

NON-REGULAR CONDUCTOR LICENSE GUIDE

Qualifications, Requirements and
Necessary Documentation



Texas Administrative Code
Rule §141.420

This guide is to be used to assist organizations in completing an original application to conduct bingo.
Submittal of information does not guarantee approval.

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DEFINITIONS

Authorized Organization – An organization that is eligible for a license to conduct bingo.

Bingo – “Bingo” or “game” means, specific game of chance, commonly known as bingo or lotto, in which prizes are awarded based on designated numbers or symbols conforming to randomly selected numbers or symbols.

Bingo Chairperson – An officer or member of an organization’s board of directors who will serve as the Bingo Chairperson for the organization. This individual is responsible for overseeing the organization’s bingo activities and reporting back to the membership about those activities. The Bingo Chairperson also serves as the primary point of contact for the authorized organization unless a different business contact is named.

Bingo Equipment – Equipment used, made, or sold for use in bingo.

Bingo Occasion(s) – A single gathering or session at which a bingo game or a series of bingo games, including selling and redeeming pull-tab bingo tickets, are conducted on the day and at the times listed on the license issued to an authorized organization. A bingo occasion can be no longer than six hours.

Bingo Supplies – Items such as bingo paper, pull-tabs and card minders must be purchased from a distributor licensed to do business in Texas. This does not include daubers, light bulbs, etc.

Bingo – “Bingo” or “game” means, specific game of chance, commonly known as bingo or lotto, in which prizes are awarded based on designated numbers or symbols conforming to randomly selected numbers or symbols.

Certification of Legalization – Certification from a local jurisdiction that the conduct of charitable bingo is lawful at the location seeking licensure.

Conductor – An authorized organization that conducts bingo.

Distributor – A person who obtains, by purchase or otherwise, bingo equipment or supplies for use in bingo in this state and sells or furnishes the items to another person for use, resale, display, or operation. Distributors must be licensed by CBOD.

Donated Bingo Prizes – An authorized organization may accept or award donated bingo prizes. A donated bingo prize shall be valued at its current retail price.

Gross Receipts – The total amount received from the sale, rental, transfer, or use of bingo cards and entrance fees charged at premises at which bingo is conducted.

DEFINITIONS (CONT'D)

Net Proceeds – In relation to the gross receipts from one or more bingo occasions, the amount remaining after deducting the reasonable and/or necessary expenses and the prize fees.

Non-cash prize (merchandise prizes) – Any merchandise or other non-cash prize, including bingo equipment, awarded as a bingo prize shall be valued at its current retail price. However, a non-cash prize awarded as a bingo prize may be valued at the price actually paid for that prize provided that the licensed authorized organization maintains a receipt or other documentation evidencing the actual price paid.

Non-Regular Conductor – An authorized organization that does not hold a regular license to conduct bingo may receive up to twelve temporary licenses in a calendar year.

Operator – An active member of the organization who will serve as the operator at the bingo occasion(s) (other than the Chairperson). This individual serves as the supervisor of the bingo operation.

Organizing Instrument – Documents such as By-laws, constitution, articles of incorporation and/or certificate of formation representing an organization's operating manual. Organizing instruments generally cover topics such as the purpose of the organization, a list of its members, the process to elect the board of directors and officers, the structures and procedures of meetings, and a description of officers' duties.

Premises – The area subject to the direct control of and actual use by an authorized organization or group of authorized organizations to conduct bingo. The term includes a location or place.

Primary Business Office – The location at which all records relating to the primary purpose of an authorized organization are maintained in the ordinary course of business.

Prizes – There is no set minimum on total prize amounts. \$5,000 is the maximum total amount of prizes for one single occasion other than pull-tab bingo or bingo games that award individual prizes of \$50 or less.

Prize Fee – An authorized organization shall collect a fee of 5% from a person who wins a bingo cash prize exceeding \$5. Refer to BEA 2001.502 for guidelines on remitting the prize fee to the Commission, county, and/or municipality, or retaining it for charitable purposes based on the organization's election status

Rule(s) – Refers to Charitable Bingo Administrative Rules, 16 TEX ADMIN. CODE (Rules) ch. 141.

Quarterly filing periods and due dates:

QUARTER	BINGO OCCASION HELD THROUGH	REPORT DUE DATE
FIRST QUARTER	JANUARY 1 THROUGH MARCH 31	APRIL 25
SECOND QUARTER	APRIL 1 THROUGH JUNE 30	JULY 25
THIRD QUARTER	JULY 1 THROUGH SEPTEMBER 30	OCTOBER 25
FOURTH QUARTER	OCTOBER 1 THROUGH DECEMBER 31	JANUARY 25

Bingo Occasion Report (FORMID 131) and prize fee payment due must be filed with the Commission and postmarked on or before the report due date. The Bingo Occasion Report is available online to be filed in the Bingo Service Portal.

Note: *If more than one licensed bingo occasion is conducted during a quarter, all occasions should be combined and reported on a single quarterly report (FORMID 131) for that quarter.*

Use of Net Proceeds for Charitable Purposes – Net proceeds are dedicated to the charitable purposes of the organization only if directed to a cause, deed, or activity that is consistent with the purposes and objectives for which the organization qualifies as an authorized organization.

