

BYLAWS OF THE
BLUE SAGE CENTER FOR THE ARTS

ARTICLE I

Name

The name of this notforprofit organization is the BLUE SAGE CENTER FOR THE ARTS, hereinafter referred to as the "Center". The principal office of the Center shall be located in Paonia, Colorado, or at such place as the directors may designate from time to time.

ARTICLE II

Purpose

The purposes of this notforprofit corporation shall be to establish and maintain a center for educational and cultural enrichment of the community and general public; to provide a sociocultural contribution to the community by sponsoring classes, programs and special events of educational, artistic and cultural interest; to insure that the center be nonsectarian, coeducational and nondiscriminatory with regards to race, sex or religion; and for all other lawful purposes within the meaning of Section 501C (3), Internal Revenue Code, and any successor statute.

ARTICLE III

Membership

Section 1.

Persons shall become voting members of the Center by actively participating in furthering the objectives of the Center and by paying the annual dues, which shall be determined by the Board of Directors from time to time. Dues shall be paid annually, at or prior to the annual meeting of members.

Section 2.

A. Members present of the members in good standing shall constitute a quorum for purposes of transacting business at any meeting of the membership; provided however that the number of members constituting a quorum may be amended from time to time by the Board of Directors, in its discretion, at least three weeks in advance of any annual meeting, in consideration of actual number of members of the Center. *(Note: This Section 2A was amended September 24, 2013.)*

B. The annual meeting of the members shall be held in October of each year at the principal office of the Center, or at such other time and place as the Board of Directors shall specify. The Secretary shall cause a notice specifying the date, time and place of the annual meeting to be published at least one time, and posted at the Center at least three weeks prior to the meeting.

C. Special meetings of the members of the Center may be called at any time by a majority vote of the Board of Directors. Notice of special meetings shall be posted at the Center at least seven days prior to the meeting. Members may call a special meeting by delivering written notice of same to the President or Secretary at least 14 days prior to the meeting, signed by at least onethird of the

membership, specifying the specific matter(s) to be considered and the date and time of the meeting, which in all cases shall be held at the Center.

Section 3.

A. Directors whose terms are to expire may be re-elected by majority vote of the membership at the annual meeting of members.

B. Any Director may be removed from office upon the vote of threefourths of the actual membership following resolution at any dulycalled meeting of the membership, following motion duly made, seconded and discussed. (*See also, Article IV, section 4.*)

ARTICLE IV

Board of Directors

Section 1. Number of Board members

The affairs of the Center shall be managed by a Board of not less than nine (9) and not more than eleven (11) directors, the exact number of which shall be determined from time to time by the Board of Directors in its discretion. (*This section was last amended on June 25, 2001.*)

In addition, there may be up to two (2) alternate non-voting directors, the length of their term to be determined by the Board at the time of appointment. (*This was added by the Board of Directors at regular meeting on March 12, 2014.*)

Section 2. Term length

Directors shall be elected to office by majority vote of the membership, at the annual membership meeting. Each position shall be for a term of three years, excepting the three positions on the "initial" Board of Directors, which shall be for such terms as the Board shall determine in order to effect the staggering of terms provided herein.

Section 3. Term staggering

The terms of each director's position shall be staggered to assure that in any given year no more than a minority of the positions on the Board of Directors shall come up for election at the annual meeting of membership.

Section 4. Removal from Board

Any Director may be removed by the Board, with or without cause, by a unanimous vote of the other Board members. In the event of death, resignation or removal of a Director, his/her successor shall be selected by the remaining members of the Board, by unanimous vote, and shall serve for the unexpired term of his/her predecessor.

Alternately, as stated in *Article III, section 3.B*, any Director may be removed from the Board by appropriate vote of threefourths of the actual membership.

Section 5. Compensation

Directors shall not be compensated for their services as Directors, or as Contractors. They may be reimbursed for out-of-pocket expenses incurred in performing the business of the Corporation. A person under contract with the Corporation, or a paid staff person of the Corporation shall be ineligible to be elected or appointed as a Director of the Corporation during his or her tenure as a paid staff

employee or Contractor. A Director of the Corporation who accepts a paid staff position with the Corporation or who enters into a paid contract position with the Corporation shall immediately resign as a Director before beginning his or her tenure as a paid employee or performs under any contract with the Corporation. The Board of Directors shall have the right to make an exception to Article IV Section 5 by a unanimous vote. *(This section was amended at the regular meeting of the Board of Directors on May 24, 2004 and again on July 28, 2008)*

Section 6. Authority of Email

The Directors shall have the right to take any action they could take at any meeting, via email, so long as there are no objections or need for discussion on the matter being decided. A quorum responding to all Board members in the affirmative is necessary for the action to be approved, and shall then have the same effect as though taken at a meeting of the directors.

Section 7. Board meetings

The Board of Directors shall meet monthly. The regular meeting schedule will be published periodically and such meetings are open to the general members, attending as observers. If a member wishes to address the Board they can do so by asking a Board member to bring their concerns to a meeting or ask the Board President to put them on the agenda. There will be time allotted at each meeting of the Directors for questions and comments by anyone from the general membership.

