

BYLAWS OF THE FRIENDS OF THE NEW MEXICO FARM AND RANCH HERITAGE MUSEUM

Adopted October 12, 2021; amended September 26, 2023

ARTICLE I. NAME

The name of the organization is *The Friends of the New Mexico Farm and Ranch Heritage Museum*, hereinafter referred to as the Friends.

ARTICLE II. PURPOSE

The principal purpose of the Friends is to aid, benefit, and help the New Mexico Farm and Ranch Heritage Museum, hereinafter referred to as the Museum, located in Las Cruces, New Mexico. This aid may be through projects of preservation and restoration; acceptance of gifts; donations of time, money, and/or materials; conduct of projects to raise funds; accepting and maintaining endowments; and engaging in any other activities for the benefit of and general assistance to the Museum.

The Friends is exclusively a non-profit, charitable, and educational organization within the meaning of Section 501(c)(3) of the U.S. Internal Revenue Code.

ARTICLE III. MEMBERSHIP AND DUES

SECTION 1. MEMBERSHIP

Membership is open to all persons and organizations interested in the purposes of the Friends. Classes of membership shall be as established by the governing board of officers and directors, hereinafter referred to as the Board. Membership in the Friends will not be considered or referred to as membership in the Museum's membership program.

SECTION 2. DUES

Membership dues shall be established and modified by the Board at any regular meeting of the Board. In order to easily process renewals, the membership shall be from date of payment of dues to the next year's end of the same month (e.g.: member whose dues are paid on March 15 will have their membership valid until March 31 of the following year). Members who have not paid renewal by the end of the month

following their anniversary month will be deemed delinquent and will be dropped from membership rolls.

Delinquent members may be reinstated without penalty by paying dues for the current year. Those dues will follow the above time line for further renewal.

ARTICLE IV. MEETINGS

SECTION 1. PROCEDURE FOR HAVING MEETINGS

Normally all meetings will be held as an in-person physical meeting. If circumstances don't allow for such, the meeting may be held using electronic technology (i.e., email, Zoom, etc.). A quorum is required to conduct business. Any and all business conducted, action taken, etc. will be recorded and considered official.

SECTION 2. ANNUAL MEMBERSHIP BUSINESS MEETINGS

An annual meeting of the members shall be held in September, or at the call of the Board, for the purpose of transacting the Friends' business. Actions taken by the membership at annual and special business meetings, validated by a quorum, shall take precedence over any conflicting actions by the Board, officer, or committee.

At the annual meeting, the Board shall submit a written statement of the Friends' business done during the preceding year, together with a report of the condition of the Friends' tangible property, if any.

SECTION 3. SPECIAL BUSINESS MEETINGS

Special meetings of the members for any purpose may be called by the President or by a majority of voting Board members.

SECTION 4. NOTICE OF BUSINESS MEETINGS

Written notice stating the place, date, and hour of any meeting of members shall be mailed no later than seven (7), nor earlier than fifteen (15), days prior to the date of the meeting. Because of the urgent nature of special meetings, written notice such meetings shall be sent no later than three (3) days prior to the date of the meeting. In the case of a special meeting, the purpose(s) of the meeting shall be stated in the notice, and no business shall be transacted other than that stated in the notice.

SECTION 5. VOTING

All members in good standing are entitled to one vote at all membership meetings. A list of current members shall be available at every membership meeting and at all other times at the office of the Friends. Unless otherwise provided, any action

requires a simple majority of members present and voting. Proxy voting is not allowed. If it is not possible to have a physical meeting, votes may be taken by electronic means.

SECTION 6. QUORUM

A quorum for the annual meeting shall consist of twenty-five (25) members or 10% of the membership in good standing, whichever is the lesser, including at least two (2) officers. If a quorum is not present at any meeting of members, a majority of members present must adjourn the meeting without further notice.

SECTION 7. RULES OF ORDER

Robert's Rules of Order, Newly Revised (latest edition), shall govern the business, affairs, and conduct of the Friends in general. The Board may adopt such rules and regulations for conduct of meetings and management of Friends' business as it deems proper, not inconsistent with these Bylaws.

