the sale or disposition of any non-marketable asset sold within three years of receipt by PACA when the charitable deduction value of the item is more than \$5,000. **NOTE: Publicly traded securities are excepted and do not require a Form 8282.** PACA must file this form within 125 days of the date of sale or disposition of the asset. Form 8282 with Filing Instructions is available via [www.irs.gov](http://www.irs.gov).

Acknowledgement of all gifts made to PACA and compliance with the current IRS requirements in acknowledgement of such gifts will be made in compliance with IRS Publication 561 “Determining the Value of Donated Property.” IRS Publication 526 “Charitable Contributions” will be relied upon for guidance in these matters and can be downloaded from [www.irs.gov](http://www.irs.gov).

The PACA Board of Directors and Executive Officers will make every effort to adhere to the Donor Bill of Rights in all transactions regarding donations. The Donor Bill of Rights is included as Appendix A, attached to the Bylaws.

## **Article VI. Membership and Dues**

### **Section 1. Procedures for Becoming a Member of PACA**

The association has two types of membership: Active Member and Friends of Park Avenue.

**Active Member** status is defined as any individual who resides, owns property and/or operates a business in the Park Avenue neighborhood, as defined in Article 1, above. Active Members retain all voting rights and are eligible for any elected PACA Executive Office or Board of Directors position. Executive Officers and/or Board of Directors of other community associations do not have voting rights and are not eligible for any elected PACA Executive Office or Board of Directors position.

**Friends of Park Avenue** status is defined as any individual interested in the Association's goals and the advocacy of the historic neighborhood. They do not have voting rights nor are they eligible for Executive Office or Board of Directors positions.

Active Membership and Friends of Park Avenue annual membership dues are payable by the third Monday in January of each year. All memberships, including those purchased at any time following the third Monday in January will expire on December 31<sup>st</sup> of that year.

Annual dues for Active Members and Friends of Park Avenue shall be categorized as: Individual, Household, or Business. The price of dues for each category shall be determined by the PACA Board of Directors and be published in all printed materials and on-line sites seeking membership in the Park Avenue Community Association. The General Membership shall be given notice six months prior to an increase in the price of membership dues.

### **Section 2. Meetings**

Regular association meetings shall be held on the third Monday of every month. Meetings shall be held at designated locations as indicated in notices via social media, and / or announced at prior meetings.

Special meetings may be called by the Executive Officers and/or Board of Directors. Such meetings shall be held at the place designated by the person or persons calling the special meeting. Notice will be given at least one week in advance.

### **Section 3. Voting Procedures**

Each Active Member, in good standing is entitled to one vote on each matter submitted to a vote by the members. Voting at duly held meetings shall be by show of hands.

Election of Directors and Executive Officers shall be held at the December General Meeting, and newly elected Directors' and Executive Officers' terms shall commence on the following January 1.

## **Article VII. Rule of Order**

### **Section 1. Robert's Rules of Order**

All Association meetings shall be governed by Robert's rules, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with the articles of incorporation, these bylaws, or with provisions of law.

### **Section 2. Adding Items to Monthly Agenda Procedure**

Any Active Member may contact the residing Association President to request the addition of items to the monthly meeting's agenda.

### **Section 3. Grievance Procedure**

Any Active Member who wishes to express a grievance shall contact the association's presiding Executive President and/or Board of Directors' Member to request a review of concerns.

The presiding Executive President and/or Board of Directors shall establish a grievance committee to address the Active Member's concerns. If resolution is not reached, the Active Member may appeal to the board of directors for final resolution.

## **Article VIII. Fiscal Year**

### **Section 1. Fiscal Year**

January 1 to December 31, of each year will stand as the Association's fiscal year.

## **Article IX. Indemnification of Board of Directors, Executive Officers, Committee Members, and Volunteers.**

### **Section 1. Board of Directors and Officers**

The Board of Directors and Executive Officers of the association shall be fully indemnified by the corporation as permissible under the laws of this state.

