

By-Laws of Houston Area Rescue Team

A Texas Non-Profit Corporation

Houston, Texas

ARTICLE 1 - NAME

1.01 The name of this corporation shall be Houston Area Rescue Team. The corporation may conduct business as Houston Area Rescue Team or as HART.

ARTICLE 2 - PURPOSES AND POWERS

2.01 Purposes - Houston Area Rescue Team is a non-profit corporation and shall be operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

Houston Area Rescue Team's purpose is to rescue dogs, provide them veterinary medical services and socialization, and adopt them out to qualified, loving homes. Our services include pulling dogs from "kill" shelters, assisting in mass rescues from breeders and animal control seizures, and accepting stray and owner surrenders when they cannot otherwise be cared for.

Houston Area Rescue Team also provides resources to adopters and the general public to further serve the welfare of dogs, including health and behavioral information and other aspects of responsible pet caretaking.

In furtherance of these goals, we may network and collaborate with other 501(c)(3) animal welfare organizations operated exclusively for charitable and educational purposes.

2.02 Powers – The corporation shall have the power, directly or indirectly, alone or in conjunction with others, to do any and all lawful acts which may be necessary or convenient to affect the charitable purposes for which the corporation is organized, and to aid or assist other organizations or persons whose activities accomplish or further such purposes. The powers of the corporation may include, but are not limited to, accepting contributions from the public and private sectors, whether financial or in-kind.

2.03 Non-Profit Status and Exempt Activities Limitation –

a. Nonprofit legal status: Houston Area Rescue Team is a Texas non-profit organization, recognized as tax-exempt by the Internal Revenue Code.

b. Exempt Activities Limitation: Notwithstanding any other provision of these By-Laws, no director, officer, member, employee or representative of this organization shall engage in any activity by or on behalf of the organization which is not permitted under Section 501(c)(3) of the Internal Revenue Code as it now exists or may be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the corporation shall inure to the benefit or be distributable to any director, officer, member or other private person, except that the corporation shall be authorized and empowered to pay

reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Formation and these Bylaws.

c. Distribution upon Dissolution: Upon termination or dissolution of Houston Area Rescue Team, any assets lawfully available for distribution shall be distributed to one or more qualifying organizations described in Section 501(c)(3) of the 1986 Internal Revenue Code or corresponding provision in any successor statute, which organizations have a charitable purpose that is substantively similar to that of the terminating or dissolving corporation.

The organization to receive the assets of Houston Area Rescue Team shall be selected in the discretion of a majority of the managing body of the corporation, and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against Houston Area Rescue Team by one or more of its managing body which verified petition shall contain statements as reasonably indicate the applicability of this section. The court upon finding that this section is applicable shall select the qualifying organization(s) to receive the assets to be distributed, giving preference to organizations located within the State of Texas.

ARTICLE 3 – MEMBERSHIP

3.01 No Membership Classes – This corporation shall have no members who have any right to vote or title or interest in or to the corporation, its properties and franchises.

3.02 Non-Voting Affiliates – The board of directors may approve classes of non-voting affiliates with rights, privileges and obligations established by the board. Affiliates may be individuals, businesses and other organizations that seek to support the mission of the corporation. The board, a designated committee of the board, or any duly elected officer in accordance with board policy, shall have authority to admit any individual or organization as an affiliate, to recognize representatives of affiliates, and to make determinations as to affiliates' rights, privileges and obligations. At no time shall affiliate information be shared with or sold to other organizations without affiliate's consent. At the discretion of the board of directors, affiliates may be given endorsement, recognition and media coverage at fundraising activities, clinics and other events, or on the organization's website or other social media pages. Affiliates have no voting rights and are not members of the corporation.

3.03 Dues – Any dues for affiliates shall be determined by the board of directors.

ARTICLE 4 – BOARD OF DIRECTORS

4.01 Number of Directors – Houston Area Rescue Team shall have a board of directors consisting of at least 4 and not more than 10 directors. Within these limits, the board may increase or decrease the number of directors serving on the board.

4.02 Powers – All corporate powers shall be exercised by or under the authority of the board and the affairs of Houston Area Rescue Team shall be managed under the direction of the board, except as otherwise provided by law.

4.03 Terms – All directors shall be elected to serve in perpetuity; however, the term may be abridged by resignation or removal.

4.04 Qualifications and Election of Directors – In order to serve as a director on the board of directors, an individual must be 18 years of age and an affiliate within affiliate classifications created by the board of directors. Directors may be elected at any board meeting by the majority vote of the existing board of directors. The election of directors to replace those who have fulfilled their term of office shall take place in January of each year.

4.05 Vacancies – The board of directors may fill vacancies due to the resignation, death or removal of a director, or may appoint new director to fill a previously unfilled board position, subject to the maximum number of directors under these bylaws.

