



BYLAWS

Minnesota Rural Education Association

This document constitutes the Bylaws of the Minnesota Rural Education Association, a Minnesota nonprofit corporation and 501(c)(4) tax-exempt organization. These Bylaws, as amended from time to time, were adopted for the purpose of regulation and governance of the affairs of the organization.



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MREA BYLAWS

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ARTICLE I | NAME AND PURPOSE

SECTION 1. NAME. The name of the entity shall be Minnesota Rural Education Association (hereinafter “Corporation” or “MREA”).

SECTION 2. PURPOSE. Corporation is organized and operated primarily for the promotion of social welfare in accordance with Section 501(c)(4) of the Internal Revenue Code, or the corresponding section of a future federal tax code. Specifically, Corporation shall engage in programs furthering social welfare that champion equitable access to high quality educational opportunities for all rural students and schools in Minnesota. This includes but is not limited to: 1.) identifying key issues impacting rural schools and working with legislative leaders to bring about positive change for students; 2.) keeping educational leaders informed of legislative changes; 3.) partnering with organizations and individuals to provide better opportunities for students; and 4.) elevating and celebrating Greater Minnesota educational accomplishments. Corporation shall also have all of the powers afforded to it by the provisions of the Minnesota Nonprofit Corporation Act, Minn. Stat. Chapter 317A, and as amended.

ARTICLE II | MEMBERSHIP

SECTION 1. ELIGIBILITY FOR MEMBERSHIP. Application for MREA membership is open to entities and/or natural persons who:

- support MREA’s purpose and activities;
- timely pay all applicable dues/fees/assessments as set from time to time by the Board of Directors,
- agree to abide by all applicable Minnesota and federal laws, Corporation’s Articles of Incorporation and Bylaws, and other organizational policies and procedures; and
- qualifies for one of the classes of membership, below.

Upon receipt of an initial application for membership, the Corporation will evaluate the applicant’s eligibility and qualifications.

SECTION 2. CLASSES OF MEMBERSHIP. The Board of Directors has the authority to establish and define classes of voting and non-voting membership and these classes may be changed from time to time. Corporation shall have the following classes of membership:

- 2.1 Voting Members** -- Voting membership is available to entities with Minnesota independent school district numbers (excluding charter and private schools) whose boundaries are wholly

located outside the Twin Cities' 7-county metropolitan area, as well as other Minnesota entities with an Organization ID number from the Minnesota Department of Education. In addition, the Board of Directors may approve status as a Voting Member to entities based on special petition made to the Board.

2.2 Non-Voting Members

2.2.1 Associate Members

Associate Membership is available to any entity without a Minnesota Department of Education organization ID number.

2.2.2 Individual Members

Individual Membership is available to natural persons aged eighteen (18) years of age or older who are no longer associated with a Voting Member or Associate Member through a student, employee, or independent contractor relationship.

2.2.3 Lifetime Members

Lifetime Membership is available to natural persons aged eighteen (18) years of age or older who: a.) have served on MREA's Board of Directors, MREA's Legislative Action Committee, or as MREA's staff, and b.) are no longer affiliated with a Voting Member or Associate Member through a student, employee, or independent contractor relationship.

2.2.4 Introductory Members

Introductory Membership is available by invitation only to public operating independent school districts who have not paid full membership dues/fees/assessments as established by the Board of Directors.

SECTION 3. RIGHTS OF MEMBERS. Each MREA member shall have the following rights:

- 3.1** All members shall be treated with respect and without discrimination on the basis of race, national or ethnic origin, religion, gender, gender identity, sexual orientation, socioeconomic status, age, or mental or physical disability. This does not preclude MREA from fulfilling its obligation to carry out activities and/or programs that have as their goal the alleviation of conditions that may restrict members from full participation in MREA or its activities and programs.
- 3.2** All members have the right to participate in MREA's activities and/or programs according to procedures established by the Board of Directors.
- 3.3** All members have the right to attend MREA's annual membership meeting and all other meetings of MREA's membership as called from time to time. Only Voting Members have the right to vote on issues brought before MREA's membership. Voting by proxy is not permitted.

- 3.4 All members can apply for a Board of Director seat.
- 3.5 Members have the right to other benefits as the Board of Directors may determine from time to time.
- 3.6 No member shall be responsible for any financial obligation of the Corporation.