SECTION 8. INSPECTION OF DOCUMENTS

The Articles of Incorporation, Bylaws, and other documents of the Friends shall be available for inspection by the members during every membership meeting and, upon request, from the appropriate Friends' officer.

ARTICLE V. BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS

The governing Board of Officers and Directors (hereinafter and above referred to as the Board) shall conduct the business and affairs of the Friends, subject only to general direction and specific actions by regular and special membership meetings, and in accordance with existing signed agreements with the Museum.

SECTION 2. COMPOSITION AND DUTIES

The Board shall be composed of four (4) Officers, three (3) Directors, and two (2) non-voting *ex officio* members. The officers, who also function as directors, shall be a President, a Vice President, a Secretary, and a Treasurer. The *ex officio* members shall be the Director of the Museum (or designee of the Director) and a member of the Museum's governing board, which that body shall designate. All Officers and Directors shall be Friends' members in good standing, without regard to residence or citizenship. A quorum shall consist of four (4) voting Board members. Each Board member (Officers and Directors) shall have one vote. No proxy voting shall be

allowed. Any proposition passed by a majority vote of Board members present shall be enacted.

All members of the Board are Directors. The Directors-at-Large are those members of the Board without a specific area of responsibility, e.g., President or Treasurer.

All Officers are responsible for developing and maintaining procedures that document the duties of their office to assist in the transition and training of the new incoming officers.

- A. **The President** shall be the principal executive officer of the Friends and shall prepare agendas and preside over all meetings of the Board and of the membership. The President may sign any document or legal instrument on behalf of the Friends. Any document or legal instrument obligating the Friends exceeding \$750.00 must first be concurred by a majority of executive officers. Exceptions to this are cases in which the signing and execution are delegated expressly by the Board, or by these Bylaws, to some other officer or agent of the Friends, or shall be required by law to be otherwise signed or executed. The President shall perform all duties usual to the office of executive of organizations comparable to this organization, and such other duties as may be prescribed by the Board from time to time.
- B. **The Vice President** shall serve as principal executive officer in the absence or temporary disability of the President, and shall succeed to the presidency in case of the resignation, removal, or permanent disability of the President. The Vice President shall perform such other duties as may be prescribed by the President or the Board.
- C. **The Secretary** shall record, preserve, and distribute, as appropriate, the minutes of all meetings to the Board and to the membership. The Secretary shall perform other duties specified in the Bylaws and that may be required from time-to-time by the Board.

In addition to these duties, the Secretary shall function as a Corresponding Secretary by mailing routine materials to the membership, distributing incoming mail to appropriate officers or committees, and responding to incoming mail items as may be appropriate. In the absence or disability of the President and Vice President, the Secretary shall become Acting President.

- D. **The Treasurer** shall have custody and oversight of the Friends' finances insuring accordance with good accounting practices. This may include supervision of professional financial personnel in order to comply with required state and federal filings. The Treasurer shall request and have oversight of required reports that are prepared by an accounting professional. These reports must be fully disclosed to the Board at any time. The Treasurer will request an updated roster of the membership from the Office Manager or Membership Coordinator, as required by the Agreements with the Museum or upon request. In the absence or disability of the President, the Vice President, and the Secretary, the Treasurer shall become Acting President.
- E. **The Directors** shall make up the remainder of the Board. They should be present for all meetings and be present for votes.
- F. **Active Participation:** Each member of the Board shall be a paid-up member, work for the general good of the Friends, and shall participate actively in Friends' business and Board and membership meetings.
- G. **Regular Board Meetings:** The Board shall meet annually in conjunction with the annual membership business meeting and have additional monthly meetings. The President personally, or by designation to another officer, shall decide and announce the place, date, and hour of all Board meetings.
- H. **Special Board Meetings:** Special meetings of the Board may be called by or at the request of the President or any four (4) Board members. The person(s) calling a special Board meeting shall decide and announce the place, date, and hour. A written notice of the meeting shall be delivered by electronic mail or by post no later than ten (10) days in advance of the meeting. The written notice shall state the specific purpose(s) for which the meeting is called, and no other business may be transacted at the meeting.

