

**BY-LAWS**

**BHUTANESE COMMUNITY IN UTAH**

**(AMENDED JULY 2016)**

**Preamble**

Cognizant of the need of an organization to help build individual capacity of the members of the community,

Realizing the importance of self-sufficiency and thereby lessening the burden on Government; and,

Pursuant to maintaining national cohesion, promoting team spirit and collective welfare through cooperation, collaboration and partnering with the existing organizations, agencies and government entities;

The Bhutanese Community in Utah agrees to adopt the following By-laws:

**ARTICLE 1**

**NAME, ADDRESS, VISION STATEMENT AND MISSION STATEMENT  
AND PURPOSE**

**Section 1: Name**

The name of the organization shall be Bhutanese Community in Utah (BCU). It is established as a charitable nonprofit corporation in the State of Utah.

**Section 2: Vision Statement**

Getting every member of the community to achieving self-sufficiency and full integration into mainstream society

**Section 3: Mission Statement**

Bhutanese Community in Utah is committed to promoting, preserving the ethnicity, culture, tradition, diverse religions and building organizational and individual capacities through case management, education, advocacy, mentoring, sports, collaboration and partnership.

**Section 4: IRC 501(c) (3) Purpose**

The purpose of this corporation shall be any purpose which may be lawfully undertaken by a Domestic Corporation (Non profit) organized pursuant to Utah Law and according to Section 501(c) (3) of the Internal Revenue Code.

**Section 5: Specific purpose**

The specific purpose will include, but not limited to, the following

1. To provide interpretation services to new arriving and other Bhutanese who lack English language skills, to get access to the different resources available, and during appointments.
2. To empower and integrate the Bhutanese American and other communities in the mainstream American society through education, advocacy and service.
3. To guide children and youths in socially useful and productive work.
4. To preserve and promote Bhutanese arts and culture.
5. To provide all individuals the opportunity to live in dignity and respect and foster basic human rights.
6. To strengthen cooperation among organization and international forums on matters of common interests, objectives, and purposes.
7. To coordinate with different skill development centers and refugee liaisons to provide job related training and help to make self dependent.

## **ARTICLE 2**

### **MEMBERS**

Membership in this organization shall include, but not limited to, all who are 18 years and older and are from Bhutanese origins. Active members are those members who have applied for the membership and have paid their membership dues. Active members have legal and voting rights, and can be elected officials of the organization.

#### **Section 1: Membership fee**

The yearly membership dues of \$20 for this organization shall be due by 15<sup>th</sup> of January every year for the ongoing year. However, members are granted a grace period until March 31<sup>st</sup> . Only those members who have paid the membership fees will have the right to review transaction and investment of all the activities of the organization.

#### **Section 2: Membership Database**

The Bhutanese Community in Utah shall keep the database containing the name and address of each member. Such database shall be kept by the Secretary.

**Section 3: Termination of the Membership**

The membership of a member shall terminate upon the occurrence of any of the following events:

- a. Upon his/her notice of such termination delivered to the president or secretary or the board member of the corporation personally or by mail, such membership to terminate upon the date of delivery of the notice.
- b. Upon failure to renew his/her membership by paying dues on or before their due date, such termination to be effective thirty days after written notification of delinquency is given personally or mailed to such member by the Secretary. A member may avoid such termination by paying the amount of delinquent dues within a thirty-day period following the member's receipt of the written notification of the delinquency.
- c. After providing the member with reasonable written notice and an opportunity to heard either orally or in writing, upon a determination by the board of directors that the member has engaged in conduct materially and seriously prejudicial to the interest or purpose of the corporation.

**ARTICLE 3**

**MEETINGS**

**Section 1: Annual Meetings**

The annual membership meeting of this organization shall be held on the 15<sup>th</sup> of December each and every year except if such day is a legal holiday, and in that event, the Board of Directors shall fix the day but it shall not be more than two weeks from the date fixed by these By-Laws. The secretary shall cause to be mailed to every member in good standing at this address as it appears in the membership roll book in this organization a notice telling the time and place of such annual meeting.

**Section 2: Regular Meetings**

Regular meetings of the organizations shall be held with the 10 days prior notification of all the members and at the venue arranged by the secretary until the arrangement shall have its office.