SECTION 4. MEMBERSHIP YEAR AND DUES. The membership year for the members of MREA shall be the same as the fiscal year of the Corporation. The Board of Directors shall have the right to determine the dues or other payments to be made by the members of this corporation.

SECTION 5. INTEREST IN PROPERTY. The members of this Corporation shall not have any right, title, or interest in the real or personal property of this corporation.

SECTION 6. RESIGNATION. Any member may resign their membership at any time by giving written notice to the Corporation . Such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any member who resigns membership shall not be entitled to a refund of any dues or other payments made to this corporation.

SECTION 7. TERMINATION. All rights, privileges, and benefits of membership shall terminate for a member upon any of the following:

- 7.1 Voluntary resignation of the member;
- 7.2 Death or dissolution of the member;
- 7.3 Failure of the member to pay dues/fees/assessments in a timely manner;
- 7.4 Dissolution of MREA;
- 7.5 Expulsion as determined by a majority vote of the Board of Directors according to procedures established by the Board of Directors, including for any reason allowed by applicable law, for violation of the established rules of the Corporation, or for conduct that violates the fundamental objectives of MREA and if allowed to persist would thwart those objectives or bring the organization into disrepute.

ARTICLE III | BOARD OF DIRECTORS

SECTION 1. ROLE AND DUTIES. The Board of Directors are responsible for overall policy and direction of the Corporation and delegates responsibility for day-to-day operations to staff and committees. Pursuant to the Minnesota Nonprofit Corporation Act, Chapter 317A et seq. of the Minnesota Statutes, and as amended, the Board of Directors shall have all the duties and powers necessary and appropriate for the overall direction of Corporation, including but not limited to:

- 1.1. To utilize all funds received by or in the name of Corporation for the organization's legal and business benefit;
- 1.2. To perform any and all duties imposed upon them collectively or individually by law, by the Articles of Incorporation, the Bylaws, the Policies and Procedures;
- 1.3. To appoint and remove, employ and discharge, and, except otherwise provided in these Bylaws, prescribe the duties and fix compensation, of all Officers, agents, employees, independent contractors, and/or committees of Corporation;
- 1.4. To manage and oversee the affairs and activities of Corporation, and to make policies and procedures;
- 1.5. To enter into contracts, leases, and other agreements which are, in the judgment of the Board of Directors, necessary or desirable in pursuing the purposes of promoting the interests of Corporation;
- 1.6. To acquire real or personal property, by purchase, exchange, lease, gift, devise, bequest, or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, convey, or otherwise dispose of such property;
- 1.7. To borrow money, incur debt, and to execute and deliver promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidence of debt and securities; and
- 1.8. To indemnify and maintain insurance on behalf of any of its Directors, Officers, agents, employees, or independent contractors for liability asserted against or incurred by such person in such capacity or arising out of such person's status as such, subject to the provisions of Minn. Stat. Chapter 317A, as now enacted or hereinafter amended, or other law/equity.

The Board of Directors may engage in such acts that are in the best interests of Corporation and that are not in violation of Minnesota Statutes, specifically, Chapters 309, 317A, 501B, as now enacted or hereinafter amended, and federal law. No Director shall have any right, title, or interest in or to any property of Corporation.

SECTION 2. COMPOSITION AND ELECTION. Except as otherwise provided herein, the Board of Directors of this Corporation shall be comprised of at least three (3) and no greater than twenty-three (23) held by natural persons, as described as follows:

2.1 Appointed Directors

Five (5) seats, hereinafter referred to as “Appointed” Directors, shall be appointed by the Board of Directors.

2.2 Elected Directors

Sixteen (16), hereinafter referred to as “Elected” Directors, shall be elected by the Voting Members.

2.3 Immediate Past President

If not already seated on the Board of Directors, the Immediate Past President may hold a seat on the Board of Directors.

2.4 Other Director(s) as appointed by the Board from time to time

SECTION 3. TERMS. Subject to these Bylaws, Appointed and Elected Directors shall be elected to terms of four (4) years, and may only be elected to two (2) successive terms. Terms may be less than four (4) years for individuals elected or appointed to fulfill a mid-term vacancy. Only terms of office of four (4) years qualify for purposes of term limits and succession. A Director shall hold office for the terms for which he or she was elected or appointed and until his or her successor has been elected and/or has qualified to succeed in such seat, or until the Director’s prior death, resignation or removal, or failure to meet the criteria for the seat to which they were elected.