SECTION 3. TERMS OF OFFICE, ELECTIONS

- A. **The Term of Office** of members of the Board shall be two years. No officer may be elected for more than two full, consecutive terms in the same position. However, if upon expiration of a term of office a new incumbent has not been elected, an officer or director shall continue in office until a successor has been elected or appointed.

If possible, the President, Secretary, and one Director shall be elected in even-numbered years. The Vice President, Treasurer, and two Directors shall be elected in odd-numbered years.

- B. **Resignation or Removal:** An Officer or Director may resign at any time by giving written notice to the Board or to the President. Any Officer or Director, or any agent elected or appointed by the Board or the President, may be removed by the Board whenever, in the Board's judgment, the best interests of the Friends would be served thereby. Board action in such cases requires a two-thirds majority of Board members present. Unexcused absence from two (2) consecutive Board meetings by an officer or director shall constitute an automatic resignation from the Board.

Becoming an employee of the Friends, a member of the Museum's governing board, or an employee of the Museum will constitute an automatic resignation from the Board.

- C. **Vacancies:** In the event of a vacancy on the Board, the President will nominate a Director to head a committee to canvas the membership of the Friends for a candidate or candidates to fill the vacancy. The Director within 10 days will provide a candidate or candidates, along with biographical information on each candidate to the Board at a special meeting. The Board shall determine the replacement officer or director by majority vote. This Officer or Director shall replace the previous incumbent on all committees and in any other capacity affected by the subject vacancy. Also, the Officer or Director shall serve out the term of the vacancy.

- D. **Elections:** All Officers and Directors shall be elected by one of three means as determined by the Board:

- If election is by paper ballot: Before the annual meeting, the Nominating Committee shall mail ballots to all Friends' members in good standing no later than thirty (30) days in advance of the membership meeting. Ballots shall be returned and received at the address provided no later than five (5) days in advance of the meeting. Ballots shall include space for write-in candidates for each elective office.
- If election is by voice or paper ballot at the annual meeting: The Nominating Committee shall mail the proposed slate of candidates to all Friends' members in good standing no later than thirty (30) days in

advance of the meeting. The election shall be held at the annual meeting, with adequate provision for nominations from the floor.

- If because of unforeseen circumstances an in-person physical meeting cannot be held, an election may be done electronically. The Nominating Committee shall send the proposed slate of candidates electronically to all Friends' members in good standing no later (30) days in advance of the intended meeting date. Provisions for write-in candidates shall be made. All members who don't have access to electronic means will be mailed a paper ballot.

SECTION 4. OTHER

- A. **Compensation:** Officers or Directors shall not receive any compensation for their services but, by resolution of the Board, may be reimbursed for expenses incurred in connection with performance of Friends' business. No part of the net earnings of the Friends shall benefit or be distributed to its members, directors, officers, or other private persons.
- B. **Concurrent membership:** Officers, Directors, and employees of the Friends shall not concurrently be 1) a member of the Museum's governing board or 2) an employee of the Museum, except for the designated *ex officio* members. Employees of the Friends shall not serve as Officers or Directors of the Friends.

ARTICLE VI. COMMITTEES

SECTION 1. STANDING COMMITTEES

- A. **Executive Committee:** The Officers of the Friends shall comprise the Executive Committee, which will be presided over by and will convene at the pleasure of the President, or the President's successor in office if necessary. This committee is charged with general oversight of Friends' affairs between Board meetings, with authority to act for the Friends and to draft, submit, and monitor an annual budget. All decisions and actions by the Executive Committee shall be recorded by the Secretary and reported to the Board at the next Board meeting for review or further consideration. Executive Committee consultation and actions may be carried out by telephone, electronic mail, post exchanges, or any combination thereof, but in every instance must be recorded and reported promptly to the Board by the Secretary.

- B. ***Nominating Committee:*** The Nominating Committee shall consist of three (3) Friends members in good standing. The President, within six months prior to the annual membership business meeting, shall appoint an elected Director, not an Officer, to chair the committee. The Chair may select up to two Friends members, not Board members, to serve on the committee.