4.06 Removal of Directors – A director may be removed by two-thirds vote of the board of directors then in office, if:

a) the director is absent and unexcused from two or more meetings of the board of directors in a twelve-month period. The board president is empowered to excuse directors from attendance deemed adequate by the board president. The president shall not have the power to excuse him/herself from board meeting attendance and in that case, the vice-president shall excuse the president. Or:

b) for cause or no cause, if before any meeting of the board at which a vote on removal will be made the director in question is given electronic or written notification of the board's intention to discuss his/her case and is given the opportunity to be heard at a meeting of the board.

4.07 Board of Directors Meetings –

a) regular meetings: the board of directors shall have a minimum of four regular meetings each calendar year at times and places fixed by the board. Board meetings shall be held upon four days' notice delivered by first-class mail, electronic mail or fax, or upon two days' notice delivered personally or by phone call. Notice is deemed given when mailed, emailed or faxed. Notice of meetings shall specify the place, day and hour of the meeting. An agenda prepared ahead of time is not required.

b) special meetings: special meetings of the board may be called by the president, vice president, secretary, treasurer, or any two other directors of the board. A special meeting must be preceded by at least two days' notice to each director advising the date, time and place of the meeting.

c) waiver of notice: any director may waive notice of any meeting.

4.08 Manner of Acting –

a) Quorum: a majority of the directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the board. No business shall be considered by the board at any meeting at which a quorum is not present.

b) Majority Vote: except as otherwise required by law or by the articles of incorporation, the act of the majority of directors present at a meeting at which a quorum is present shall be the act of the board.

c) Hung board decisions: if directors are unable to make a decision because of a tied number of votes, the president or treasurer in the order of presence shall have the power to swing the vote based on his / her discretion.

d) Participation: except as required otherwise by law, the articles of incorporation, or these Bylaws directors may participate in a regular or special meeting through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting, including in person, by conference call, or internet video meeting.

4.09 Compensation for Board Service – directors shall receive no compensation for carrying out their duties as directors. The board may adopt policies providing for reasonable reimbursement of directors for expenses incurred in conjunction with carrying out board responsibilities, such as travel expenses to attend board meetings.

4.10 Compensation for Professional Services by Directors – Directors are not restricted from being remunerated for professional services provided to the corporation. Such remuneration shall be reasonable and fair to the corporation and must be reviewed and approved in accordance with the board’s Conflict of Interest policy and state law.

ARTICLE 5 – COMMITTEES

5.01 – Committees – The board of directors may, by the resolution adopted by a majority of the directors then in office, designate one or more committees, each consisting of two or more directors, to serve at the pleasure of the board. Any committee, to the extent provided in the resolution of the board, shall have all the authority of the board, except that no committee may:

- a) take any final action on matters which also requires board approval;
- b) fill vacancies on the board of directors or in any committee which has the authority of the board;
- c) amend or repeal Bylaws or adopt new Bylaws;
- d) amend or repeal any resolution of the board of directors which by its express terms is not so amendable or repealable;
- e) appoint any other committees of the board of directors or the members of these committees;
- f) expend corporate funds to support a nominee for director; or
- g) approve any transaction
 - i) to which the corporation is a party and one or more of its directors have a material financial interest; or
 - ii) between the corporation and one or more of its directors or between the corporation and any person in which one or more of its directors have a material financial interest.

5.02 – Meetings and Action of Committees - Meetings and action of the committees shall be governed by and held and taken in accordance with the provisions in Article 4 of these bylaws concerning meetings of the directors, with such changes in the contest of those bylaws necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the board of directors or by resolution of the committee. Special meetings of the committee may also be called by resolution of the

board of directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. A shall be kept of each meeting of any committee and shall be filed with the corporate records.

5.03 Informal Action by the Board of Directors – Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be agreed by the consensus of a quorum. For purposes of this section an email transmission from an email address on record constitutes a valid writing. The intent of this provision is to allow the board of directors to use email to approve actions, as long as a quorum of board members gives consent.

ARTICLE 6 - OFFICERS

6.01 Board Officers – The officers of the corporation shall be a board president, vice-president, secretary and treasurer, all of whom shall be chosen by, and serve at the pleasure of, the board of directors. Each board officer shall have the authority and shall perform the duties set forth in these bylaws, or by the resolution of the board of by direction of an officer authorized by the board to prescribe the duties and authority of other officers. One person may hold two or more board offices but no board officer may act in more than one capacity where action of two or more officers is required.

6.02 Term of Office – Each officer shall serve in perpetuity unless he or she resigns or is removed.

6.03 Removal and Resignation – The board of directors may remove an officer at any time, with or without cause. Any officer may resign at any time by giving written notice to the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

6.04 Board President – The board president shall be the chief volunteer of the corporation. The board president shall lead the board of directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the board of directors, and shall perform all other duties incident to the office or properly required by the board of directors.