If an Elected Director changes status of affiliation with a MREA member so that they still hold a qualifying position BUT same is no longer representing the MREA member within the zone from which the Director was elected, such change of affiliation shall be considered a resignation by the Director. The individual who no longer meets the criteria for their seat shall be considered forfeiting such seat on the 1st day of the month following their loss of affiliation with the school district or agency that had been the basis of their qualification. MREA’s Board of Directors may fill said vacancy as set forth below.

SECTION 4. ELECTION MECHANISMS AND QUALIFICATIONS.

4.1 The five (5) Appointed Directors shall consist of two (2) “Higher Education” positions, two (2) “Agency” positions, and one (1) “Minnesota Education District Association” position:

4.1.1 Higher Education

The “Higher Education” positions shall be posted with post-secondary institutions in Minnesota, as chosen by the Board, with candidates invited to send resumes and letters of application. The Higher Education Directors shall be considered an Individual Member and shall pay individual dues for the duration of their term unless the post-secondary institution they are representing is a MREA member. The Board will make every effort possible to appoint one Higher Education Director from the southern two zones and one from the northern two zones.

4.1.2 Agency

The “Agency” positions shall be posted with Minnesota’s education service cooperatives as chosen by the Board. Candidates will be invited to submit resumes/letters of application, with only those candidates representing a full dues-paying Voting Member considered for appointment. The Board of Directors shall appoint each such Director after review of all candidate applications for such seat. The Board will make every effort possible to appoint one Agency Director from the southern two zones and one from the northern two zones.

4.1.3 Minnesota Education District Association

The “Minnesota Education District Association” (MEDA) position shall be posted with the Minnesota Education District Association members of MREA. Candidates will be invited to submit resumes/letters of application. The Board of Directors shall appoint each such Director after review of all candidate applications for such seat.

4.2 The sixteen (16) Elected Directors shall be comprised of individuals who represent one (or more) of the Corporation’s Voting Members (at the time of election.) Each Elected Director must meet the qualification criteria to be nominated for election from one of the four zones. The Board of Directors is responsible for determining the qualification criteria.

4.2.1 Specifically, from each of the four (4) zones, four Directors’ seats shall be filled, one (1) each from the following categories:

- | | |
|---------------|-------------------------|
| Teacher | School Board Member |
| Administrator | At-Large Representative |

- 4.2.2** Elected Directors are elected by the Voting Members from the relevant zone after a request for applications is sent to all members in such zone, a ballot created, and the ballot is sent to all members eligible to vote. The process is subject to procedures adopted by the Board of Directors.
- 4.2.3** With respect to the Elected Directors, Voting Members who are entities with Minnesota independent school district numbers are eligible to cast up to three (3) votes, and Voting Members who are other Minnesota entities with an Organization ID number from the Minnesota Department of Education are eligible to cast one (1) vote.
- 4.2.4** The Board of Directors shall review periodically the assignment of member districts to zones and adjust in the assignment of member districts as needed to maintain approximately equal representation.

SECTION 5. DIRECTOR COMPENSATION. Other than as permitted by Minn. Stat. § 317A.257, subd. 3, as now enacted or hereinafter amended, no compensation may be paid to Corporation’s Directors for their services, time, and/or efforts. Directors, however, may be reimbursed for necessary and reasonable actual expenses incurred in the performance of their duties as well as receive a per diem.

SECTION 6. REMOVAL. Any Director may at any time be removed with or without cause by an affirmative vote of the voting members of the Corporation eligible to elect such Director. A Director also may be removed by the Board of Directors upon absence from three (3) consecutive Board meetings or upon the Board’s subjective finding that the Corporation’s overall ability to operate cohesively is impeded by the participation of the Director.

SECTION 7. VACANCIES. Vacancies occurring because of the death, resignation, or removal of a Director or failure of a Director to maintain qualification as set forth above, may be filled by the Board of Directors on an interim basis only for the portion of the year which expires December 31; and, thereafter, for the term remaining, if any, by the voting members originally entitled to fill the seat by election. Vacancies may be filled with any qualified person based on the business judgment of the Board of Directors.

