

**LIONS SIGHT and TISSUE FOUNDATION OF DISTRICT 2-X1, INC.
BY-LAWS**

ARTICLE I - GENERAL PROVISIONS

SECTION A - NAME, OFFICES, REGISTER AGENT:

1. The name of the organization shall be the Lions Sight and Tissue Foundation of District 2-X1, Inc. hereinafter referred to as the Foundation.
2. The principal office of the Foundation in the State of Texas shall be located in any city or county in the boundaries of Lions Clubs International District 2-X1. The Foundation may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Foundation may require from time to time.
3. The Foundation shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is identical with such registered office as required by the Texas Non-Profit Corporation Act. The registered office may be, but not need be, identical with the principal office in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

SECTION B - FUNCTIONS:

1. To fund the operation of the Lions Sight and Tissue Foundation of District 2-X1, Inc.'s Clinic as determined by the Board of Directors.
2. To pay directly for medical assistance associated with conservation and/or restoration of the eyesight of any person or directly associated with tissue transplantation. This may include prostheses.
3. To fund grants to other vision and tissue related charities/activities when resources are available as determined by the Board of Directors.
4. To fund exams and/or eyeglasses for individuals who are not served by the mobile clinic.

In performing these functions, there shall be no charge for donor tissue nor payment made for donor tissue. However, where there is ability to pay, a service or laboratory fee may be charged.

ARTICLE II - MEMBERSHIP

SECTION A - GENERAL MEMBERSHIP

All Lions Clubs in District 2-X1 shall be members. Non-voting individual members from the general public are authorized for the categories of Regular Membership, Contributing Membership, Sustaining Membership and Benefactor Membership subject to annual contributions in amounts established by the Board of Directors from time to time. Non-voting individual Life Membership for a Lion in good standing is authorized upon contribution of \$100.00 or for any person deemed deserving of such honor by the Board of Directors.

ARTICLE III - ORGANIZATION AND MEETINGS

SECTION A - BOARD OF DIRECTORS AND ORGANIZATION:

1. The Board shall be composed of 15 elected Voting Directors. The five outgoing Directors positions each year shall be elected at the District Convention for a term of 3 years.

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2. To be qualified as a Voting Director of the Board of Directors, one must be a member in good standing of a District 2-X1 Lions Club which is also in good standing. The endorsing club shall submit a letter in support of this candidate according to the requirements of District 2-X1. The Board of Directors may contain more than one representative from an individual Lions Club in District 2-X1; however, not more than two at any one time.
3. A Voting Director of the Board of Directors may serve two consecutive terms on the Board regardless of the length of those terms and thereafter must rotate off the Board for at least one year. However, he/she may continue to serve in an ex-officio capacity at the pleasure of the Board.
4. The District Governor, Vice-District Governor, Lions World Service for the Blind Chair, Sight Conservation Chair and the Leader Dog Chair of District 2-X1 shall be non-voting members of the Board of Directors. The Foundation shall so notify those persons as soon as possible after their election or appointment to the offices listed.
5. Election and Board Vacancies:
 - a. If the following vacancies occur;
 1. In the event the delegates of the District fail to elect a Director, the District Governor-elect of the District shall nominate a Lion to serve as Director to serve the same term as the elected Director.
 2. If the District Governor-elect does not nominate a Director within 30 days after July 1st, then the Lions Sight and Tissue of District 2-X1, Inc. Board of Directors will nominate a Director to serve.
 3. If other vacancies occur through resignation, death or removal, the Lions Sight and Tissue of District 2-X1, Inc. Board of Directors will nominate a Director to serve.
 - b. The following procedures shall occur;
 1. Nominations will be accepted from the District Governor, Vice District Governor, a member of the Board of Directors or any Club in accordance with Article III, Section A, Paragraph 2.
 2. Nominations shall be received within ten (10) days of the Board meeting to discuss or interview the nominee.
 3. Nominees shall not be present at the meeting in which the vote will be taken and if present shall be asked to leave the meeting during the voting.
 - c. The Board shall elect a Director from the nominees to fill the expired term
6. Three consecutive absences may be grounds for dismissal from the Board and another Director appointed.
7. Any Officer or Director, (whether elected, appointed or ex-officio), may be removed for cause by a vote of 2/3rds of the Directors voting at any regular or special Board meeting.

SECTION B - MEETINGS:

1. **REGULAR** - An Annual Meeting, generally in June, shall be called by the President for the purposes of presenting his annual report and the installation of officers. Other regular meetings may be held at such times as established by the President.
2. **SPECIAL** - Special Meetings of the Board may be called by the President and a Special Meeting must be called if requested in writing by four Voting Directors. Notice of any special meeting of the Board of Directors shall be given at least ten (10) days to all board members previously thereto by written notice delivered personally or sent by mail, e-mail, facsimile transmission or telegram to each Director at his address as shown by the records of the Foundation's Secretary.