**Section 3: Special Meetings**

Special meeting of this organization may be called by the President or any board members when he deems it for the best interest of the organization. Notices of such meeting shall be mailed to all members at their addresses as they appear in the membership roll book at least ten days before the scheduled date set for such special meeting.

Such notice shall state the reasons that such meeting has been called, the business to be transacted at such meeting and by whom it was called. At the request of thirty percent of the members of the Board of Directors or twenty percent of the members of the organization, the President shall cause a special meeting to be called but such request must be made in written at least ten days before the requested scheduled date. No other business but that specified in the notice may be transacted at such special meeting without the unanimous consent of all present at such meeting.

#### **Section 4: Quorum**

The presence of not less than 51 percent of the Board members shall constitute a quorum and shall be necessary to conduct the business of this organization; but a lesser percentage may adjourn the meeting for a period of not more than two weeks from the date scheduled by these By –laws and the secretary shall cause a notice of this scheduled meeting to be sent to all those members who were not present at the meeting originally called. A quorum as herein before set forth shall be required at any adjourned meeting.

#### **Section 5: Order of Business**

Order of business of all meetings shall be as follows:

1. Roll call
2. Reading of the minutes of the preceding meeting
3. Reports of committees.
4. Reports of Officers.
5. Old and unfinished business.
6. New business
7. Adjournments.
8. Date for next meeting

#### **Section 6: Voting**

In all meetings, business decisions shall be finalized by voting. Voting can be conducted either by voice or by hand raising.

### **ARTICLE 4**

#### **BOARD OF DIRECTORS:**

##### **Section 1: Number**

The corporation shall have no less than five directors and collectively they shall be known as the Board of directors (BOD).

## **Section 2: Power**

The Board of Directors shall be the governing body of the corporation. The activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of Board of Directors.

## **Section 3: Election**

The Board of Directors shall be elected by members of the corporation who have the membership and paid all dues in their account. Voting for the election of directors shall be by secret ballot. The candidates receiving the highest number of votes up to the number of directors shall be elected to serve the board.

## **Section 4: Term of the Office**

Each Director shall hold office for a period of two years. A person elected to fill a vacancy on the board shall hold office until the next election of Board of Directors or until his or her death, resignation, or removal from office.

The directors after being elected shall elect one of them as the chairman of the Board. He or she shall chair the Board till the next election unless otherwise, expired, resigned, or terminated.

## **Section 5: Responsibilities**

It shall be the duty of the directors to:

1. Perform any and all duties imposed on them collectively or individually by law, by article of incorporation, or by these bylaws.
2. Create or update mission and vision statements.
3. Determine the organizations of program and services.
4. Approving the strategic plan.
5. Appoint and remove, employ and discharge, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the corporation.
6. Supervise all officers, agents, and employees of the corporation to assure that their duties are performed properly.
7. Approving the annual budget, annual report, etc.
8. Working with and providing support the executive.
9. Approving major contracts and grants.
10. Soliciting and reviewing program evaluations
11. Fundraising, by directly donating to the non-profit and soliciting donations from others.
12. Documenting policies and decisions to create an organizational memory.
13. Preparing for and attending board meetings.
14. Researching and discussing issues before decisions are made.
15. Advocating for the organization.
16. Troubleshooting as necessary.
17. Meet at such times and places as required by these bylaws.

## **Section 6: Salaries/Compensation**

Till the financial recourses are explored the Board of Directors shall be liable to run the day to day business voluntarily. Otherwise, any salaries received by the officers and the board of directors will be reasonable and provided in return for services actually rendered to or for the Corporation. All salaries will be approved in advance in accordance with this Corporation's conflict of interest policy as set forth in Article 10 of these Bylaws.

## **Section 7: Qualification**

The members of BOD should have the following qualifications:

- a) Community service experience.
- b) Good communication skills.
- c) Should pass the state background check.
- d) Should have no any criminal convictions.