SECTION 8. DIRECTOR CONFLICTS OF INTEREST. The Corporation shall endeavor to avoid transactions involving conflicts of interest. The Board of Directors shall establish and follow a conflicts of interest policy compliant with Minn. Stat. § 317A.255, as now enacted or hereinafter amended, and federal law.

ARTICLE IV | MEETINGS OF THE MEMBERS

SECTION 1. ANNUAL MEETING. The annual meeting of the membership shall be held at any location within Minnesota at a date and time as determined by the Board of Directors. The annual meeting shall be held for the purpose of electing the Board of Directors, as well as the consideration of any other business that may be properly brought before the membership. This shall include, but not be limited to, Board reports regarding Corporation activities and financial position and input toward the direction of the Corporation for the coming year. If desired, annual meetings may occur through remote communication pursuant to Sections 317A.431 and 317A.450 of the Minnesota Statutes, as now enacted or hereinafter amended.

SECTION 2. SPECIAL MEETINGS. Special meetings of the members of this Corporation may be called at any time (a) by the President, (b) by the Board of Directors, or (c) upon written request of either ten percent, or fifty (whichever is less), of the Voting Members of this Corporation.

Anyone entitled to call a special meeting of the members may make a written request to the President to call the meeting, who shall thereafter give notice of the meeting, setting forth the time, place, and purpose thereof, to be held no later than ninety (90) days after receiving the request. If the President fails to give notice of the meeting within thirty (30) days from the date on which the request is received by the President, the person or persons who requested the meeting may fix the time and place of the meeting and give notice thereof in the manner hereinafter provided.

If a special meeting is called by the Voting Members, the meeting may be held in the county where the registered office is located or may be held by means of remote communication pursuant to Sections 317A.431 and 317A.450 of the Minnesota Statutes, as now enacted or hereinafter amended. The business transacted at a special meeting is limited to the purposes stated in the notice of the meeting.

SECTION 3. NOTICE TO MEMBERS. Written notice of each meeting of the members, stating the time and place thereof, shall be provided to each member on the official membership roll, not less than five (5) nor more than sixty (60) days before the meeting, excluding the day of the meeting. This notice shall be given personally, by mail, e-mail or other electronic means, telephone, or facsimile. Any member may waive notice of a meeting before, at, or after the meeting, orally, in writing, or by attendance. Attendance by the member at a meeting is deemed a waiver by the member unless an objection is offered by such individual to the transaction of business because the meeting is not lawfully called or convened, or an objection is made before a vote on an item of business because the item may not lawfully be considered at that meeting and the member does not participate in the consideration of the item at that meeting.

SECTION 4. MEMBERS LIST FOR MEETING. The Board of Directors shall fix a date not more than sixty (60) days, nor shorter than ten (10) days, before the date of a membership meeting to be the date for determining which persons are entitled to receive notice of and vote at the membership meeting. Whensoever the Board fails to set such a date, the date shall be the sixtieth (60th) day before the date of the meeting. After fixing a record date for the meeting, the Corporation shall prepare a list of the names (in alphabetical order) and addresses of each member entitled to vote at the meeting. Beginning two (2) business days after notice of the meeting is given, the list shall be available at the principal office of this Corporation for inspection by the members with voting rights pursuant to the mandates of Minn. Stat. § 317A.439, as now enacted or hereinafter amended.

SECTION 5. VOTING AND QUORUMS. The presence of ten percent (10%) of the Voting Members shall constitute a quorum at any meeting of the MREA membership. Voting Members may cast their ballot according to procedures established by the Board of Directors and the requirements of Minn. Stat. Sections 317A.431 and 317A.450, as now enacted or hereinafter amended. Unless otherwise specified in these Bylaws, all issues to be voted upon by the Voting Members shall be decided by a simple majority of those present at the meeting in which there is a quorum. All eligible members with voting rights may cast one (1) vote for non-election related questions. Voting by proxy is NOT permitted. The members present and entitled to vote at any meeting with less than a quorum may adjourn the meeting.

SECTION 6. WRITTEN ACTION BY BALLOT. An action that may be taken at a regular or special meeting of members may be taken without a meeting by written ballot. In accordance with the procedure set forth in Minn. Stat. § 317A.447, as now enacted or hereinafter amended, every member entitled to vote will be provided with a ballot either by mail or via electronic communication.