INTRODUCTION

If a charitable organization intends to hold Bingo Occasions intermittently throughout a calendar year, that organization must apply for a Non-Regular Conductor License. The foremost element to acquiring a Non-Regular Conductor license is time.

The application with all required documentation must be submitted to Charitable Bingo Operations Division (CBOD) and postmarked no later than thirty calendar days prior to the occasion.

A Non-Regular Temporary License may be obtained by:

- A Religious Society
- A Fraternal Organization
- A Veteran Organization
- A Volunteer Fire Department
- A Volunteer EMS Provider
- A Nonprofit Medical Organization

Here are some questions to consider before your organization begins the process:

1. Is your organization a nonprofit unincorporated association or corporation?
2. Is the conduct of bingo legal in the municipality, county, or justice precinct where your organization has its primary business office?
If not, you may be able to play in an adjacent county where bingo is legal. Check the adjacent counties.
3. Has your 501(c) been active for at least three years? (*Does not apply if you are a Religious Society, Volunteer Fire Department, or a Volunteer EMS.*)
4. Has your organization been organized in the state of Texas for at least three years?
5. Does your organization have a bona fide membership list/roster?

If you answer “**NO**” to any of these questions, you are not currently qualified for a license to conduct charitable bingo.

If you answer “**YES**” to all the questions; proceed with your application and utilize this guide to assist you in the process.

STEP 1 - ELIGIBILITY

The applicant must be an unincorporated association or corporation and must be organized to perform and engage in charitable work. The name of the applicant organization must match the name of the organization on the organizing instruments.

What is required:

A signed copy of the organization's organizing instruments, including any bylaws, constitution, charter and articles of incorporation.

Submit the following:

- Signed and dated copy of the organization's organizing instruments.

See Example 1 - Non-profit Bylaws in the Appendix.

STEP 2 – 501(C) EXEMPTION

The applicant must have had a valid 501(c) exemption through the Internal Revenue Service (IRS) for at least three years. *(Not required for Religious Societies, Volunteer Fire Departments, and Volunteer EMS Providers.)*

What is required:

If the Department is unable to validate directly with the IRS that the organization has a 501(c) designation, the Department will request additional documentation from the applicant.

The supporting documentation may be:

1. A copy of your “Letter of Determination” issued by the IRS, if your organization maintains its own 501(c) exemption.

Or

2. If your organization is covered under a group 501(c) exemption, submit a letter of good standing from your parent organization and a copy of your parent organization’s letter from the IRS that grants approval to cover its affiliated subordinate units.

Submit the following:

- Proof of valid 501(c) designation for at least three years.
- A “Letter of Determination” issued by the IRS if your organization maintains its own 501(c) exemption.
- A letter of good standing from your parent organization and a copy of your parent organization’s letter from the IRS that grants approval to cover its affiliated subordinate units.

See *Example 2 – IRS 501(c) Letter of Determination* and *Example 3 – Group Letter in the Appendix*.

STEP 3 – ORGANIZED IN TEXAS FOR THREE YEARS

The applicant must have been organized in Texas for at least three years.

What is required:

- **Verification by Parent for Charitable Organization Conductor (FORMID 110)**, if affiliated with a state or national organization;

Or

- **A copy of a listing in a publication such as a national roster or newspaper article** if not affiliated with a state or national organization;

Or

- **A letter to the applicant from a government agency.**

The document submitted to confirm the requirement must reflect the organization's name and Texas address. It must also either be dated prior to the three-year period or establish the date the organization was founded.

Submit the following:

- Verification by Parent for Charitable Organization Conductor FORMID 110

Or

- A copy of a listing in a publication such as a national roster or newspaper article if not affiliated with a state or national organization.

Or

- A letter to the applicant from a government agency.

See *Example 4 – Tax Clearance Letter for Reinstatement*, *Example 5 – Reinstatement* and *Example 6 – Secretary of State Good Standing in the Appendix*.

STEP 4 - MEMBERSHIP

The applicant must have a bona fide membership.

What is required:

Current membership list with all officers and directors noted.

Submit the following:

- Current membership list with all officers and directors.

STEP 5 – TEXAS SOS STATUS

What is required:

If the organization is organized under the law of this state, the organization must be in good standing with the Texas Secretary of State (SOS). The Department will request additional documentation from the applicant if unable to validate good standing directly with the SOS.

This documentation may include a copy of “Tax Clearance Letter for Reinstatement” from the Texas State Comptroller of Public Accounts and a stamped, filed copy of an “Application for Reinstatement” from the SOS.

Submit the following:

- Proof the applicant is in good standing with the Secretary of State. (The right to do business in Texas.)

See *Example 4 – Tax Clearance Letter for Reinstatement*, *Example 5 – Reinstatement* and *Example 6 – Secretary of State Good Standing in the Appendix*.