Executive meetings of the Board may be called as necessary without public notice or participation. Such executive sessions:

- will be called by the President of the Board
- will be called for the purpose of having private discussion a month Board members
- will include, but not be limited to personnel matters, inter-board issues, legal matters, salary discussions
- cannot make any binding decisions; decisions must be made at a subsequent board meeting
- will include board members and invited persons such as the Executive Director, consultant, or attorney
- non-public record of the execution session will be kept by the Secretary, recording date, time, attendance and subject of the discussion; the record may be disposed of after three (3) months.

Special meetings of the Board of Directors may be called by at least two (2) of the Directors by effecting actual notice to each Director as can be reached, with the actual date, time and place to be determined by a majority of the Board of Directors.

(This section was amended at the regular meeting of the Board of Directors on March 12, 2014.)

Section 8. Quorum

A simple majority of the number of directors shall constitute a quorum for the transaction of business. Except as otherwise specified herein, every act or decision of a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board.

Section 9. Authority of conference calls

Members of the Board may participate in a meeting through use of conference telephones or similar communications equipment. Members “attending” in this manner may be counted as present (for purposes of a quorum), and may vote on issues at hand, if they remain present for all discussion of given issue(s).

Section 10. Basis of Authority

The Board of Directors shall have and exercise all powers, and authority, and all rights and privileges, and shall have all duties and obligations given to or required of them or the directors or trustees of corporations of like nature by the laws of the State of Colorado and the United States of America.

Section 11. Duties of Board

It shall be the duty of the Board of Directors to:

- A. Cause to be kept a complete record of all of its acts and Center affairs;
- B. Create a job description, hire and supervise Executive Director to assist with the management of the organization;
- C. Procure and maintain adequate liability and hazard insurance on property owned or leased by the Center;
- D. Cause all officers or employees having fiscal responsibility to be bonded, as it may deem appropriate;
- E. Approve and authorize an annual budget;
- F. Accept donations and bequests, and otherwise supervise fundraising activities of the Center.
- G. Borrow money and incur indebtedness for the purposes of the Center, and for that purpose to cause to be executed and delivered, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges or other evidence of a debt and securities.
- H. Set fees, policies, rules and regulations regarding uses of the Center's facilities;
- I. Supervise the affairs of the Center in a manner not inconsistent with law, the Articles of Incorporation or the ByLaws.

(This section was amended at the regular meeting of the Board of Directors on September 15, 2015.)

Section 12. Removal of employees

While the Board may grant the Executive Director the authority to hire, supervise and remove any employee or person providing services to the organization at his or her discretion, the Board of Directors retains its right to remove any employee or person providing services to the Center from his/her position at any time, with or without cause, and with or without the consent of the Executive Director, by a two-thirds vote of the Board.

(This section was amended at the regular meeting of the Board of Directors on September 15, 2015.)

ARTICLE V

Officers

Section 1.

The officers of the Center shall be president, vicepresident, a secretary and treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2.

All officers of the Center shall be elected annually, in the next monthly meeting following the annual membership meeting, by the Board of Directors and shall hold office for one (1) year or unless or until she or he shall sooner resign, be removed or otherwise become disqualified to serve.

Section 3.

The Board may elect such other officers as the affairs of the Center may require, each of whom shall hold office for such a period, have such authority, and perform such duties as the Board may, from time to time determine.

Section 4.

Any officer may be removed from his/her position at any time, with or without cause, by a two-thirds vote of the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

(This section was amended at the regular meeting of the Board of Directors on September 15, 2015.)

Section 5.

A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer she or he replaces or as otherwise required by the Board of Directors.

Section 6.

The President may not hold the office of Secretary.

Section 7.

Subject to the directive of the Board of Directors, the duties of the officers are as follows:

A. The president shall be responsible for overseeing the management of the Center, subject to such authority and regulations as may be determined by the Board of Directors from time to time, see that the orders and resolutions of the Board are carried out, and sign all corporate documents on behalf of the Center.

B. The vice president shall act in the place and stead of the president in the event that the president gives notice of her or his absence to the Board, or in the event of her or his inability or refusal to act. In any such event, the vice president shall exercise and discharge such other duties as may be required of her or him by the Board.

C. The secretary shall record the vote and keep the minutes of all meetings and proceedings of the Board and of Members; disseminate the minutes of the meetings to all Board members, and to all general members in the case of the annual meeting within 3 weeks of the meeting; see that appropriate current records showing the members of the Center together with their addresses are kept; and, perform such other duties as required by the Board.

D. The treasurer shall oversee the receipt and deposit in appropriate bank accounts all moneys of the Center and dispersal of such funds as directed by resolution of the Board of Directors; cause to be kept proper books of account; cause an audit of the Center books to be made at any direction of the Board of Directors; be responsible for all necessary filing with the IRS in a timely manner; and shall oversee the preparation of an annual budget and statement of income and expenditures, to be presented to the Directors.

Section 8.

The duties referred to herein may be altered from time to time by the Board of Directors as it may deem appropriate, subject to any contractual rights as may then exist.