## **Article X. Conflict-of-Interest Policy**

### **Section 1. Purpose of Conflict-of-Interest Policy**

The purpose of this conflict of interest policy is to protect this tax-exempt Association's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Executive Officer or Director of the corporation or any "*disqualified person*" as defined in Section 4958(0)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "*excess benefit transaction*" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### **Section 2. Definitions**

**Interested Person.** Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "*disqualified person*" as defined in Section 4958(0)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.

**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 Association has a transaction or arrangement,
- 2) A compensation arrangement with the corporation or with any entity or individual with which the Association 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 Association is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
- 4) A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### **Section 3. Conflict-of-Interest Avoidance Procedures**

**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.

**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.

**Procedures for Addressing the Conflict-of-Interest.** An interested person may make a presentation at the governing board, 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.

After exercising due diligence, the Board of Directors shall determine whether the corporation 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.

**Violations of the Conflict-of-Interest Policy.** If the governing board 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.

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

#### **Section 4. Records of Board Proceedings / Conflict-of-Interest**

The minutes of meetings of the Board of Directors pertaining to ascertaining possible conflicts-of-interest, shall contain:

1. 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,
- 2) The nature of the financial interest,
- 3) Any action taken to determine whether a conflict of interest was present, and,
- 4) The governing board's decision as to whether a conflict of interest in fact existed.
- 5) The names of the persons who were present for discussions and votes relating to the transaction or arrangement,
- 6) The content of the discussion, including any alternatives to the proposed transaction or arrangement, and,
- 7) A record of any votes taken in connection with the proceedings.

#### **Section 5. Incoming Directors and Executive Officers Acknowledgement Statements**

Upon assuming office on January 1, each Director, Executive Officer, and member of a committee with Board of Directors' delegated powers, shall sign a statement which affirms such person:

1. Received a copy of the Conflicts-of-Interest Policy,
2. Has read and understands the Policy,
3. Has agreed to comply with the Policy, and
4. Understands the Association is charitable and to maintain its federal tax exemption, must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

The Executive Secretary shall maintain the signed Acknowledgement Statements for review by authorized parties.

## **Article XI. Procedures for Amending the Bylaws**

### **Section 1. Amendment of Existing Bylaws**

- a) Amendment Subject to the power of the Active Members of this association to adopt, amend, or repeal the bylaws of this association and except as may otherwise be specified under provisions of law, these bylaws, or any of them, may be altered, amended, or repealed and new bylaws adopted by approval of the Board of Directors.
- b) The Officers and Directors are responsible for verifying which if any changes to these bylaws need to be filed by law with the IRS and appropriate state departments.

## **Article XII. Dissolution of the Park Avenue Community Association**

### **Section 1. Dissolution.**

The Park Avenue Community Association may be dissolved, and its assets distributed as provided in the Park Avenue Community Association's Articles of Incorporation.

## ADOPTION OF BYLAWS

We, the undersigned, are members in good standing of the Park Avenue Community Association Board of Directors and / or Executive Offices, and we consent to, and hereby do, adopt the foregoing bylaws, consisting of 14 preceding pages, as the bylaws of this corporation.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Dr. Cynthia Rogers, Board Chair

\_\_\_\_\_  
Hannah Mills, Vice Chair

\_\_\_\_\_  
Briana Moore, Director

\_\_\_\_\_  
Dwayne Ezekiel, Director

\_\_\_\_\_  
David Reagan, Director

\_\_\_\_\_  
Sharon Tremor, Director

\_\_\_\_\_  
Tyler Coats, President

\_\_\_\_\_  
Lia Schoonover, Vice President

\_\_\_\_\_  
Patricia Wakefield, Vice President

\_\_\_\_\_  
Angelia K. Griggs, Treasurer

## APPENDIX A

### **Donor Bill of Rights**

The Donor Bill of Rights was created by the American Association of Fund-Raising Counsel (AAFRC), Association for Healthcare Philanthropy (AHP), the Association of Fundraising Professionals (AFP), and the Council for Advancement and Support of Education (CASE). It has been endorsed by numerous organizations. The Donor Bill of Rights Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

- I. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- II. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- III. To have access to the organization's most recent financial statements.
- IV. To be assured their gifts will be used for the purposes for which they were given.
- V. To receive appropriate acknowledgement and recognition.
- VI. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
- VII. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- VIII. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
- IX. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- X. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.