6.05 – Vice President – In the absence of disability of the board president, the vice president shall perform the duties of the board president. When so acting, the vice president shall have all the powers of and be subject to all the restrictions upon the board president. The vice president shall have such other powers and perform such other duties as prescribed by the board or the president.

6.06 – Secretary – The secretary shall keep a book of minutes of all meetings and actions of directors and committees. The minutes of each meeting shall state the time and place that it was held and such other information as needed to determine the actions taken and whether the meeting was held in accordance with the law and these bylaws. The secretary shall cause notice to be given of all meetings of directors and committees as required by the bylaws. The secretary shall have such other powers or duties as prescribed by the directors.

6.07 – Treasurer – The treasurer shall be the lead director for oversight of the financial condition and affairs of the corporation. The treasurer shall oversee and keep the board informed of the financial condition of the corporation and of audit or financial review results. The treasurer shall oversee budget

preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the corporation, are made available to the board of directors on a timely basis. The treasurer may appoint, with board approval, a qualified fiscal agent or member of the staff to assist in performance of all or part of the duties of Treasurer.

ARTICLE 7 – CONTRACTS, LOANS AND RELATED MATTERS

7.01 Contracts and Other Writings – Except as provided by board policy or resolution, all contracts, deeds, mortgages, grants, and other agreements of the corporation shall be executed on its behalf by the treasurer or other persons to whom the corporation has delegated authority to execute such documents.

7.02 Checks – All checks, notes, or other debt instruments issued in the name of the corporation shall be signed by such officer(s), agent(s) of the corporation in such manner as shall be determined by resolution of the board.

7.03 Deposits – All funds of the corporation not otherwise employed shall be deposited in a bank as the board may select.

7.04 Loans – No loans shall be contracted on behalf of the corporation and no indebtedness shall be issued in its name unless authorized by resolution of the board.

7.05 Indemnification –

a) mandatory indemnification. The corporation shall indemnify a director who was successful in the defense of any proceeding to which he / she was a party because of being a director or the corporation against reasonable expenses incurred by him/her in connection with the proceedings.

b) permissible indemnification. The corporation shall indemnify a director or former director made a party to a proceeding because he or she was a director of the corporation, against liability incurred in the proceeding, if the determination to indemnify him or her has been according to law.

c) advance for expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition, as authorized by the board of directors in the specific case, on i) receipt of a written affirmation from the director, officer, employee or agent of their good faith belief that they are entitled to indemnification and ii) an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall be ultimately determined that he or she is entitled to be indemnified by the corporation.

ARTICLE 8 – MISCELLANEOUS

8.01 Books and Records – the corporation shall keep correct and complete books and records of account and shall keep minutes of all proceedings of all meetings of its board of directors; a record of all actions taken by the board of directors without a meeting, and a record of all actions taken by committees of the board. In addition, the corporation shall keep a copy of the corporation's Articles of Incorporation and Bylaws as amended to date.

8.02 Fiscal Year – The fiscal year of the corporation shall be from November 1 to October 31 each year.

8.03 Conflict of Interest – The board shall adopt and periodically review a conflict of interest policy to protect the corporation’s interest when it is contemplating any transaction or arrangement which may benefit any director, officer, employee, affiliate, or member of a committee with board-delegated powers.

8.04 Non-discrimination Policy – the officers, directors, committee members, employees, and persons served by this corporation shall be selected entirely on a non-discriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of Houston Area Rescue Team not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran status, color, religion, or national origin.

8.05 Bylaw Amendment – these bylaws may be amended, repealed, or restated by a vote of the majority of the board of directors then in office at a meeting of the board, provided, however,

a) that no amendment shall be made to these bylaws that would cause the corporation to cease to qualify as an exempt corporation under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code, and,

b) that an amendment does not affect the voting rights of directors. An amendment that does affect the voting rights of directors further requires ratification by two-thirds vote of a quorum of directors at a board meeting, and

c) that all amendments be consistent with the Articles of Incorporation.

ARTICLE 9 – COUNTERTERRORISM AND DUE DILIGENCE POLICY

Houston Area Rescue Team will stipulate the acceptable uses of any funds donated to other exempt organizations, and will require the recipient to provide the corporation with detailed records and financial proof of how the funds were used.

Although adherence to guidelines detailed in the US Department of the Treasury’s publication “Voluntary Best Practices for US Based Charities” is not mandatory, Houston Area Rescue Team recognizes and practices these guidelines to reduce the risk of charitable funds being diverted, or the exploitation of charitable activity by terrorist organizations and support networks.

ARTICLE 10 – DOCUMENT RETENTION POLICY

10.01 Purpose – The purpose of this document retention policy is to define standards for the retention, destruction and integrity of Houston Area Rescue Team’s records.