## **Section 8: Termination/ Resignation**

1. Members of BOD can resign to the existing chairman, while the chairman can resign to the President of the executive body. The vacancy thus created shall be filled through the election by the members of the corporation.
2. Any members of BOD can be terminated if:
  - a) He/she is found involved in criminal activities.
  - b) Found acting against the interest of the BCU.
  - c) Failed to attend two consecutive meetings, he/she shall first be requested for the written explanations and however, if failed to attend three consecutive meetings shall be given termination letter. (Reference Code-2).

## **Section 9: Non-liability of Directors**

The directors shall not be personally liable for the debts, liabilities, or other obligations of BCU.

## **Section 10: Insurance for corporate agents**

Except as may be otherwise provided under provisions of law, the Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agents of BCU (including a director, officer, employee, or other agent of BCU) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such.

## **Section 11: Board Performance Review**

The Board collective shall review or evaluate their performance annually. Evaluating the work of the Board shall be done using questionnaire agreed upon by Board.

Elements of review shall include, but not limited to, of the following:

- a. The Board's need to review the bylaws;
- b. The board members' understanding of their responsibility and duties;
- c. The members' commitment to the Board;
- d. The Board's use of its committees and the quality of the committees' terms of reference;
- e. Board members' understanding of their fiduciary duties;

- f. The diversity of the Board’s composition and the board’s ability to accurately represent its stakeholders;
- g. The quality of the relationships between board members, as well as between the board and the organization;
- h. The quality of the communication between the board and the organization;
- i. The Board’s policies and procedures;
- j. The efficiency of the Board meetings, decision making processes, and Board member participation;
- k. The quality of the Board’s written work plan;
- l. The Board’s ability to address conflict effectively and openly; and
- m. The Board’s use of resources.

## **ARTICLE 5**

### **OFFICERS**

#### **Section 1: Designation of Officers**

The officers of BCU shall include but not limited to, a president, a vice president, a secretary, an assistant secretary, and a treasurer and assistant treasurer. Any member may serve as an officer of BCU.

#### **Section 2: Election and term of office**

Officers shall be elected by the Board of Directors and each officer shall hold office for a term of two years.

#### **Section 3: President**

The president shall perform the following duties:

- a) Be the chief executive officer of BCU and shall, subject to the control of the Board of Directors, supervise and control the affairs of BCU and activities of the officers.
- b) He/she shall perform all duties incident to his/her office and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be prescribed from time to time by the Board of Directors.
- c) He/she shall preside all the meetings of the Board of Directors and at all meetings of the general meetings.
- d) Except as otherwise expressly provided by law, by the articles of incorporation, or by these bylaws, he/she shall, in the name of BCU, execute such deeds, mortgages, bonds, contracts, checks, or other instruments, which may from time to time be authorized by Board of Directors.
- e) Shall establish meeting agenda.
- f) Shall work to build bridges with other non-profit organizations and agencies of government.
- g) Shall promote the image of the organization.
- h) Shall serve as spokesperson and public relation for the organization.
- i) Shall ensure compliance with state laws and regulations.

#### **Section 4: Vice President**

The vice president shall in the event of the absence or inability of the President to exercise his/her office become acting President of the organization with all the rights, privileges, and powers as if he had been the duly elected President. Vice President is entrusted with all the responsibilities aforementioned under President's role to run the corporation and work very closely with President.

#### **Section 5: Secretary**

The secretary shall keep the minutes and records of the organization in appropriate books. It shall be his duty to file any certificate required by any statute, federal or state. He shall give and serve all notices to members of this organization. He shall be the official custodian of records and seal of this organization. He may be one of the Officers required to sign the checks and drafts of the organization. He shall present to the membership at any meetings any communication addressed to him as secretary of organization. He shall submit to the Board of Directors any communications which shall be addressed to him as secretary of the organization. He shall attend to all correspondence of the organization and shall exercise all duties incident to the office of secretary.

#### **Section 6: Assistant Secretary**

Assistant Secretary is responsible to assist the secretary and work as the secretary in his/her absence from duty.