ARTICLE VI

Records

The books and records of the Center shall be available for inspection by any director during normal business hours or otherwise upon reasonable request. The Articles of Incorporation, Bylaws of the Center, and all Minutes of the Board shall be available for inspection by any member during normal business hours, and copies may be purchased at a reasonable cost.

ARTICLE VII

Seal

The Center shall not be required to have a corporate seal. In the case of any conflict between the Articles of Incorporation and these ByLaws, the Articles shall control.

ARTICLE VIII

Dissolution

Upon the dissolution of the Center, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational literary or scientific purposes, as shall at the time qualify as an exempt organization under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), and as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the District Court of the county in which the principal office of the corporation is then 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.

In case of dissolution of the Blue Sage as a non-profit entity, the general membership shall be notified at least 2 weeks prior to the board meeting where this decision is to be made. There will be time for questions and comments at this time.

ARTICLE IX

Amendments

Amendments to the Articles of Incorporation may be approved at any regular or special meeting of the Board of Directors by a threefourths vote of the total Board.

Amendments to these Bylaws may be approved at any regular or special meetings of the Board of Directors by a threefourths vote of the entire Board, except as otherwise stated.

Notice of any proposed amendment to either the Articles of Incorporation or the By-laws shall be stated in full in the notice of the meeting, which shall be given at least fifteen (15) days preceding the meeting at which it is to be considered.

ARTICLE X

Fiscal Year

Unless otherwise provided by the Board of Directors, the fiscal year of the Center shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XI

Policies

1. Discrimination

This Article XI Policy was adopted by the Board of Directors in November, 2000:

This policy defines The Blue Sage Center for the Arts' position on discrimination. This policy applies to all Blue Sage Center for the Arts employees and contractors.

The Blue Sage Center for the Arts follows an equal opportunity employment policy, and employs personnel without regard to race, creed, color, religion, national origin, sex, sexual orientation, age, physical or mental handicap, veteran status, and marital status.

This policy also applies to internal promotions, training, opportunities for advancement, terminations, relationships with outside vendors and customers, use of contractors and consultants, and in dealing with the general public.

It is the policy of the Blue Sage Center for the Arts to utilize all commercially purchased software in accordance with its individual licensing agreement. Unless otherwise provided in the license, any duplication of copyrighted software, except for backup and archival purposes, is a violation contrary to the organization's standard of conduct.

Purpose: To comply with Title 17 of the U.S. Code in the protection of "original works of authorship" that are fixed in a tangible form of expression. These categories should be viewed quite broadly and include literary, dramatic, musical, artistic, audiovisual, and computer programs as well as other intellectual works.

2. Piano

Amendment to Article XI Policies adopted by the Board of Directors 9/15/11:

The amendment stated below may only be changed by approval of the general membership, which shall be notified at least 2 weeks prior to the board meeting where this decision is to be made. There will be time for questions and comments at this said meeting.

This policy defines the rights of the Board of Directors, Officers, Management, Employees and Members of the Corporation with respect to any concert piano that is owned by the Corporation and that was purchased with funding from donations solicited for the purpose of purchasing a piano (the "Piano").

It is the policy of the Corporation that:

- A. For as long as the Corporation remains an active organization, any issue regarding title, sale, change of location, mortgaging, encumbrance or any other action that in any way can affect the location or vesting of the Piano, must be presented to the members of the Corporation at a special meeting of the members in accordance with Article III, Section 2(C) and any decision related to that issue must be approved by a vote of a simple majority of members present at such a special meeting.

- B. The Piano will be made available at the discretion of the Board and Executive Director to be rented at a reasonable price for appropriate use by members and/or performers.
- C. If at any time the Board of Directors of the Corporation determines it is prudent to dissolve the Corporation, and the Piano is still an asset of the organization, then it shall notify the members in writing through whatever channel of communication is deemed appropriate by the Board, no less than thirty (30) days prior to filing dissolution paperwork with any governmental organization of (1) its intention to dissolve and (2) its proposed plan for disposing of the Piano under Article IV of the Articles of Incorporation of the Corporation. Additionally, when deciding how the Corporation will dispose of the Piano asset, the Board will offer the asset to qualified charities benefitting the North Fork Valley community before offering the asset to charities primarily benefitting communities outside of the North Fork Valley.

3. Ethical Responsibility

Amendment to Article XI Policies adopted by the Board of Directors 2/28/12:

The Board acknowledges that it has an ethical responsibility to engage the membership in matters of long-term and/or fundamental significance.

4. Nepotism

Amendment to Article XI Policies adopted by the Board of Directors 3/12/14:

No official or staff member of the Blue Sage may engage in nepotism. Nepotism is defined as the act of hiring, promoting or advancing a person into a position wherein that person is subject to the supervision of authority of a member of that person's family.

Note: The original By-Laws were adopted by the Board of Directors on March 27, 1996. Changes were made November 2000, June 2001, May 2004, July 2008, Sept 2011, Feb/May 2012, April 2013, Sept 2013, March 2014 and September 2015. Details of the changes can be referenced in the Board Meeting Minutes prior to the changes.