

**CUCHARA HERMOSA
ARTICLES OF INCORPORATION
AND BYLAWS**

ARTICLES OF INCORPORATION

Article I - Name

A new society was formed on September 4, 1964 for your benefit and your enjoyment. The name of this organization is Cuchara Hermosa (meaning “beautiful spoon”).

Article II - Purpose

The purpose of this non-profit organization is to work toward the beautification of Cuchara Valley and to improve the quality of life for its residents through volunteer community service, fund-raising and donations.

Article III – Membership

Membership shall consist of people interested in the Cuchara Valley. Officers shall be selected from members who are current in their annual dues.

Article IV - Fiscal Year

The fiscal year shall be January 1 to December 31.

Article V - Officers

Section I: The Officers of this organization shall be President, Vice-President, Secretary and Treasurer.

Section 2: All Officers shall be elected at the Annual Meeting to serve for a term of two (2) years. Elected Officers will take office September 1st.

Section 3: A quorum must be present and a simple majority of fifty percent (50%) plus one (1) favorable vote shall be necessary to elect Officers and the Board Member-at-Large. Only members who are current in their annual dues may vote.

Section 4: In the event of a vacancy in an office during the year, the President shall appoint a successor for the remaining term.

Article VI - Board of Directors

The Board of Directors shall consist of:

- Four (4) elected Officers

- One (1) Board Member-At-Large elected from the membership to serve for a term of two (2) years and take office September 1st.

Article VII - Meetings

There shall be two (2) general membership and/or business meetings of the organization, one each in July and August. The Annual Meeting may be held in July or August, as determined by the current Board of Directors. All dates shall be announced by the President. Special meetings may be called by the President.

Twenty-five percent (25%) of the eligible membership must be present to constitute a quorum in order to conduct any business.

Article VIII - Disbursal of Funds

Any money donated by Cuchara Hermosa shall be limited to the confines of Cuchara Valley, including La Veta and Cuchara Pass Ranch, and must be approved by the Board of Directors.

Article IX - Amendments

These Articles of Incorporation may be amended at any scheduled legally constituted meeting by a sixty percent (60%) favorable vote of the eligible membership present.

Article X - Dissolution

In the event of dissolution of this organization, any distributed assets shall be turned over to another federally recognized nonprofit organization.

Revised 7/19/2017
Date

BYLAWS

Article I - Dues

The annual dues for all members shall be set by the Board with the approval of the membership and payable at the beginning of the current fiscal year, or at the time an eligible person becomes a member of Cuchara Hermosa.

Articles II - Duties of the Officers

Section 1: President: The President shall call Board meetings at least four (4) times a year and shall preside at all meetings. She/he shall appoint all Standing Committee Chairpersons and will appoint special committees when needed. The President may arrange for speakers or programs at the luncheon meetings and communicate with members by newsletters. She/he shall advise and assist the Chairpersons of her/his project committees as required. The President shall keep a copy of the current Articles of Incorporation and Bylaws in the President's notebook. She/he appoints the Nominating Committee Chairperson. She/he shall produce an annual report to the membership containing all pertinent information about the organization.

Past copies of Bylaws will be kept on the Cuchara Hermosa computer and in hard copy in the file cabinet located in the locked Hermosa closet in the Cuchara Community Center.

Section 2: Vice-President: The Vice-President shall preside at meetings in the absence of the President. The Vice-President shall oversee all fund-raising efforts. She/he shall submit progress reports to the Board of Directors.

Section 3: Secretary: The Secretary shall keep a record of all proceedings and declare whether a quorum is present at all general membership meetings and Board of Directors meetings when business is to be conducted. The Secretary shall make copies of approved minutes available to Officers and Committee Chairpersons. She/he shall call meetings to order in the absence of the President and Vice-President and shall preside when needed. She/he will be responsible for taking care of necessary correspondence of the organization.