STEP 6 – REQUIRED FORMS

Applicable Forms include:

- **Original Application for Temporary Bingo Occasions for Non-regular Organization (FORMID 20)** – This form must be completed by an organization that has never held a license to conduct charitable bingo, or if it has been more than three years since its last temporary license
- **Application for Temporary Bingo Occasions for Non-regular Organization (FORMID 19)** – This form must be completed by an organization that does not hold a regular license to conduct charitable bingo, but held temporary license within the last three years.
- **Verification by Parent for Charitable Organization Conductor (FORMID 110)** – This form must be submitted by an organization applying for a license to conduct charitable bingo in Texas that is a subordinate organization to a parent organization. The form will verify that the subordinate organization is in good standing with the parent organization and whether the subordinate organization is covered under the 501(c) group exemption letter issued by the Internal Revenue Service (IRS) to the parent organization.
- **Non-Regular Temporary Bingo Occasions Report (FORMID 131)** – This is a “quarterly report” form, which must be completed for all occasions licensed in the quarter. Report of expenses, gross receipts collection, and disbursement of prize fee.

Organizations report activity from all occasion(s) conducted within the same quarter on a single Bingo Occasion Report. The form and prize fee payment due must be filed with the Department and postmarked on or before the report due date. Remit only the State portion of the prize fees due (Line 3b). Reports filed past the report due date may be subject to an administrative penalty, and your organization may be denied future temporary bingo occasions.

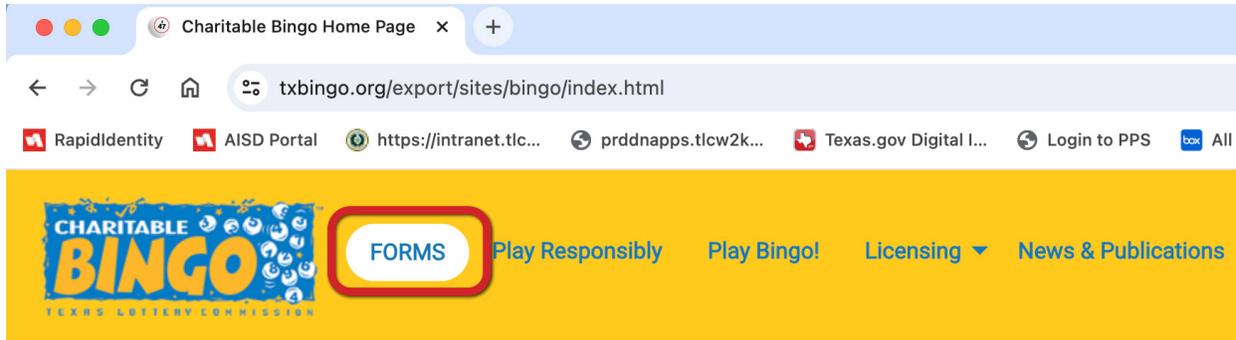
Instruction for filing FORMID 131 can be found the FORMS section on CBOD’s website.

- **Prize Fee Summary for Multiple Playing Locations (FORMID 156)** - If an organization conducts bingo occasions at multiple locations during the same quarterly filing period, FORMID 156 must be submitted when filing the Non-Regular Temporary Bingo Occasions Report (FORMID 131) with the Accounting section of CBOD.

STEP 6 – REQUIRED FORMS (CONT'D)

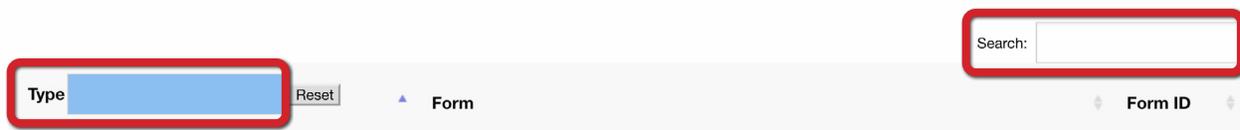
These forms can be accessed on the Charitable Bingo homepage at: <https://www.txbingo.org/export/sites/bingo/index.html>.

Once the website is open, click on “Forms.”



You can search for forms by using Search function or Type of license.

Charitable Bingo Forms



Please note that application processing time depends upon several variables, such as the completeness and accuracy of the application and the inclusion of required supplemental documentation.

STEP 7 - CHECKLIST

All forms and required documentation must be submitted to CBOD for processing.

The following must be submitted for the first time applicant or if it has been more than three years since the applicant's last temporary license.

- Original Application for Temporary Bingo Occasions for Non-Regular Organization (FORMID 20).** Do not leave any item blank. If an item does not apply, enter "N/A."
- Verification by Parent for Charitable Organization Conductor (FORMID 110) (if applicable).**
- IRS Form 990 (if applicable).**
- All required documentation for your type of nonprofit organization.**

Please see Texas Administrative Code Rule 141.420 for additional reference aide.
[https://texas-sos.appianportalsgov.com/rules-and-meetings?\\$locale=en_US&interface=VIEW_TAC_SUMMARY&queryAsDate=01%2F12%2F2026&recordId=226275](https://texas-sos.appianportalsgov.com/rules-and-meetings?$locale=en_US&interface=VIEW_TAC_SUMMARY&queryAsDate=01%2F12%2F2026&recordId=226275)

After you have played all occasions for the quarter, the following form(s) and applicable prize fee must be submitted.