#### **Section 7: Treasurer**

The treasurer shall have the care and custody of all money belonging to the organization and shall be solely responsible for such monies and security of the organization. He shall cause to be deposited in a regular business bank or trust company a sum not exceeding \$5000 and the balance of the funds of the organization shall be deposited in a saving bank except (Unless) the Board of Directors may cause such funds to be invested in such investments as shall be legal for a non-profit corporation in this state. He must be one of the Officers who shall sign checks or drafts of the organization. No special fund may be set aside that shall make it unnecessary for the treasurer to sign the checks issued upon it. He shall render at stated periods as the Board of Directors shall determine a written account of the finances of the organization and such report shall be physically affixed to the minutes of the Board of Directors of such meeting. He shall exercise all duties incident to the office of treasurer.

#### **Section 8: Assistant Treasurer**

Assistant treasurer assists the treasurer at work and will have full authority as a treasurer in his/her absence from work.

#### **Section 9: Termination/Resignation**

1. Any officer can resign to the President while the President can resign to the chairman of the BOD. The vacancy thus created shall be filled by the BOD.
2. All the matters of business for officers should be properly handed over to the new officers with proper documentations.
3. Any officers may be removed by the BOD with or without cause.



4. Any officers may be terminated if
  - a) He/she is found involved in criminal convictions.
  - b) Found acting against the interest of BCU.
  - c) Failed to attend two consecutive meetings, he/she shall first be requested for the written explanations and however, if failed to attend three consecutive meetings shall be given termination letter. (Reference Code-2).

## ARTICLE 6

### ADVISORY BOARD

Advisory board shall be formed by the BOD. The number of members and the tenure for this board shall remain unlimited, unless otherwise the Advisory Board Member resigns.

The so formed Board will be responsible to inspect and advise the board of directors, officers, and other committees in their activities for the better functioning and services to the community and provide necessary comments and suggestions if required.

## ARTICLE 7

### COMMITTEES:

All committees of this organization shall be formed by the BOD and their term of office shall expire along with the expiration of the tenure of BOD if not dismissed earlier. The permanent committees of this Corporation are as follows. However, Board of Directors shall have the right to form other committees not included herein, as needed.

**Section 1: Cultural Committee:** Comprising five members formed by BOD in consent with all BCU members.

This committee will be responsible to organize and conduct all religious and cultural activities during festive occasions, public gatherings and help upcoming generations regarding culture, tradition and religion.

**Section 2: Women and children Committee:** Comprising of five members formed by BOD in consent with all BCU members.

This committee will be responsible to advocate to the issues related to women and children and provide resources in coordination with the BOD and empower them. Help the children to solve school related problems and conduct literacy classes related to Health, Banking, Financing and employment.

**Section 3: Youth and Sports Committee:** formed of five members nominated by BOD in consent with all BCU members. A youth forum namely Bhutanese Creative Youth (BCY) formed under the aegis of BCU. It shall work under BCU's Bylaws and directives and is accountable to BCU.

This committee will be responsible to conduct and facilitate sports related programs. Suggest, engage and direct the youths towards productive and responsible duties in community services. Conduct anti-drug awareness programs, encourage and help them to attain higher level of education.

This committee is formed of 5 or more members depending on the nature of activities nominated by BOD in consent with BCU members. This committee will be responsible to conduct and facilitate language, citizenship, computer classes and also help community members find and apply for better jobs and provide skills based training to attend self-reliance.

## ARTICLE 8

### AMENDMENTS AND DISSOLUTION:

#### **Section 1: Amendments**

Except as may otherwise be specified under provisions of law, these bylaws or any of them, may only be altered, amended, or replaced and new bylaws may only be adopted by an affirmative vote of two thirds of the Board.

#### **Section 2: Dissolution**

The Bhutanese Community of Utah (BCU) may be dissolved by resolution taken by three quarters majority of the active members. Upon dissolution, BCU's assets will be distributed for any exempt purposes specified in section 501(C)(3) of the internal revenue code as amended or supplemented, or shall be distributed to the Federal Government or to a State or Local Government for a public purpose which the Board, at the time of dissolution shall determine. Any such assets not so disposed off shall be disposed off by the District court of the county in which the principal office of BCU is located, exclusively for such purposes or to such organization or organizations, as said court shall determine which are organized and operated exclusively for such purposes.