Section 4: Treasurer: The Treasurer shall be custodian of the organization's funds and shall oversee the collection and disbursement of all monies for the organization. She/he shall deposit monies promptly in the organization's bank account, shall keep accurate records of all receipts and disbursements and file copies of all bills. All checks issued by Cuchara Hermosa shall be approved by a Board Member and signed by the Treasurer or second Board authorized signor. The Treasurer shall develop internal control procedures to protect the organization and the persons involved in the accounting process. She/he shall regularly provide bank account records and other necessary information to the Certified Public Accountant hired by Cuchara Hermosa to prepare tax forms. The Treasurer shall also collect and store tax records, including the Annual Information Returns, bills and receipts for seven (7) years. [*See End Notes #2.*]

Article III - Board of Directors

The **Board of Directors** of this organization shall consist of the Officers plus one (1) Board Member-at-Large, elected from the eligible membership. They shall have overall responsibility for the affairs and funds of the organization. The Board shall meet upon the call of the President or the written request of three (3) members of the Board. Three (3) Board Members shall constitute a quorum. Business may be conducted by email or telephone when necessary.

The Board shall designate a Finance Committee from the membership to examine the organization's financial statements annually. This committee, or the Treasurer, shall report its findings to the Board of Directors. The Board shall establish a clear conflict of interest policy that requires disclosure of relationships, nepotism and interested-party transactions. [See End Notes #3.]

Article IV - Standing Committees

Section 1: The following are Standing Committees: Art Show, Historian, Hospitality, Beautification, Membership and Publicity. All Chairpersons of Standing Committees shall report the membership and pertinent activities of their committees to the Board and shall seek approval for any major initiatives and expenditures. The Chairpersons of Standing Committees shall attend all Board meetings. Each Standing Committee shall have one (1) vote.

A. Art Show: If there is an Art Show in a given year, there will be an Art Show Committee whose functions will include presentation of an art show to promote art appreciation, to provide a venue for artists to sell their work and to raise funds for the objectives of Cuchara Hermosa. The Chairperson and/or committee members will determine and invite appropriate artists to participate. The Chairperson will seek volunteers to aid in exhibiting the art work. The Art Show accountant shall work cooperatively with the Hermosa Treasurer to ensure that approved Hermosa cash handling procedures are followed. The Art Show accountant or her/his designee shall oversee preparation of deposits from Art Show proceeds. Deposits shall be made to the Cuchara Hermosa bank account in a timely manner, preferably daily.

B. Historian: There shall be an Historian who will maintain a scrapbook of the activities of the organization. The Historian may seek assistance when necessary.

C. Hospitality: There shall be a Hospitality Committee whose functions will include making necessary arrangements for pot-luck dinners and luncheons. The Chairperson assigns greeters and other needed volunteers for each event.

D. Beautification: There shall be a Beautification Committee whose functions will include the maintenance of the landscape at the Cuchara Community Center and the Parkway on Highway 12. The committee will arrange for volunteers to keep the two-mile adoption area on Highway 12 free of litter and provide care for other needed amenities. It will recommend projects to beautify and improve the area for the benefit of Cuchara Valley residents.

E. Membership: There shall be a Membership Committee whose functions will include contacting and inviting new residents to join the organization. The Chairperson will keep all membership records, including addresses, phone numbers and available email addresses. She/he collects dues and is responsible for apprising new members of where to find the organization's Bylaws. The Chairperson shall provide information and arrange for new members and guests to be introduced at meetings.

F. Publicity: There shall be a Publicity Committee whose functions will be to arrange adequate advertising for all fund-raising events and activities to which the public is invited. It will also prepare publicity required to ensure the success of the activities of the organization. The Chairperson will be responsible for insuring that the web-site is current and informative.

Article V – Special Committees

The Nomination and Finance Committees are *ad hoc* committees. These Chairpersons may be invited to Board Meetings as required, but they do not vote. Additional *ad hoc* committees may be created when necessary.