- Bingo Occasion Report Non-Regular Temporary Bingo Occasions (FORMID 131)** – This form must be completed for all occasions licensed in the quarter. Report activity from all occasion(s) conducted within the same quarter on a single Bingo Occasion Report.
- Prize Fee Summary for Multiple Playing Locations (FORMID 156) (if applicable)** – This form must be completed only by organizations that conducted occasions at multiple locations in the quarter.

EXEMPTIONS UNDER A NON-REGULAR TEMPORARY LICENSE

The following items only apply to an authorized organization that does not have a regular license to conduct bingo, referred to as a Non-Regular Conductor.

1. The event bingo workers are not required to be registered.
2. The organization is not required to post a bond.
3. The organization is not required to maintain a separate bingo account. Expenses associated with the bingo occasion may be paid out of the authorized organization's general operating account.
4. The organization is not required to provide the names and addresses of the officers, directors, or bookkeepers.
5. The Bingo Chairperson and the operator are not required to complete the Bingo Training Program.

Note: *It's highly recommended for the Bingo Chairperson to complete the Bingo Training Program. Bingo Training Program is available on the Bingo Service Portal (<https://bsc.txbingo.org/bsp/faces/Common/bspLoginPage.jsf>).*

APPENDIX

EXAMPLE 1 – Nonprofit Bylaws/Constitution

NONPROFIT BYLAWS

This is an example combination of multiple organizations bylaws.

Article I – Name of Organization

The name of the corporation is YOUR NONPROFIT NAME HERE.

Article II – Corporate Purpose

Section 1. Nonprofit Purpose

This corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Section 2. Specific Purpose

Noble Paws provides dog sled training and services for persons with special needs, disabilities and at-risk behaviors. This service includes the use of a trained dog sled team and handicap accessible dog sleds. The sleds are modified and/or custom made to accommodate the specific needs of the participants.

The specific objectives and purpose of this organization shall be:

- to provide instruction in the sport of dog mushing to persons with special needs, disabilities and/or at-risk behaviors;
- to provide facilities, equipment and a trained dog team for participants to engage in the promotion and participation of the sport of dog mushing;
- to provide opportunities for participants to engage in recreational, competitive and backcountry mushing;
- to sponsor, host and/or participate in events and activities that promote the sport of dog mushing.

Article III – Membership

Section 1. Eligibility for Membership

Application for voting membership shall be open to any current resident, property owner, business operator, or employee of the REGIONAL AREA (IF NECESSARY) that supports the purpose statement in Article II, Section 2. Membership is granted after completion and receipt of a membership application and annual dues. All memberships shall be granted upon a majority vote of the board.

EXAMPLE 1 – Nonprofit Bylaws/Constitution (cont'd)

Section 2. Annual Dues

The amount required for annual dues shall be \$XXX each year, unless changed by a majority vote of the members at an annual meeting of the full membership. Continued membership is contingent upon being up-to-date on membership dues.

Section 3. Rights of Members

Each member shall be eligible to appoint one voting representative to cast the member's vote in association elections.

Section 4. Resignation and Termination

Any member may resign by filing a written resignation with the secretary. Resignation shall not relieve a member of unpaid dues, or other charges previously accrued. A member can have their membership terminated by a majority vote of the membership.

Section 5. Non-voting Membership

The board shall have the authority to establish and define non-voting categories of membership.

Article IV – Meetings of Members

Section 1. Regular Meetings

Regular meetings of the members shall be held quarterly, at a time and place designated by the chair.

Section 2. Annual Meetings

An annual meeting of the members shall take place in the month of October, the specific date, time and location of which will be designated by the chair. At the annual meeting the members shall elect directors and officers, receive reports on the activities of the association, and determine the direction of the association for the coming year.

Section 3. Special Meetings

Special meetings may be called by the chair, the Executive Committee, or a simple majority of the board of directors. A petition signed by five percent (5%) of voting members may also call a special meeting.

Section 4. Notice of Meetings

Printed notice of each meeting shall be given to each voting member, by mail, not less than two weeks prior to the meeting.

Section 5. Quorum

A quorum for a meeting of the members shall consist of at least twenty percent (20%) of the active membership.

EXAMPLE 1 – Nonprofit Bylaws/Constitution (cont'd)

Note: You can set the quorum requirements for member meetings in your Bylaws and/or your Articles of Incorporation. Check with your Secretary of State office to see if what quorum requirements may apply to your member meetings.

Section 6. Voting

All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place.

Article V – Board of Directors

Section 1. General Powers

The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have control of and be responsible for the management of the affairs and property of the Corporation.

Section 2. Number, Tenure, Requirements, and Qualifications

The number of Directors shall be fixed from time-to-time by the Directors but shall consist of no less than three nor more than fifteen including the following officers: the President, the first Vice-President, second Vice-President, the Secretary, and the Treasurer.

Note: Check with your Secretary of State to see the minimum number of board members required in your state. The members of the Board of Directors shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified. All members of the Board of Directors and Advisory Council must be approved by a majority vote of the members present and voting. No vote on new members of the Board of Directors, or Advisory Council, shall be held unless a quorum of the Board of Directors is present as provided in Section 6 of this Article. No two members of the Board of Directors related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity may serve on the Board of Directors at the same time. Each member of the Board of Directors shall be a member of the Corporation whose membership dues are paid in full and shall hold office for up to a three-year term as submitted by the nominations committee.