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If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. If notice be given by electronic or facsimile transmission, such notice shall be deemed to be delivered when the electronic or facsimile transmission is delivered to the electronic or facsimile address of the recipient. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

3. QUORUM - A majority of the Voting Directors shall constitute a quorum.
4. CONDUCT OF MEETINGS - Unless otherwise specified herein, all meetings shall be conducted in accordance with the latest revised Roberts Rules of Order.
5. ALTERNATIVE FORMS OF MEETINGS

All meetings of the Board may be conducted using a conference telephone, or similar communications equipment, or another suitable electronic communications system, including video conferencing technology or the Internet, or any combination thereof, if the telephone or other equipment or system permits each person participating in the meeting to communicate with all other persons participating in the meeting; provided that reasonable measures are implemented to verify that every person voting by means of remote communications at any such meeting is sufficiently identified and a record is kept of any vote or other action taken.

SECTION C - ELECTED OFFICERS:

Elected Officers, elected for a term of one year, shall be a President who may not succeed himself/herself more than once, a Vice President who may not succeed himself/herself more than once, a Secretary and a Treasurer. To be eligible for the office of President, an individual must have served one full term as a Director, or at least one year as an officer. To be eligible to serve as an officer, an individual must have served a minimum of one full year as a Director. Their duties shall be:

1. The President shall be the chief executive officer of the Foundation and shall in general supervise the affairs of the Foundation. He/she shall preside at all meetings of the members and the Board. He/she shall perform other duties as may be prescribed by the Board.
2. The Vice President, in the absence of the President or in the event of the inability or refusal of the President to act, shall perform the duties of the President, and when acting shall have the powers of and be subject to all restrictions upon the President. He/she shall perform such other duties as may be assigned by the Board.
3. The Secretary shall keep the minutes of the meetings of the Board of Directors; give all notices in accordance with these by-laws or as required by law; keep a register of all the post office addresses, phone numbers and email information of each member; and in general perform all duties incident to the office of Secretary and such other duties as may be assigned to him/her by the President or the Board.
4. The Treasurer shall be responsible for all funds and securities of the Foundation, prepare regular financial reports, and in general perform all the duties incident to the office of Treasurer and such duties as may be assigned by the President or the Board. These include the following duties;

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- a. Receive all monies and deposit the same in a bank or banks recommended by the finance committee and approved by the board of directors;
 - b. Pay out monies in payment of obligations only on authority given by the board of directors. All checks and vouchers shall be signed by the treasurer and countersigned by one other officer, determined by the board of directors;
 - c. Have custody and keep and maintain general records of club receipts and disbursements;
 - d. Prepare and submit monthly financial reports to the board of directors.
 - e. Prepare and submit quarterly financial reports to the District 2-X1 Cabinet.
5. The positions of Assistant Secretary and Assistant Treasurer may be elected to serve and substitute for their respective officers.

SECTION C - EXECUTIVE COMMITTEE:

1. MEMBERSHIP - The elected officers and three members at large shall be elected from the membership of the Board and who shall serve as members at large for a term of three years. The members at large shall be elected in three classes of one each.
2. MEETINGS - The President shall call a meeting of the Executive Committee quarterly and at other such times whenever he deems its action necessary. An Executive Committee meeting will be called upon the written request of any two members of the Executive Committee.
3. QUORUM - A majority of the members of the Executive Committee present, which must include the President or Vice President, is a quorum.
4. DUTIES - The Executive Committee shall have the authority to carry on the activities of the Foundation and to do things necessary and proper without further specific authorization. Action of the Executive Committee is binding upon the Foundation unless and until such time as the committee is over-ruled by the Board. A report of each meeting of the Executive Committee shall be mailed to members of the Board of Directors.

SECTION D - NOMINATION AND ELECTION OF ELECTED OFFICERS AND EXECUTIVE COMMITTEE

Election of elected officers and at large members of the Executive Committee will be held at the meeting immediately preceding the Annual Meeting of the Board of Directors. The President will name a Nominating Committee that will report its recommendations at the regular meeting of the Board of Directors immediately before the Annual Meeting. Nominations may be made from the floor providing that the person nominated has given his consent prior to such nomination.

SECTION E - BONDING:

The Board shall require bonding of all Foundation officers who are signatories of any financial institutions.

ARTICLE IV - COMMITTEES

All committees shall be appointed by the President. Standing Committees may be established from time to time by the Board. Special Committees may be established as needed for limited periods of time by the President.