SECTION 7. MEETING DECORUM. Corporation shall follow best and lawful practices for conducting business at Board and membership meetings. The Board of Directors shall exemplify, communicate, and enforce the expectation that meetings be conducted in a collaborative, orderly, and respectful manner. Corporation reserves the right to excuse any Director, Officer, member, guest, member of the media, or audience participant exhibiting conduct that is disrespectful or disruptive to meeting proceedings.

SECTION 8. GUIDING PRINCIPLES. The Board of Directors shall adopt guiding principles for meetings of the membership and Board of Directors, ensuring that all members and Directors have a right to speak and know what single issue is being discussed at any one time. The principles shall include measures to apply impartiality and fairness throughout meetings.

ARTICLE V | MEETINGS OF THE BOARD OF DIRECTORS

SECTION 1. REGULAR MEETINGS. The Board of Directors shall meet at least annually. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Board. After the time and place of such regular meetings has been so determined, no notice of such regular meetings need be given. If desired, regular meetings may occur through remote communication pursuant to Section 317A.231 of the Minnesota Statutes, as now enacted or hereinafter amended. Notice of any change in the place or time of any regular meeting, or of any adjournment of a regular meeting to reconvene at a different place, shall be given personally, by mail, e-mail or other electronic means, telephone, or facsimile to all Directors not less than two (2) days before the meeting, excluding the day of the meeting. Cancellation of a regular meeting may occur with less than two (2) days' notice.

SECTION 2. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the President or at the written request of any Director. Such request must state the purpose(s) of the proposed meeting. The President of this Corporation shall give notice of special meetings to each Director, stating the time and place thereof and the purposes for which such meeting is being convened, not less than twenty-four (24) hours before the meeting, excluding the day of the meeting. Said notice shall be given personally, by mail, e-mail or other electronic means, telephone, or facsimile. If desired, regular meetings may occur through remote communication pursuant to Section 317A.231 of the Minnesota Statutes, as now enacted or hereinafter amended. The business transacted at all special meetings of Directors shall be confined to the subject(s) stated in the notice and to matters germane thereto unless all Directors of the Corporation are present and consent to the transaction of other business.

SECTION 3. WAIVER OF NOTICE. A Director may waive notice of a meeting of the Board, and such waiver is effective whether given in writing, orally, or by attendance. Attendance by a Director at a Board meeting is a waiver of notice of that meeting unless the Director objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and does not participate in the meeting.

SECTION 4. QUORUM. A majority of the number of Board of Directors' seats which are not vacant shall be necessary to constitute a quorum for the transaction of business. If a quorum is present when a duly called or held meeting is convened, the directors present may continue to transact business until adjournment, even though the withdrawal of directors originally present leaves less than the proportion or number otherwise required for a quorum.

SECTION 5. VOTING. During Board of Directors meetings, matters shall be decided by a majority vote of the Directors present at the meeting in which there is a quorum, except where otherwise indicated in these Bylaws. All eligible Directors may cast one (1) vote. Voting by proxy is NOT permitted. To the extent a vote is electronically held outside of a duly called meeting, the issue must be voted upon by the number of Directors that would be required to take the same action at a meeting of the Board at which all Directors were present, and the outcome must be recorded in the meeting minutes of the next duly held meeting of the Board of Directors.

SECTION 6. WRITTEN ACTION (ACTION WITHOUT MEETING). Any action permitted to be taken at a meeting of the Directors may be taken by written action signed, or consented to by authenticated electronic communication, by the number of Directors that would be required to take the same action at a meeting of the board at which all Directors were present.

ARTICLE VI | OFFICERS

SECTION 1. OFFICERS. Officers shall also be Directors of Corporation. The Corporation's Officers shall consist of a President, a Secretary-Treasurer, a President-elect, and an Immediate Past President. At the discretion of the Board of Directors, other Officers may be elected with duties that the Board shall prescribe.

SECTION 2. ELECTION OF OFFICERS. The Secretary-Treasurer and President-elect shall be elected by the Board of Directors at the annual meeting from the Board members then seated. As of January 1, the prior year's President-elect shall ascend to the office of President, and the prior year's President shall ascend to the office of Immediate Past President.