Newly elected members of the Board of Directors who have not served before shall serve initial one-year terms. After the initial one-year term, members of the Board of Directors may serve additional three-year terms. Their terms shall be staggered so that at the time of each annual meeting, the terms of approximately one-third (1/3) of all members of the Board of Directors shall expire.

Each member of the Board of Directors shall attend at least nine monthly meetings of the Board per year.

EXAMPLE 1 – Nonprofit Bylaws/Constitution (cont'd)

Each member of the Board of Directors shall contribute at least one hundred cash dollars (\$100) to the organization annually, all or part of which may come from the tax-deductible value paid for or solicited by the Board member, and received by the Corporation. No contribution credit shall be given for in-kind donations. Provided, however, that the \$100 cash requirement for any member who joins after the beginning of the fiscal year for his or her initial one-year term shall be prorated accordingly.

Section 3. Regular and Annual Meetings

An annual meeting of the Board of Directors shall be held at a time and day in the month of September of each calendar year and at a location designated by the Executive Committee of the Board of Directors. The Board of Directors may provide by resolution the time and place, for the holding of regular meetings of the Board. Notice of these meetings shall be sent to all members of the Board of Directors no less than ten days, prior to the meeting date.

Section 4. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or any two members of the Board of Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any location, as the place for holding any special meeting of the Board called by them.

Section 5. Notice

Notice of any special meeting of the Board of Directors shall be given at least two days in advance of the meeting by telephone, facsimile or electronic methods or by written notice. 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 meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

Section 6. Quorum

The presence, in person of a majority of current members of the Board of Directors shall be necessary at any meeting to constitute a quorum to transact business, but a lesser number shall have power to adjourn to a specified later date without notice. The act of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these bylaws.

Section 7. Forfeiture

Any member of the Board of Directors who fails to fulfill any of his or her requirements as set forth in Section 2 of this Article by September 1 shall automatically forfeit his or

EXAMPLE 1 – Nonprofit Bylaws/Constitution (cont'd)

her seat on the Board. The Secretary shall notify the Director in writing that his or her seat has been declared vacant, and the Board of Directors may forthwith immediately proceed to fill the vacancy. Members of the Board of Directors who are removed for failure to meet any or all the requirements of Section 2 of this Article are not entitled to vote at the annual meeting and are not entitled to the procedure outlined in Section 14 of this Article in these bylaws.

Section 8. Vacancies

Whenever any vacancy occurs in the Board of Directors it shall be filled without undue delay by a majority vote of the remaining members of the Board of Directors at a regular meeting. Vacancies may be created and filled per specific methods approved by the Board of Directors.

Section 9. Compensation

Members of the Board of Directors shall not receive any compensation for their services as Directors.

Section 10. Informal Action by Directors

Any action required by law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of all the Directors following notice of the intended action to all members of the Board of Directors.

Section 11. Confidentiality

Directors shall not discuss or disclose information about the Corporation or its activities to any person or entity unless such information is already a matter of public knowledge, such person or entity has a need to know, or the disclosure of such information is in furtherance of the Corporations' purposes, or can reasonably be expected to benefit the Corporation. Directors shall use discretion and good business judgment in discussing the affairs of the Corporation with third parties. Without limiting the foregoing, Directors may discuss upcoming fundraisers and the purposes and functions of the Corporation, including but not limited to accounts on deposit in financial institutions.

Each Director shall execute a confidentiality agreement consistent herewith upon being voted onto and accepting appointment to the Board of Directors.

Section 12. Advisory Council

An Advisory Council may be created whose members shall be elected by the members of the Board of Directors annually but who shall have no duties, voting privileges, nor obligations for attendance at regular meetings of the Board. Advisory Council members may attend said meetings at the invitation of a member of the Board of Directors. Members of the Advisory Council shall possess the desire to serve the community and support the work of the Corporation by providing expertise and professional

EXAMPLE 1 – Nonprofit Bylaws/Constitution (cont'd)

knowledge. Members of the Advisory Council shall comply with the confidentiality policy set forth herein and shall sign a confidentiality agreement consistent therewith upon being voted onto and accepting appointment to the Advisory Council.

Section 13. Parliamentary Procedure

Any question concerning parliamentary procedure at meetings shall be determined by the President by reference to Robert's Rules of Order.

Section 14. Removal

Any member of the Board of Directors or members of the Advisory Council may be removed with or without cause, at any time, by vote of three-quarters (3/4) of the members of the Board of Directors if in their judgment, the best interest of the Corporation would be served thereby. Each member of the Board of Directors must receive written notice of the proposed removal at least ten days in advance of the proposed action. An officer who has been removed as a member of the Board of Directors shall automatically be removed from office.

Members of the Board of Directors who are removed for failure to meet the minimum requirements in Section 2 of this Article in these bylaws automatically forfeit their positions on the Board pursuant to Section 7 of this Article, and are not entitled to the removal procedure outlined in Section 14 of this Article.

Article VI – Officers

The officers of this Board shall be the President, Vice-President, Secretary and Treasurer. All officers must have the status of active members of the Board.