A. Nominating: The Chairperson of the Nominating Committee will choose two-to-five (2-5) eligible members, representative of the different residence communities, to assist him/her in the preparation of a single slate of Officers and the Board Member- at-Large for voting at the Annual Meeting. Nominations may be made from the floor at this meeting. To promote continuity, the President and Secretary shall be elected in odd-numbered years; the Vice-President and Treasurer shall be elected in even-numbered years. In 2017 only, the Vice-President's term will be extended by one year; the President will be elected for a new term of two years.

B. Finance Committee: There shall be an *ad hoc* Finance Committee appointed by the Board of Directors.

The duties of the Finance Committee are to review annually the financial affairs of the organization to ensure that (1) adequate financial controls are in place, and (2) the financial statements of the organization give a true and fair view of the financial position and performance of the organization.

Article VI - Parliamentary Authority and Bylaws Amendments

Robert's Rules of Order, Newly Revised, shall be the parliamentary authority for all matters not covered by these Bylaws. These Bylaws shall take effect immediately upon a favorable vote by the membership in good standing, thereby nullifying all previous Bylaws and Agreements. These Bylaws may be adopted, amended or repealed at any legal meeting with a quorum present, if sixty percent (60%) of those members present and in good standing vote for the proposed change(s).

If any of these Articles of Incorporation or Bylaws are found to be in conflict with Colorado or United States statutes or IRS tax codes, that part of these Bylaws may be excised and replaced, while the remainder of this document shall remain in force.

Revised 7/19/2017

END NOTES

The following citations are from the summary of existing laws and regulations applicable to non-profit organizations, as per the Colorado Secretary of State.

1. A nonprofit organization should have a written, mandatory document retention and destruction policy or schedule, which includes guidelines for handling electronic files and voice mail, back-up procedures, archiving of documents, and regular checkups of the reliability of the system.

Documents involved in litigation or a government investigation must be retained (18 USC Para. Section 1519—also known as Sarbanes-Oxley).

2. ...a nonprofit organization (unless specifically exempted) must make certain data available to the public, including Annual Information Return (usually an IRS Form 990, 990-EZ, 990-N, or 990 PF) for the previous three years (IRC Para. 6104(b)); and

An annual Tax Return (usually an IRS Form 990-T) for the previous three years if the organization has unrelated business income (IRC Para. 610k4 (d)); and

an IRS Form 1023 or 1024, Application for Tax- Exempt status, including any letter or other document issued by the IRS with respect to the Application (IRC Para. 6104 (d)).

A nonprofit organization must comply with specific conditions placed upon donations (CRS Para. 15-1-1103-1109).

A nonprofit must send a written acknowledgment to donors who make a “quid pro quo” donation in excess of \$75 (that is, a payment made partly as a contribution and partly for goods and/or services) (IRC Para. 6115 (a)). Non profits must provide a receipt for contributions in cash (including those paid by check or credit card) of \$250 and above (IRC Para. 170 (f) (8) (A)

Nonprofits must comply with all legal financial requirements and should adhere to sound accounting principles that produce reliable financial information, ensure fiscal responsibility, and build public trust...

A nonprofit organization must openly communicate the annual reporting information contained on its Form 990 to constituents and others who request such information. (IRC Para. 6104(d).

A nonprofit organization must manage and invest funds prudently and in compliance with conditions attached to funding. (CRS Para. 15-1-1103-1109).

3. A nonprofit organization should have mechanisms, including succession plans, to handle transitions in leadership and other key positions.

A nonprofit Director must meet the duty of loyalty by placing the interests of the organization before...her private interests and avoiding the use of organizational opportunities for personal gain. (CRS Para. 7-128-401).

A nonprofit organization should establish a clear conflict of interest policy that requires disclosure of relationships of nepotism, and interested-party transactions. The policy should include a disclosure form, which is signed annually by staff or volunteers with decision-making authority, and procedures for managing conflicts of interest and handling situations in which public and private interests intersect. (p. 15)