The Nominating Committee shall submit its annual slate of, if possible, at least two candidates for each position, including biographical information on each nominee, to the Secretary no later than thirty (30) days in advance of the annual membership meeting. The Secretary is responsible for printing and mailing ballots or the slate of candidates to all Friends' members as provided in Article V, Section 2 C. The Nominating Committee will receive, tally, and report the election results or conduct the election at the annual meeting.

SECTION 2. SPECIAL COMMITTEES

- A. Special committees operate on a continuing basis with members appointed by the President, in consultation with the Board, to which each committee shall report annually or more often as required. The President, in consultation with the Board, shall designate the chair of each committee, the desired number of members, and the amount of its annual budget, if any. The Chair may appoint other Board members or Friends members to serve on the committee. A committee may function with as few members as one (1), but should have at least three (3) to five (5) members, including a member of the Board.
- B. The Board may create, enlarge, modify, or terminate special committees at any time.

ARTICLE VII. PROFESSIONAL STAFF

The Board may employ, from time to time, such professional staff as is necessary to carry out the Friends' business. Such staff may include, but is not limited to, a Certified Public Accountant, Grant Writer, Office Manager, Membership Coordinator, or Office Assistant.

ARTICLE VIII. MISCELLANEOUS

SECTION 1. FISCAL

- A. The fiscal year of the Friends shall begin July 1 of each year and end on the succeeding June 30.

- A. Friends' finances will be conducted in US dollars. All funds of the Friends not otherwise employed shall be deposited from time to time to the credit of the Friends in such federally insured banks, trust companies, or other depositories in the United States as the Board may select.
- B. The Board may authorize an agent to enter into contracts or execute and deliver instruments in the name of and on behalf of the Friends. No loans shall be entered into unless authorized by the Board. Such authority may be general or may be confined to specific instances.
- C. All checks, drafts, or other orders for payment issued in the name of the Friends shall be signed by such officer or officers determined by the Board.
- D. The Friends' financial records and accounts shall be reviewed annually and occasionally independently audited by a Certified Public Accountant. The auditor shall be designated by the Board.

SECTION 2. ARCHIVES

The Friends shall maintain a collection documenting its history that is organized and maintained by the Secretary and transmitted periodically to a permanent repository.

SECTION 3. AMENDMENT OF BYLAWS

These Bylaws may be amended at any regular or special meeting of the membership by a majority vote, provided that all proposed changes have been set forth in detail in the notice of the meeting. Proposed changes may be submitted by the Board or by fifteen (15) Friends' members. Board approval of changes proposed by members is not required, but the Board may propose alternative changes to be included in the notice. Proposed changes, properly set forth in a meeting notice, shall be discussed at the meeting but shall not be altered; only the exact wording as it appears in the notice shall be accepted or rejected. If alterations or changes are suggested they may be brought up at another meeting called by the Board for that specific purpose.

SECTION 4. PROPERTY OWNERSHIP

The Friends is not a collecting institution of materials that would normally be donated to the Museum. Any gifts or donations of that nature should be referred to that institution. When furthering support to the Museum, the Friends may purchase or accept gifts of property of all kinds, including manuscripts, works of art, printed matter, electronic records, real property, office equipment and supplies, etc., after

provision is made for safekeeping, appropriate use, and ultimate disposition of each item of property. Acceptance of gifts with a nominal value of greater than \$250 is subject in every instance to Board approval.

SECTION 5. DISSOLUTION

Should dissolution of the Friends occur, assets in the United States shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the U.S. Internal Revenue Code, or corresponding section(s) of any future federal tax code, or shall be distributed to the Federal Government, or to a state or local government, for a public purpose. Assets not in the United States shall be disposed of in accordance with applicable law of the jurisdiction(s) involved.

These Bylaws were adopted at the 2021 Annual Meeting of the Friends of the New Mexico Farm and Ranch Heritage Museum and amended at the 2023 Annual Meeting of the Friends of the New Mexico Farm and Ranch Heritage Museum.