SECTION 3. TENURE OF OFFICE AND REMOVAL. The term of office for each Officer of this Corporation shall be for one (1) year, but in no case shall the term be concluded until the qualification of a successor has occurred. Any Officer may be removed at any time prior to the expiration of their term by affirmative vote of a majority of the Directors. If the President's office is vacated, the President-elect shall ascend to such office, and the then vacated office of the President-elect shall be filled by the Board of Directors, as shall any other occurring vacancies of offices. However, the only individual eligible to fill a vacancy in the office of Past President shall be whomever was the immediately preceding Past President.

SECTION 4. OFFICER COMPENSATION. Other than as permitted by Minn. Stat. § 317A.257, subd. 3, as now enacted or hereinafter amended, no compensation may be paid to the Corporation's Board Officers for their services, time, and/or efforts. Board Officers, however, may be reimbursed for necessary and reasonable actual expenses incurred in the performance of their duties.

SECTION 5. PRESIDENT. The President shall have general management of the business of the Corporation and, when present, preside at meetings of the Board and of the membership. The President shall see that the orders and resolutions of the Board are carried into effect; sign and deliver in the name of the Corporation deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the Corporation, except in cases in which the authority to sign and deliver is required by law to be exercised by another person or is expressly delegated by this Corporation's organizational documents or by the Board to another officer or agent of the Corporation; maintain records of and, when necessary, certify proceedings of the Board and the membership; and perform other duties as prescribed by the Board.

SECTION 6. SECRETARY-TREASURER. This Officer, in fulfilling the Secretary's function, shall maintain a list of the Corporation's members, see that the Corporation's records and minutes are accurately and timely maintained, fulfill the usual duties required by such office, and perform such other duties and exercise such other powers as may be imposed upon that position by resolution of the Board.

This Officer, in fulfilling the Treasurer's function, shall keep accurate and reliable financial records for the Corporation; deposit (or cause to deposit) money, drafts, and checks in the name of and to the credit of Corporation in the banks and depositories designated by the Board; endorse (or cause to endorse) for deposit notes, checks, and drafts received by the Corporation as ordered by the Board; make (or cause to make) proper vouchers for deposit; and disburse (or cause to disburse) Corporation's funds and issue checks and drafts in the name of Corporation, as ordered by the Board. The Treasurer shall also present, from time to time, financial reports to the Board and membership. These duties are fulfilled by the Treasurer except in cases in which the authority to sign and deliver is expressly delegated by this corporation's organizational documents, or by the Board, to agent/s of the corporation.

SECTION 7. PRESIDENT-ELECT. The President-Elect shall assist the President as requested and act in the absence or disability of the President. The President-Elect will compile and maintain a book of policies and procedures in collaboration with the organization's legal counsel.

SECTION 8. IMMEDIATE PAST PRESIDENT. Persons serving as President, after successfully completing their term(s), shall serve as Immediate Past President. The Immediate Past President will serve until the term expires for the successor President and that successor President then becomes the Immediate Past President. Only one person shall serve with the designation of Immediate Past President at any given time. The Immediate Past President will act as a trusted advisor to the President and provide guidance to the Board of Directors regarding historical decision making of the Corporation.

ARTICLE VII | COMMITTEES

SECTION 1. AUTHORITY. The Board of Directors may act by and through such committees as may be specified in resolutions adopted by a majority of the Board of Directors. Each committee shall have such duties and responsibilities as are granted to it from time to time by the Board of Directors and shall at all times be subject to the control and direction of the Board of Directors. Committee members other than the committee chair, need not be Directors. Unless otherwise stated in these Bylaws, a majority of the committee's membership shall constitute a quorum.

SECTION 2. EXECUTIVE COMMITTEE. The Executive Committee shall be comprised of the Corporation's Officers, with a fifth member selected by the Board of Directors (as necessary). Except for the power to amend the Articles of Incorporation and/or Bylaws, the Executive Committee shall have all the powers and authority of the Board of Directors in the intervals between meetings of the Board of Directors and is subject to the direction and control of the full Board. A quorum of the Executive Committee shall constitute seventy-five percent (75%) of the Executive Committee membership.