10.02 Minimum Retention Periods

a) Corporate documents, including the Articles of Incorporation, Bylaws, and IRS Form 1023 and Application for Exemption, should be retained permanently.

b) Tax records (such as the Form 990), payroll documents, expenses, contributions and revenues reports should be retained for at least seven years from the date of filing.

c) Employment records must be maintained per state and federal statutes, including all performance reviews and any complaints brought against the corporation or individuals under state and federal

statutes. Employment applications should be kept three years. All other employment and personnel documents should be kept seven years.

d) Board and committee materials – meeting minutes should be retained in perpetuity in the corporation’s minute book. All other board materials should be kept for no less than three years.

e) Press releases / public filings should be retained permanently.

f) Legal files should generally be retained for a period of ten years. Counsel may be needed to determine the retention period of specific legal documents. Any records related to a law suit should be retained until the matter is resolved. Final execution copies of contracts should be retained for at least three years beyond the life of the agreement.

g) Banking and accounting records should be kept for seven years.

h) Insurance policies, records, reports, and claims should be kept permanently.

i) Audit reports – external audit reports should be kept permanently. Internal audit reports should be kept for three years.

j) Emails that constitute records under the above categories should be printed in hard copy and kept in the appropriate file or downloaded and kept electronically or on a disk.

ARTICLE 11 – TRANSPARENCY AND ACCOUNTABILITY

11.01 Purpose – Houston Area Rescue Team practices transparency and accountability with the general public.

11.02 – Financial and IRS documents – Houston Area Rescue Team will provide its Form 990, 990-T, 1023 and 5227, bylaws, conflict of interest policy, and financial statements to the general public by publishing them on the website.

11.03 – Accomplishments – Houston Area Rescue Team will prepare and publish on our website an annual report of accomplishments, including statistics on intake and disposition of dogs in our care according to the standard shelter accounting protocols.

11.04 – IRS Form 990 – Houston Area Rescue Team will submit the IRS Form 990 to its board of directors for review 10 days before filing.

11.05 Board Deliberations – all board deliberations shall be open to the public except where the board passes a motion to make a specific portion confidential. Once accepted by the board, all minutes shall be open to inspection by the public.

11.06 Staff Records – all staff records shall be available for consultation by the staff member concerned or by their legal representative. No staff records shall be made available to any person outside the corporation except authorized government agencies. Staff records will be made available to those with managerial responsibilities for that staff member, or to the board when requested.

11.07 Donor Records – all donor records shall be available for consultation by board members and donors concerned, and by their legal representatives. No donor records shall be made available to any person outside the corporation except authorized government agencies. Donor records will only be

made available to those with managerial responsibilities for dealing with the donors, or to the board when requested.

ARTICLE 12 – CODE OF ETHICS AND WHISTLEBLOWER POLICY

12.01 Purpose - Houston Area Rescue Team requires directors, officers and employees to maintain and observe high standards in the conduct of their duties. All representatives of the corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

12.02 Reporting Violations – If any director, officer, or staff reasonably believes that a policy, practice or activity of Houston Area Rescue Team is in violation of law, a written complaint must be made by that person with the board president or vice-president.

12.03 Good Faith – Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing that a violation has occurred. Any allegations not substantiated which are proven to have been made maliciously or known to be false shall be viewed as a serious disciplinary offense.

12.04 – Retaliation – If the alleged violation is brought to the attention of Houston Area Rescue Team and a reasonable opportunity is provided to correct the alleged unlawful activity, then Houston Area Rescue Team will not retaliate against any director, officer or staff who makes a protest or complaint in good faith. Houston Area Rescue Team will also not retaliate against any director, officer or staff who discloses or threatens to disclose to a supervisor or a public agency, any activity, policy or practice that the individual reasonably believes to be a violation of law or policy, or a clear mandate of public policy concerning the health, safety, welfare or protection of the environment.

12.05 – Confidentiality – Violations or suspected violations may be submitted on a confidential basis or may be submitted anonymously. Reports of violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

12.06 – Handling of Violations – The board president or vice president shall notify the sender and acknowledge receipt of the reported violation within five business days. All reports shall be promptly investigated by the board and appropriate corrective action taken if warranted.

This policy shall be made available to all directors, officers and staff, and they shall have the opportunity to ask questions about the policy.

ARTICLE 13 – AMENDMENT OF ARTICLES OF INCORPORATION

13.01 – Amendment – any amendment to the Articles of Incorporation may be adopted by approval of 2/3 of the board of directors.

CERTIFICATE OF ADOPTION OF BYLAWS

I do hereby certify that the above stated bylaws of Houston Area Rescue Team were approved by the Houston Area Rescue Team board of directors on XXXXXXXXXXXX, XXXX and constitute a complete copy of the bylaws of the corporation.

Secretary: _____

Date: _____