Steve Loring, President
Patti Havstad, Vice President
Jean Olson, Secretary
Sandy Kostelecky, Treasurer
Stan Morgan, Director
Fred Naranjo, Director
Russell Tether, Director

TREASURER DUTIES AND RESPONSIBILITIES

Serve in a fiduciary capacity for the Friends of the New Mexico Farm & Ranch Heritage Museum.

Maintain custody and general supervision over the Friends Operational (OPS) and Programmatic finances according to accepted accounting practices.

Report annually at the Friends annual meeting; report quarterly at the Friends Board meetings or as required by the Board. Request such reports from the Accountant.

Track and record the required financial responsibilities as required by the Friends Agreements with the Museum. Review and approve invoices and disbursements for the Office Manager to process for OPS.

Ensure and Confirm that the Friends OPS funds are only disbursed as authorized by the Treasurer, or another Friends Officer, or the Museum Director.

Ensure and confirm that only authorized Museum staff requests for disbursement and deposits from the Programmatic funds account have completed the required paperwork, including required receipts.

Ensure that the required signatures, as authorized by the Museum Director, are on the paperwork. Ensure that disbursements and deposits are recorded in QuickBooks (QB) to the proper accounts in Programmatic as requested on the paperwork form.

Seek advice from the Accountant if the proper account is not clear or could be assigned to one or more accounts.

Sign the request paperwork form, enter the Chart of Accounts number, and have the signer of the checks initial and date the bottom of form that is filed with the paperwork.

All checks over \$500 must be signed by two authorized bank signatures (Board Members/Officers or designated signer). Checks cannot be signed by the creator or writer of the check unless the check requires two signatures and the Treasurer can be one of the signatures.

Checks written or directly transferred in the Citizens Bank Accounts must also conform to the two-person signature requirement according to standard protocols.

Debit Card transactions must also conform to the two-person signature requirement according to standard protocols. Paperwork for the Debit Card must conform to the same protocol as required for check writing in QB or Citizens.

Confirm that all deposits received and disbursements are accounted for by timely entry into QB to properly document the member or donor, the bank fund, and to the proper account or sub-fund account in the QB for the OPS and Programmatic funds.

Promptly deposit all funds at the local bank where the Friends accounts are maintained. Ensure that the bank deposit receipt is attached to the required paperwork and appropriately filed.

Establish and oversee fiduciary protocols for handling cash for events and for the Office Manager.

Prepare, track, and report Friends' expenses and revenues for special events that support the Museum. In conjunction with the Museum, organize and oversee the collection, recording, and deposit of monies that support special events for the Museum.

On a regular basis, transfer PayPal credits from OPS and Programmatic to the local bank. Prepare and print the appropriate paperwork and confirm that the deposit has been accurately entered into QB in the PayPal account.

On a quarterly basis, transfer funds from OPS funds to the Director's Discretionary Fund (DDF), according to the Membership Agreement.

On a quarterly basis, work with the Accountant to calculate and directly transfer the 10 percent Processing Fee from the four Programmatic funds: Collections, Education, Greenhouse, and Livestock/So. 20. The fee is not charged to the DDF. This is according to the Programmatic Agreement. The Museum Programmatic Liaison or requester is provided a copy of this transaction.

On a monthly basis, work with the Accountant to reconcile the two Citizens Bank account statements. File the reports and paperwork in the Citizens statement folder.

Identify, assist, and request special reports from the Accountant.

Periodically review the Friends budget against actuals to determine if transactions are being recorded to the account in accordance with the budget approved the Board of Directors.

With assistance from the Accountant, report findings at the Annual meeting, as required, and at the quarterly Board meetings. Report the over and under budget actuals and why.

Ensure that at the beginning of a new fiscal year (July), the past fiscal year files are moved from the files to the preceding year, the last four years are retained, and the oldest fiscal year is taken to American Documents by the Treasurer or Accountant for shredding. New folders should be created for the new fiscal year with appropriate file labels.

As required, assist with the Friends Investment Committee.

ACCOUNTANT DUTIES AND RESPONSIBILITIES

Oversee general accounting procedures and practices according to accepted accounting practices for non-profit, charitable organizations.