ARTICLE VIII | EXECUTIVE DIRECTOR AND STAFF

SECTION 1. EXECUTIVE DIRECTOR. The Board of Directors may select and employ an Executive Director. The Executive Director, if one is selected, shall be engaged by and act as an agent of the Board of Directors to administer the day-to-day affairs of the Corporation as well as implement the policies and decisions of the Board of Directors. The Executive Director shall provide overall executive direction and leadership to the staff and contracted service providers. The Executive Director has no power or authority apart from that which is delegated to them by the Board of Directors, and the Board has the duty and responsibility to adequately supervise the actions of the Executive Director. The Executive Director is expected to attend all Board of Director

and Executive Committee meetings unless otherwise directed. The Executive Director is employed by the Board of Directors in its sole discretion, and the Board shall decide compensation based on state and federal employment, nonprofit, and other applicable laws.

SECTION 2. STAFF. Unless the job description or service agreement requires otherwise, all staff and contracted service providers will report to the Executive Director, who is responsible for all staff issues including engagement, management, and dismissal.

ARTICLE IX | INDEMNIFICATION

SECTION 1. COVERAGE To the full extent permitted by any applicable law, this Corporation shall indemnify each person made or threatened to be made a party to any threatened, pending, or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of this Corporation, against the expenditures enumerated below, by reason of the former or present capacity of the person as:

- (a) a director, officer, employee, or member of a committee of this corporation, or
- (b) a governor, director, officer, partner, trustee, employee or agent of another organization (including employee benefit plans), who while a director, officer, employee, or member of a committee of this Corporation, is or was serving another organization at the request of this Corporation, or whose duties as a director, officer, employee, or member of a committee of this Corporation involve or involved such service to another organization.

SECTION 2. INDEMNIFIED EXPENDITURES. Indemnification is mandatory if, with respect to the acts or omissions of the person complained of in the proceeding, the person:

- (a) acted in good faith;
- (b) received no improper personal benefit and section 317A.255 of the Minnesota Statutes, as now enacted or hereinafter amended, regarding conflicts of interest, has been satisfied;
- (c) in the case of a criminal proceeding, did not have reasonable cause to believe the conduct was unlawful; and
- (d) in the case of acts or omissions occurring by a director, officer, employee or member of a committee of this corporation acting in such official capacity, reasonably believed that the conduct was in the best interests of this Corporation, or in the case of acts or omissions occurring by a director, officer,

employee, or members of a committee of this Corporation who is or was serving another organization at the request of this corporation, or whose duties as a director, officer, employee, or member of a committee.

SECTION 3. ELIGIBILITY, ADVANCES, AND ANCILLARY RECOVERY Determination of eligibility for indemnification payments or advances shall be made in accordance with section 317A.521 of the Minnesota Statutes, as now enacted or hereinafter amended. Advances of expenses incurred which are payable shall not be made prior to a final disposition of a proceeding unless same are paid from insurance policies held by the Corporation. Any indemnification realized other than under this Article shall apply as a credit against the indemnification provided herein.

SECTION 4. INSURANCE. This Corporation may, to the full extent permitted by applicable law, purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or member of a committee of this Corporation against any liability asserted against such person and incurred by such person in any such capacity.

ARTICLE X | MISCELLANEOUS

SECTION 1. FISCAL YEAR. The fiscal year of the corporation shall be from July 1 to June 30.

SECTION 2. BOOKS AND ACCOUNTS.

- 2.1** Corporation shall maintain appropriate checking, savings, and other accounts at a reputable bank or financial institution under the name “Minnesota Rural Education Association.”
- 2.2** Under the supervision of the Board of Directors, the Executive Director (if one exists) as well as the President and Treasurer may independently authorize unbudgeted expenditures not to exceed \$25,000 for items and/or services immediately necessary for the continued operation of the organization. Proper invoices and receipts are required for all such expenditures pursuant to Corporation’s financial policies and procedures.
- 2.3** Corporation’s books and accounts (or an exact copy thereof) shall be kept at the registered office.

- 2.4** All money received in Corporation's name shall be deposited in Corporation's account and used for Corporation's charitable purposes according to Minnesota and Federal laws and rules.

SECTION 3. EXAMINATION BY DIRECTORS. Every member or director of Corporation shall have a right to examine, in person or by agent or attorney, at any reasonable time, and at the registered office, books and records of Corporation as described in Section 317A.461 of the Minnesota Statutes, as now enacted or hereinafter amended, and make extracts or copies therefrom.