Section 1. President

The President shall preside at all meetings of the membership. The President shall have the following duties:

- The individual shall preside at all meetings of the Executive Committee.
- The individual shall have general and active management of the business of this Advisory Board.
- The individual shall see that all orders and resolutions of the Advisory Board are brought to the Advisory Board.
- The individual shall have general superintendence and direction of all other officers of this corporation and see that their duties are properly performed.
- The individual shall submit a report of the operations of the program for the fiscal year to the Advisory Board and members at their annual meetings, and from time to time, shall report to the Board all matters that may affect this program.
- The individual shall be Ex-officio member of all standing committees and shall have the power and duties usually vested in the office of the President.

EXAMPLE 1 – Nonprofit Bylaws/Constitution (cont'd)

Section 2. Vice-President

The Vice-President shall be vested with all the powers and shall perform all the duties of the President during the absence of the latter. The Vice-President's duties are:

- The individual shall have the duty of chairing their perspective committee and such other duties as may, from time to time, be determined by the Advisory Board.

Section 3. Secretary

The Secretary shall attend all meetings of the Advisory Board and of the Executive Committee, and all meetings of members, and assisted by a staff member, will act as a clerk thereof. The Secretary's duties shall consist of:

- The individual shall record all votes and minutes of all proceedings in a book to be kept for that purpose. He/She in concert with the President shall make the arrangements for all meetings of the Advisory Board, including the annual meeting of the organization.
- Assisted by a staff member, he/she shall send notices of all meetings to the members of the Advisory Board and shall take reservations for the meetings.

He/She shall perform all official correspondence from the Advisory Board as may be prescribed by the Advisory Board or the President.

Section 4. Treasurer

The Treasures duties shall be:

- The individual shall submit for the Finance and Fund Development Committee approval of all expenditures of funds raised by the Advisory Board, proposed capital expenditures (equipment and furniture), by the staff of the agency.
- The individual shall present a complete and accurate report of the finances raised by this Advisory Board and the Paul Smith Memorial Fund at each meeting of the members, or at any other time upon request to the Advisory Board.
- The individual shall have the right of inspection of the funds resting with the Big Brother/Big Sister Program including budgets and subsequent audit reports.

It shall be the duty of the Treasurer to assist in direct audits of the funds of the program per funding source guidelines and generally accepted accounting principles.

The individual shall perform such other duties as may be prescribed by the Advisory Board or the President under whose supervision he/she shall be.

Section 5. Election of Officers

The Nominating Committee shall submit at the meeting prior to the annual meeting the names of those persons for the respective offices of the Advisory Board. Nominations shall also be received from the floor after the report of the Nominating Committee. The election shall be held at the annual meeting of the Advisory Board. Those officers

EXAMPLE 1 – Nonprofit Bylaws/Constitution (cont'd)

elected shall serve a term of one year, commencing at the next meeting following the annual meeting.

Officers of the Executive Committee shall be eligible to succeed themselves in their respective offices for two terms only.

Section 6. Removal of Officer

The Advisory Board with the concurrence of three quarters (3/4) of the members voting at the meeting may remove any officer of the Board of Directors and elect a successor for the unexpired term. No officer of the Board of Directors shall be expelled without an opportunity to be heard and notice of such motion of expulsion shall be given to the member in writing twenty days prior to the meeting at which motion shall be presented, setting forth the reasons of the Board for such expulsion.

Section 7. Vacancies

The Nominating Committee shall also be responsible for nominating persons to fill vacancies which occur between annual meetings, including those of officers. Nominations shall be sent in writing to members of the Advisory Board at least two weeks prior to the next meeting at which the election will be held. The persons so elected shall hold membership or office for the unexpired term in respect of which such vacancy occurred.

Article VII – Committees

Section 1. Committee Formation

The board may create committees as needed, such as fundraising, housing, public relations, data collection, etc. The board chair appoints all committee chairs.

Section 2. Executive Committee

The four officers serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and 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.

Section 3. Finance Committee

The treasurer is the chair of the Finance Committee, which includes three other board members. The Finance Committee is responsible for developing and reviewing fiscal procedures, fundraising plans, and the annual budget with staff and other board members. The board must approve the budget and all expenditures must be within budget. Any major change in the budget must be approved by the board or the Executive Committee. The fiscal year shall be the calendar year. Annual reports are required to be submitted to the board showing income, expenditures, and pending income. The financial records of the organization are public information and shall be made available to the membership, board members, and the public.

EXAMPLE 1 – Nonprofit Bylaws/Constitution (cont'd)

Article VIII – Corporate Staff

Section 1: Executive Director

The Board of Directors shall hire an Executive Director who shall serve at the will of the Board. The Executive Director shall have immediate and overall supervision of the operations of the Corporation, and shall direct the day-to-day business of the Corporation, maintain the properties of the Corporation, hire, discharge, and determine the salaries and other compensation of all staff members under the Executive Director's supervision, and perform such additional duties as may be directed by the Executive Committee or the Board of Directors. No officer, Executive Committee member or member of the Board of Directors may individually instruct the Executive Director or any other employee. The Executive Director shall make such reports at the Board and Executive Committee meetings as shall be required by the President or the Board. The Executive Director shall be an ad-hoc member of all committees.