Prepare all reports, as required or as directed, including Statement of Financial Position, Profit/Loss, and Programmatic and Operational finances for the Museum and the Board.

According to the General Operating Agreement (GAO), maintain the Friends' status as a tax exempt corporation under Section 501 (c)(3) of the Internal Revenue Code or any successor statute and State of New Mexico non-profit and corporation laws and regulations, by filing required annual reports required by such governmental agencies.

According to the General Operating Agreement (GAO), evaluate the investments of the Friends according to the Uniform Prudent Investment Act, NMSDA 1978, Sections 45-7-601- to -12, as described in NMSA 1978, Section 6-8-10.

Assist in the submittal of written requests for any goods and services desired from the Museum and provide compensation for such goods and services, in accordance with the Anti-Donation Clause of Article IX, Section 14 of the New Mexico State Constitution, and NMSA 1978, Section 6-5A-1(B)(7).

Provide written proof of the Friends' insurance coverage to the Museum annually and updated proof if insurance is altered. Ensure that the Friends follow the GAO Section 1.
ROLE AND RESPONSIBILITIES OF THE FRIENDS, M.

Work with the Treasurer to ensure that amounts due OPS accruing under THE FRIENDS PROGRAMMATIC AGREEMENT 2. ROLE AND RESPONSIBILITIES OF THE FRIENDS, F. are correctly calculated, recorded in Quickbooks, and transferred from Programmatic funds to

the OPS fund on a quarterly basis. A copy of the calculations and paperwork are given to the Museum at that time.

On a quarterly basis, calculate the funds due from OPS funds to the Director's Discretionary Fund (DDF), according to the Friends Membership Agreement and your calculations. A copy of the calculations and paperwork are to be given to the Museum at that time, and to the Treasurer for disbursement and transfer of funds to the DDF and entered into QB.

On a quarterly basis, verify the transfer of funds from the Programmatic funds to the OPS funds were performed according to the Programmatic Agreement, your calculations, and entered into QB.

Work with the Treasurer to ensure that amounts due the DDF, as required in the Friends Membership Agreement, are entered into Quickbooks and the paperwork is filed.

Assist with Quick Books and computer issues, as needed. Prepare Journal Entries, as required.

Oversee the reconciliation of bank accounts.

Assist and recommend general accounting and fiduciary procedures, as required.

Oversee the PayPal accounting procedures

FRIENDS ACCOUNTING SUPPORT

Programmatic Support (Museum generated funds)

There are five programs or funds that support programmatic funding or the Programmatic Support bank account.

- Director's Discretionary Fund (DDF)
- Collections Fund
- Education Fund
- Greenhouse Fund
- Livestock Fund (South 20)

All of the funds listed above, with the exception of DDF, pay a 10% Processing Fee per quarter to Friends Operational Support bank account based on their income as designated by the *Programmatic Agreement* with the Museum (as noted below under Operational Support).

The Friends' duties, financial obligations, and responsibilities are formally designated in these agreements with the Museum. The Friends process programmatic activities by making deposits and writing checks from a bank account in the Friends name; the activities are directed and approved by the Director and the Director's designees. These activities are recorded and reported in Quick Books and are named *Programmatic Support or Funds*.

Operational Support (Friends-generated funds)

The Friends process income from memberships, donations, certain events, and Enterprise Programs, which directly support the Museum, according to the following formal agreements that the Friends has entered into with the NMFRHM. The agreements below direct the Friends' financial obligations and responsibilities in support of the NMFRHM.

- General Operating Agreement
- Membership Program Agreement
- Programmatic Funds Agreement
- Lease Agreement
- Enterprise Programs Agreement

According to the *Membership Agreement*, the Friends pay the Museum \$750.00 at the beginning of each fiscal year (July 1 to June 30). After the first 50 members have been processed, the Friends pay \$15.00 to the DDF program for each member who renews or becomes a member of the Friends. The other agreements designate additional financial support to the museum.

The activities of the Treasurer are reviewed by the Accountant to ensure that general accounting procedures and practices are followed for non-profit charitable organizations (501(c)(3) organization).