SECTION 4. LEGAL INSTRUMENTS. All contracts, agreements, and other legal instruments executed by Corporation shall be issued in the name of Corporation, not the individual name of a Director, Board Officer, or Executive Director (if one exists). Legal instruments must be signed by one or more of the following persons: the President, Treasurer, or Executive Director (if one exists). Legal instruments with financial obligations exceeding \$25,000 shall be approved by the Board of Directors after proper consideration and due diligence, in advance of signature. In the absence of approval by the Board of Directors, the individual Director, Board Officer, or Executive Director (if one exists) may be personally liable on the legal instrument unless the obligation is subsequently ratified by Board action.

SECTION 5. LOANS. No loans shall be contracted on behalf of Corporation nor shall evidences of indebtedness be issued in its name unless in conformance with Section 317A.501 of the Minnesota Statutes, as now enacted or hereinafter amended, and specifically authorized by written resolution of the Board of Directors. Such authority shall be confined to specific instances.

SECTION 6. PERIODIC REVIEWS. To ensure Corporation operates in a manner consistent with charitable purposes, files all required paperwork, 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:

- 6.1 Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining;
- 6.2 Whether partnerships, joint ventures, and arrangements with management organizations conform to 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;
- 6.3 Whether Corporation is properly filing annual paperwork with the Minnesota Secretary of State, Internal Revenue Service, and other government entities. Corporation shall file the Form 990 with the IRS annually. In addition, Corporation shall file all required employer reports to

agencies such as the Minnesota Unemployment Insurance Fund, the Minnesota Dept. of Revenue, the Minnesota Attorney General’s Office, the Minnesota Secretary of State, the Social Security Administration, and provide employee tax documents by the required deadlines.

SECTION 7. AFFILIATIONS. Corporation may maintain professional affiliations that benefit and strengthen the organization in its capacity to fulfill its mission.

SECTION 8. POLICIES AND PROCEDURES. The Board of Directors should establish policies and procedures:

- To codify decisions made by the Board at regular meetings in one central location;
- Regarding internal financial controls;
- Regarding gifts and grants to other individuals/organizations;
- Regarding a code of conduct at meetings and organizational gatherings;
- Regarding employees and volunteers; and
- Regarding other topics that may become reasonable and necessary.
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SECTION 9. NO PRIVATE INUREMENT. No part of Corporation’s annual gross receipts shall inure to the benefit of, or be distributable to, its Directors, Officers, Members, or other private persons, incidentally or otherwise, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purpose set forth in the purpose clause herein. This includes reasonable compensation for employees and independent contractors.

ARTICLE XI | AMENDMENTS

As set forth below, Corporation shall have the power to amend the Bylaws subject to restrictions imposed by Section 317A.133 of the Minnesota Statutes, as now enacted or hereinafter amended:

SECTION 1. APPROVAL. Amendments to the Bylaws must be approved by the affirmative vote of a two-thirds (2/3) majority of all Directors at a properly called meeting of the Board of Directors as well as the affirmative vote of a two-thirds (2/3) majority of the Voting Members at a properly called meeting of the MREA membership. The amendments must be circulated to the membership at least seven (7) days prior to the membership meeting.

SECTION 2. EXCEPTIONS TO BOARD APPROVAL. Notwithstanding the foregoing, the Board of Directors may amend these Bylaws by adopting, via a two-thirds (2/3) vote of all Directors then seated, a

resolution setting forth the amendment, except for the following actions: a.) actions to adopt, amend, or repeal a Bylaw fixing a quorum for meetings of members; b.) prescribing procedures for removing members with voting rights or filling vacancies in the Board of Directors; c.) fixing the number of Directors or their classifications, qualifications, or terms of office; d.) adopting, amending, or repealing a Bylaw that increases or decreases the vote required for action by members with voting rights, including voting rights related to the election of Directors.

CERTIFICATION

- The Voting Members of Minnesota Rural Education Association approved this updated, comprehensive revision of the Bylaws on the 5th day of December 2023.
- The Voting Members of Minnesota Rural Education Association approved these Bylaws by adopting a resolution setting forth the amendments on this _____ day of _____ 20____.
- These Bylaws were approved at a meeting of the Board of Directors of Minnesota Rural Education Association by a two-thirds majority vote on this _____ day of _____ 20____.

Boyd L. Bradbury

Boyd Bradbury, Board Secretary-Treasurer

12/05/2023

Date