ARTICLE V - PROPERTY AND FISCAL MANAGEMENT

SECTION A - BANK REQUIREMENTS

1. During the first meeting of the fiscal year, the Board of Directors shall designate the financial

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institution(s), covered by the Federal Deposit Insurance Corporation, in which the funds of the Foundation shall be deposited.

2. During the first meeting of the fiscal year, the Board of Directors shall designate, authorize, and empower the President, Vice-President, Secretary, Treasurer and the Outreach Clinic Chair to countersign on behalf of the Foundation. If the President, Vice-President, Secretary, Treasurer and the Outreach Clinic Chair have any conflict of interests or family with each other then the Treasurer shall sign all checks and countersign with the officers who are not in conflict.

SECTION B - FUNDS:

1. Funds received shall be devoted exclusively to charitable, benevolent and scientific purposes. No funds shall be used to carry on propaganda.
2. Funds shall be deposited in the bank or banks designated by the Board.
3. There shall be a **General Account**, a **Program Funds Account** and an **Endowment Account**.
 - a. The **General Account** shall be the account used for the general operations of the Foundation and shall be withdrawn only by check or voucher with two authorized signatures. All claims are to be paid by check only, except that the Board may authorize a petty cash fund and the manner of accounting for such funds.
 - b. **The Program Funds Accounts** shall be used to support special use charity programs supported by the Foundation. These programs are the School Children's Eyeglass, Adult Eyeglass and the Medical Assistance Projects and others which may be added as approved by the Board. Each program shall be funded as designated above.
 - c. The **Endowment Fund** shall be an account for the permanent funding of this Foundation. The Fund shall be deposited in an interest bearing manner and in which the principal shall not be withdrawn. The interest from the principal may be withdrawn on an annual basis by a two-thirds majority vote of a quorum of the voting Directors and deposited into the Program Funds Account.
4. The Board may establish other accounts as it deems necessary.

SECTION C - FISCAL YEAR:

The fiscal year of the Foundation shall be July 1 through June 30. The terms of officers and Directors shall coincide with the fiscal year.

SECTION D - FEES TO ELECTED OFFICERS AND DIRECTORS:

No salary or fee will be paid to any elected officer or Director. Reimbursement may be made to them for expenses incurred in the performance of their duty subject to approval by the Board.

SECTION E - ANNUAL AUDIT:

An annual internal audit will be made at the close of each fiscal year and a report will be presented at the next meeting of the Board following 90 days after the close of the fiscal year. The need for and to conduct an independent certified audit will be determined by the Board as required.

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ARTICLE VI - CONFLICT OF INTEREST

Statements

- a. The Foundation's conflict of interest policy is described in Appendix A and has been adopted and incorporated as part of the By-Laws.

ARTICLE VII - CHANGES IN BY-LAWS

These by-laws may be amended at any regular or special meeting of the Board provided notice of said meeting shall include a copy of the proposed amendment or amendments and that such notice is mailed to Board Members ten (10) days before the day of the meeting so called. Amendments approved by two-thirds majority of the Board of Directors, will be submitted for approval by the delegates voting at the District 2-X1 Convention with favorable vote of the majority indicating approval. Amendments will also be submitted to the Legal Counsel of Lions Clubs International for approval. Approval of both District 2-X1 and the Legal Counsel for Lions Clubs International is necessary for the Foundation to continue the use of the Lions name and emblem.

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**Appendix A
Conflict of Interest Policy**

**Article I
Purpose**

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Lions Sight and Tissue Foundation of District 2-X1, Inc.) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess of benefit transaction. 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.

**Article II
Definitions**

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Family Person.

For the purpose of the Family, "family" includes all members related by birth, marriage and other legal means, including such common family relations as parents, children, spouses, aunts/uncles, cousins, grandparents and in-laws of spouses.

3. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, 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.

**Article III
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 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

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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
 - a. 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.
 - b. 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.
 - c. After exercising due diligence, the governing board or committee shall determine whether the Organization 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.
 - d. 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 Organization's best interest, for its own benefit, and whether it is a fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
4. Violations of the Conflicts of Interest Policy
 - a. If the governing board or committee 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.
 - b. If, after hearing the member's response and after 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.

**Article IV
Records of Proceedings**

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

- a. 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, 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 discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

**Article V
Compensation**

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.
- d. Physicians who receive compensation from the Organization, whether directly or indirectly or as employees or independent contractors, are precluded from membership on any committee whose

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jurisdiction includes compensation matters. No physician, either individually or collectively, is prohibited from providing information to any committee regarding physician compensation.

**Article VI
Annual Statements**

Each director, principal officer and member of a committee with governing board delegated powers 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
- d. Understands the Organization 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.

**Article VII
Periodic Reviews**

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

**Article VIII
Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside expert are used, their use shall not relieve the governing board its responsibility for ensuring periodic reviews are conducted.