## ARTICLE 9

### RECORDS, REPORTS AND SEAL

#### Section 1: Periodic Report

The board of directors shall cause an annual or periodic report required under law to be prepared and delivered to an office of this state to be so prepared and delivered within the time limit set by law. It is hereby acknowledged that as of the date of these Bylaws, the corporation is required by law to file an Annual Report/Renewal with the State of Utah Department of Commerce, Division of Corporation and Commercial code, by December 15 of each year.

#### Section 2: Corporate Records

The corporation shall keep at its principal office:

1. Minutes of all meetings and committees of the board of directors indicating the time, place, the purpose type and the attendance of the members present.
2. Accounting records of properties and business transaction, receipts, disbursements, gains and losses.
3. Copies of Articles of Incorporation and Bylaws as amended to date.
4. Copies of resolutions of the board of directors.

#### Section 3: Seal

The organization shall have a seal whose design and structure shall be determined by a committee formed by the Board of Directors. The board of directors may adopt, use and at will alter a corporate seal. Such Seal shall be kept at the principal office of the corporation. However, failure to affix the Seal shall not affect the validity of any such instrument.

#### Section 4: Inspection Rights

Every director shall have the right at any responsible time to inspect any copy of all books, records and documents of every kind and to inspect the physical properties of the corporation.

## ARTICLE 10

### Policies and Procedures

#### Section 1:

- a) BCU shall have only one bank account.
- b) The final decision for the utilization of the approved budgets for any projects by BOD is vested in the president of the Executive Body.
- c) The approval for the payment or reimbursement shall be made by the Chairman of BOD or the President of executive body, depending on the nature of the expenses. The checks shall then be signed by the treasurer or by secretary when needed.
- d) The financial accounts for each and every projects, programs and unrestricted expenses should be maintained and reported separately.

#### Section 2:

- a) There should be a written complaint from member of BCU with evidence. The same procedure adapted for the submission of the resignation applies for the complaints also.
- b) BOD chairman and/or President of executive body shall call for the discussion meeting for the complaints and to verify the evidences. The procedure adapted for power sharing applies to this also.
- c) If the complains and evidences are verified and agreed upon by the majority of the discussion meeting, a termination letter will be given.
- d) If the complains and evidences are not verified and/or are not agreed upon by the majority,
- e) He/she shall continue assuming his/her office.

#### Section 3:

- a) Under the conditions for which elections cannot be held in time, the tenure of the body can be extended for some months with the consensus of BOD, Officers, and Advisory board by calling a mass meeting.
- b) If the meeting of the BOD, Executive Body, Advisory body and the majority of the members feels that the existing board can work for the next tenure.

## ARTICLE 11

### CONFLICT OF INTEREST AND COMPENSATION APPROVAL POLICIES

#### SECTION 1: PURPOSE OF CONFLICT OF INTEREST POLICY

The purpose of this conflict of interest policy is to protect this tax-exempt corporation'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 corporation or any "disqualified person" as defined in Section 4958 (f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulation 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**

**a. Interested Person:** Any director, principal officer, member of a committee with governing board deleted powers, or any other person who is a “disqualified person” as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulation, 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 corporation has a transaction or arrangement;
2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
3. A potential ownership or investment in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.
4. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
5. 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**

**1. 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.

**2. Determining Whether a Conflict of Interest Exist.** After disclosure of the financial interest and all material facts, 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.

**3. Procedures for Addressing the Conflict of Interest.** 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.

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.

After exercising due diligence, the governing board or committee shall determine whether the corporation can obtain with reasonable effort a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

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 whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the determination, it shall make its decision as to whether to enter into the transaction or arrangement.

**4. Violation of the Conflict of Interest Policy.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflict of interest, it shall inform the member of the basis for such belief and offer the member an opportunity to explain the alleged failure to disclose

If, after hearing the member's response and 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.

#### **Section 4: Records of Board and Board Committee Proceeding**

The minutes of meeting of the governing board and all committee with board delegated powers shall contain:

- a. The names of the person 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 discussion and votes relating to the transaction or arrangement, the conflict of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes in connection with the proceeding.

#### **Section 5: Compensation Approval Policies**

A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation

No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers and employees, contractors and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following section of this article as well as the preceding paragraphs of this section of this article, the board or a duly constituted compensation committee of the board shall also comply with the following additional requirements and procedures:

**a.** The terms of compensation shall be approved by the board or compensation committee prior to the first payment of compensation.