The Executive Director may not be related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity to any member of the Board of Directors or Advisory Council. The Executive Director may be hired at any meeting of the Board of Directors by a majority vote and shall serve until removed by the Board of Directors upon an affirmative vote of three-quarters (3/4) of the members present at any meeting of the Board Directors. Such removal may be with or without cause. Nothing herein shall confer any compensation or other rights on any Executive Director, who shall remain an employee terminable at will, as provided in this Section.

Article IX – Conflict of Interest and Compensation

Section 1: Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering 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 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.

Section 2: Definitions

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.

[Hospital Insert – for hospitals that complete Schedule C: If a person is an interested person with respect to any entity in the health care system of which the organization is a part, he or she is an interested person with respect to all entities in the health care system.]

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

EXAMPLE of Nonprofit Bylaws/Constitution (cont'd)

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

Section 3. Procedures

Duty to Disclose. About 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.

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 of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

Procedures for Addressing the Conflict of Interest. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing board or committee shall determine whether the 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.

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 fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter the transaction or arrangement.

EXAMPLE of Nonprofit Bylaws/Constitution (cont'd)

Violations of the Conflicts of Interest Policy

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.

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.

Section 4. Records of Proceedings

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

- The names of the persons who disclosed or otherwise were found to have a financial interest about 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.
- 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 about the proceedings.

Section 5. Compensation

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.

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.

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.

[Hospital Insert – for hospitals that complete Schedule C – 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 jurisdiction includes compensation matters. No physician, either individually or collectively, is prohibited from providing information to any committee regarding physician compensation.]

EXAMPLE of Nonprofit Bylaws/Constitution (cont'd)

Section 6. 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:

- Has received a copy of the conflicts of interest policy,
- Has read and understands the policy,
- Has agreed to comply with the policy, and
- Understands the Organization is charitable and to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews

To ensure the 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:

- Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- 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.

Section 8. 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 experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Article X – Indemnification

Section 1. General

To the full extent authorized under the laws of the District of Columbia, the corporation shall indemnify any director, officer, employee, or agent, or former member, director, officer, employee, or agent of the corporation, or any person who may have served at the corporation's request as a director or officer of another corporation (each of the foregoing members, directors, officers, employees, agents, and persons is referred to in this Article individually as an "indemnitee"), against expenses actually and necessarily incurred by such indemnitee in connection with the defense of any action, suit, or proceeding in which that indemnitee is made a party by reason of being or having been such member, director, officer, employee, or agent, except in relation to matters as to which that indemnitee shall have been adjudged in such action, suit, or

EXAMPLE of Nonprofit Bylaws/Constitution (cont'd)

proceeding to be liable for negligence or misconduct in the performance of a duty. The foregoing indemnification shall not be deemed exclusive of any other rights to which an indemnitee may be entitled under any bylaw, agreement, resolution of the Board of Directors, or otherwise.

Section 2. Expenses

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

Section 3. Insurance

The corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee, or agent against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether the corporation would have the power or obligation to indemnify such person against such liability under this Article.

Article XI – Books and Records

The corporation shall keep complete books and records of account and minutes of the proceedings of the Board of Directors.

Article XII – Amendments

Section 1. Articles of Incorporation

The Articles may be amended in any manner at any regular or special meeting of the Board of Directors, if specific written notice of the proposed amendment of the Articles setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each director at least three days in advance of such a meeting if delivered personally, by facsimile, or by email or at least five days if delivered by mail. As required by the Articles, any amendment to Article III or Article VI of the Articles shall require the affirmative vote of all directors then in office. All other amendments of the Articles shall require the affirmative vote of an absolute majority of directors then in office.

Section 2. Bylaws

The Board of Directors may amend these Bylaws by majority vote at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each director within the time and the manner provided for the giving of notice of meetings of directors.

EXAMPLE of Nonprofit Bylaws/Constitution (cont'd)

ADOPTION OF BYLAWS

We, the undersigned, are all the initial directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of the ## preceding pages, as the Bylaws of this corporation.

ADOPTED AND APPROVED by the Board of Directors on this XX day of MONTH, 20XX.

First Name Last Name, President - Nonprofit, Inc.

ATTEST: First Name Last Name, Secretary - Nonprofit, Inc.

EXAMPLE 2 - IRS 501(c) Letter of Determination

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **OCT 08 2014**

Employer Identification Number:

DLN:

Contact Person:

ID#

ASSOCIATION
P O BOX

58-00

Contact Telephone Number:
(877)

Accounting Period Ending:
December 31

Public Charity Status:

Form 990/990-EZ/990-N Required:
Yes

Effective Date of Exemption:
September 12, 2014

Contribution Deductibility:
Yes

Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 5436

EXAMPLE 3 – Group Letter

Attachment 3	
<p>Internal Revenue Service</p> <p>Date: February 10, 2004</p> <p>Recording for the Blind & Dyslexic, Inc. 20 Roosevelt Road Princeton, NJ 08540-6208</p>	<p>Department of the Treasury P. O. Box 2606 Cincinnati, OH 45261</p> <p>Person to Contact: Janet M. Duncan 314-07676 Customer Service Specialist Toll Free-Telephone Number: 877-409-5606 Fax Number: 513-263-3756 Federal Identification Number: 13-169345 Group Exemption Number: 3333</p>
<p>Dear Sir or Madam:</p> <p>This is in response to your request of February 10, 2004 regarding a copy of your organization's group exemption letter.</p> <p>In November 1992 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.</p> <p>Based on the information supplied, we recognized the subordinates named on the list your organization submitted as exempt from federal income tax under section 501(c)(3) of the Code. Additionally, we have classified the subordinates your organization operates, supervises, or controls, and which are covered by written notification to us, as organizations that are not private foundations because they are organizations of the type described in sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code.</p> <p>Donors may deduct contributions to your organization's subordinates as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to the subordinates or for their use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.</p> <p>Your organization and its subordinates are required to file Form 990, <i>Return of Organization Exempt from Income Tax</i>, only if the gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.</p> <p>Your organization and its subordinates are not required to file federal income tax returns unless subject to the tax on unrelated business income under section 511 of the Code. If subject to this tax, the organization must file an income tax return on Form 990-T, <i>Exempt Organization Business Income Tax Return</i>. In this letter, we are not determining whether any of your organization or its subordinates' present or proposed activities are unrelated trade or business as defined in section 513 of the Code.</p>	<h3>ACCEPTABLE GROUP LETTER</h3> <p>Letters are from the IRS and must include:</p> <ol style="list-style-type: none">1) Group's name and address.2) Group's EIN3) Group Exemption Number is listed.4) The IRS considers your organization a 501(c)(3) organization. <p>Group Exemption IRS Letter must also include a list of all subordinates that is covered by this letter.</p> <p>Local office must highlight their listing.</p>

EXAMPLE 4 – Tax Clearance Letter for Reinstatement



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

Tax Clearance Letter for Reinstatement*

To: Texas Secretary of State
Corporations Section

Re:
Taxpayer number:
File number:

The referenced entity has met all franchise tax requirements and is eligible for reinstatement through

* The reinstatement must be filed with the Texas Secretary of State on or before the expiration date of this letter. After this date, additional franchise tax filing requirements must be met, and a new request for tax clearance must be submitted.

You can file for reinstatement online at www.sos.state.tx.us/corp/sosda/index.shtml. Forms and instructions for reinstatement are available at www.sos.state.tx.us/corp/forms_option.shtml or by calling 512-463-5555. This tax clearance letter must be attached to the reinstatement forms.

Form 05-377 (Rev.4-14/5)

EXAMPLE 5 - Reinstatement

Form 801
(Revised 05/11)

This space reserved for office use.



Application for Reinstatement And Request to Set Aside Tax Forfeiture

Submit in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512 463-5555
FAX: 512 463-5709
Filing Fee: See instructions

1. The entity name is: _____

The entity is a foreign entity that was required to obtain its registration under a name that differs from the legal name stated above. The name under which the entity is registered is:

2. The file number issued to the entity by the secretary of state is: _____

3. The entity was forfeited or revoked under the provisions of the Tax Code on: _____
mm/dd/yyyy

4. The undersigned requests that the forfeiture or revocation of the entity be set aside, and certifies that:

a. The entity has filed each delinquent report that is required by chapter 171 of the Tax Code and has made payment for the tax, penalty, and interest imposed and that is due at the time of this application as evidenced by the attached tax clearance letter; and

b. On the date of forfeiture or revocation, the undersigned person was:

- an officer, director or shareholder of the above-named for-profit or professional corporation; or
- an officer, director, shareholder or member of the above-named professional association; or
- an officer, director, or member of the above-named nonprofit corporation; or
- a member or manager of the above-named limited liability company; or
- a partner of the above-named limited partnership; or
- a trustee or beneficial owner of the above-named statutory or business trust.

Additional Required Documentation or Filings

Comptroller of Public Accounts Tax Clearance Letter

Letter of Consent or Amendment to Certificate of Formation or Registration (Required when entity name is no longer available.)

Execution

The undersigned declares under penalty of perjury, and the penalties imposed by law for the submission of a materially false or fraudulent instrument, that the undersigned is authorized to make this request; that the statements contained herein are true and correct, and that tax clearance was not obtained by providing false or fraudulent information.

Date: _____

BY: _____

Signature of authorized person (see instructions)

Printed or typed name of authorized person

EXAMPLE 6 – SOS Good Standing

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Carlos H. Cascos
Secretary of State

Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Certificate of Formation for _____, a Domestic Limited Liability Company (LLC), was filed in this office on June 18, 2012.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on May 23, 2016.



A handwritten signature in black ink, appearing to read "Cascos".

Carlos H. Cascos
Secretary of State

Phone: (512) 463-5555
Prepared by: SOS-WEB

Come visit us on the internet at <http://www.sos.state.tx.us/>

Fax: (512) 463-5709
TID:

Dial: 7-1-1 for Relay Services
Document:

**For assistance:
1-800-BINGO77
(1-800-246-4677)**

txbingo.org

bingo.services@lottery.state.tx.us