**b.** All members of the board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(3) which generally requires that each board member or committee member approving a compensation arrangement between this origination and a “disqualified person” (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):

1. Is not the person who is the subject of the compensation arrangement, or a family member of such person;
2. Is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
3. Does not receive compensation or other payment subject to approval by the person who is the subject of the compensation arrangement.
4. Has no material financial interest affected by the compensation arrangement; and
5. Does not approve a transaction providing economic benefits to the person who is the subject to the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.

**c.** The board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms and compensation. Appropriate data may include the following;

1. Compensation levels paid by similarly situated organizations, both taxable and tax exempt, for functionally comparable positions, “Similarly situated” organizations are those of a similar size, purpose, and with similar resources;
2. The availability of similar services in the geographic area of this organization;
  - a.** Current compensation surveys compiled by independent firms;
  - b.** Actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

c. The terms of compensation and the bases for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:

1. The terms of the compensation arrangement and the date it was approved;
2. The members of the board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each board or committee member;
3. The comparability data obtained and relied upon and how the data was obtained;
4. If the board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board or committee shall record in the minutes of the meeting the basis for its determination;
5. If the board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the board or committee meeting;
6. Any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transactions (for example, a notation on the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement);
7. The minutes of board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board or committee meeting or 60 days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements'. The minutes must be reviewed and approved by the board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the board or committee.

### **Section 6: Annual Statements**

Each director, principal officer, and member of a committee with governing board delegated powers, if any, 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



Understands the corporation 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.

### **Section 7: Periodic Reviews**

To ensure the corporation 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 in competent survey information, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation'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.

**Section 8: Use of Outside Experts.** When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

## **ARTICLE 12**

### **IRC 501(C) (3) TAX EXEMPTION PROVISIONS**

#### **Section 1: Limitations on Activities**

No substantial part of the activities of this corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation (except as otherwise provided by section 501(h) of the Internal Revenue Code) and this shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of, or in opposition to any candidate for public office.

Notwithstanding any other provisions of these Bylaws, this corporation shall not carry on any activities not permitted to be carried on:

1. By a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or
2. By a corporation contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code.

#### **Section 2: Prohibition against Private Inurement**

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members (if any), directors or trustees, officers, or other private 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulation:

1. Is not the person who is the subject of the compensation arrangement, or a family member of such person.
2. Is not in an employment relationship subject to the director or control of the person who is the subject of the compensation arrangement.
3. Does not receive compensation or other payment subject to approval by the person who is the subject of the compensation arrangement.
4. Has no material financial interest affected by the compensation arrangement; and
5. Does not approve a transaction providing economic benefits to the person who is the subject to the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.
6. The board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms and compensation. Appropriate data may include the following:
  - a. Compensation levels paid by similarly situated organizations, both taxable and tax exempt, for functionally comparable positions, "Similarly situated" organizations are those of a similar size, purpose, and with similar resources.
  - b. The availability of similar services in the geographic area of this organization.
  - c. Current compensation surveys compiled by independent firms.
  - d. Actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement.

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributors) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

8. The terms of compensation and the bases for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:

9. The terms of the compensation arrangement and the date it was approved: empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purpose of this corporation.

### **ARTICLE 13**

#### **WRITTEN CONSENT OF DIRECTORS ADOPTING BY-LAWS:**

We, the undersigned, are the Directors of the BHUTANESE COMMUNITY IN UTAH (BCU), and in accordance with the authority granted to the Directors by these By-Laws, consent to and do hereby adopt the foregoing By-Laws, consisting of 19 pages as the By-Laws of this corporation.

Board of Directors of the term 2017-2018

- |                      |               |
|----------------------|---------------|
| 1. Mr. Gyanu Dulal   | Chairman      |
| 2. Mr. Tek Neopany   | Vice Chairman |
| 3. Ms. Bhim Sapkota  | Board Member  |
| 4. Mr. Dev Dhungel   | Board Member  |
| 5. Mr. Mukti Bhurtel | Board Member  |