



**BY-LAWS OF
THE LUMBER HERITAGE REGION OF PENNSYLVANIA, INC. (LHR)
Revision 3 - Adopted March 16, 2017**

ARTICLE I - NAME

SECTION 1.1 **NAME:** The name of this organization shall be the Lumber Heritage Region of Pennsylvania, Inc. (hereinafter called the LHR). The LHR's procedures, authority, policies, and conduct shall be regulated and governed by these bylaws which do not conflict with Federal, State, and/or local guidelines and regulations.

SECTION 1.2 **SERVICE AREA:** The primary service area of the LHR shall be all of Cameron, Centre, Clearfield, Clinton, Elk, Forest, Jefferson, Lycoming, McKean, Potter, Tioga, and Warren Counties as well as portions of Cambria, Clarion, and Indiana Counties in Pennsylvania.

SECTION 1.3 **PLACE OF BUSINESS:** The principal place of business of the LHR shall be located in the Lumber Heritage Region of Pennsylvania, at such place as designated from time to time by the Board of Directors of the LHR. Currently the principal office of the LHR is located at the Cameron County Courthouse, Second Floor, 20 East 5th Street, Emporium, Pennsylvania, 15834.

ARTICLE II – PURPOSE

SECTION 2.1 **MISSION:** The Lumber Heritage Region of Pennsylvania is a partnership dedicated to promoting the heritage of Pennsylvania's internationally significant forest region and recognizing its value as a sustainable asset. The LHR promises to work throughout the 15-county region utilizing the past to create a better place to live, work and play.

SECTION 2.2 **VISION:** The Lumber Heritage Region of Pennsylvania is an internationally recognized forest community with a sense of pride in our people, our quality of life, and the traditions of our rural heritage; preserving, relating and enhancing the history and heritage of the people and their relationship with the forests of rural Pennsylvania, linking forests, parks, historic resources and communities allows residents and visitors to explore our vibrant culture and contribute to a vital economy.

SECTION 2.3 **TYPE OF ORGANIZATION:** The LHR is organized and operated as a Pennsylvania nonprofit corporation under the Pennsylvania Nonprofit Corporation (hereinafter called the Corporation) Law of 1988, as amended. It was incorporated as such on September 27, 2004. Having been organized for creating the Lumber Heritage Region, promoting the Lumber Heritage Region historic development, tourism, recreation, economic development, cultural development, agriculture, forestry, community planning and implementation, its activities and purposes, in such a manner that no part of its earnings shall benefit any member, Board member,

trustee, officer, or individual, and all efforts shall be made to maintain its status except that the Corporation shall be authorized and empowered to pay responsible compensation for services rendered and to make payments and distributions for 501(c) (3) purposes.

ARTICLE III – GOVERNANCE/BOARD OF DIRECTORS

SECTION 3.1 **BOARD OF DIRECTORS:** The governing authority of the LHR shall be vested in the Board of Directors (hereinafter called the Board) who shall have full power and authority over the affairs and funds of the LHR and shall create and approve policy.

The Board is accountable to funding sources for assuring that program administration and operations comply with all relevant policies, guidelines and regulations.

The Board shall be persons eighteen years of age or older.

SECTION 3.2 **RESPONSIBILITIES:** The Board of Directors has the following responsibilities:

3.2.1 The highest priority of the Board is to assure the operational and fiscal integrity of the LHR. It should provide the legal, administrative, and financial structure necessary to help the LHR implement the goals and strategic plans, assure the Executive Director performance, set and oversee explicit governing policies for the LHR, advocate and participate in long-term planning, solutions, and assure adequate funding of the organization by overseeing the development and implementation of a yearly funding plan by the Executive Director.

3.2.2 The second highest priority of the Board is being linked to the community. The Board acting in trusteeship for the LHR will see that the LHR provides an umbrella structure for community groups and agencies working on the same goals; provides leadership, direction and coordination of efforts for community groups as appropriate; provides a link between the community and the different levels of government; provides advocacy for community needs and overcoming barriers and provides a positive public image of the LHR and its work.

SECTION 3.3 **COMPOSITION:** There will be a 9-15-member Board of Directors.

3.3.1 15 Members are recommended with staggering appointments every 3 years (3 groups of 5 members each; 1 group elected each year.)

3.3.2 Composition of the Board should provide optimum geographical balance of Government, Tourism, Industry, and Historical representatives located within the boundaries of the region and including non-voting DCNR Liaisons².

3.3.3 Stakeholders- An LHR stakeholder is defined as a non-voting person, group or organization that has an interest or concern in the LHR. Stakeholders are welcome to attend regularly scheduled meetings and give input, comments and suggestions concerning action items on the LHR agenda.

SECTION 3.4 **ELECTION/TERM OF SERVICE:** A LHR Board of Directors member shall serve a 3-year term; with an option of being re-elected. They shall take office January 1 following their election.

SECTION 3.5 **VACANCY/REPLACEMENT:** If a voting member of the Board of Directors or their appointed alternate fails to attend at least half of the scheduled meetings within one calendar year, unless excused, he/she may be considered by the Board to have resigned his/her position, and the vacancy thereby created shall be filled. The Secretary shall maintain these records and provide this information to the Executive Committee. This does not apply to members considered to be Ex-officio.

SECTION 3.6 **REGULAR MEETINGS:** The Board of Directors of the LHR shall hold quarterly meetings with executive committee meetings held bimonthly, with the last meeting of the year being the organizational meeting with the time and agenda being determined by the Board of Directors.

SECTION 3.7 **SPECIAL MEETINGS** Special meetings may be called by the President of the Board of Directors or requested to do so by a majority of the members of the Board of Directors. The Secretary shall ensure all members of the Board of Directors are notified in writing not less than five (5) days prior to said special meeting.

Board of Directors or committees of the Board of Directors by means of video or telephone conferencing or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participating in a meeting in this manner by a Director will be considered to be in attendance in person for all purposes under these by-laws.

SECTION 3.8 **QUORUM:** A quorum is a simple majority of those present at the meeting. 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.

SECTION 3.9 **COMPENSATION:** Directors of the Board shall serve without compensation. Subject to Board guidelines and approval, members of the Board may be reimbursed for actual and necessary expenses incurred in the performance of their official duties.

SECTION 3.10 **LIABILITY:** The Board shall not be individually liable for the debts liabilities, or any other obligation of the LHR, and the private property of all such persons shall at all times be exempt from all LHR debts and liabilities. The LHR shall purchase indemnity insurance to cover all Board Directors and staff when carrying out their lawful duties.

ARTICLE IV – OFFICERS OF THE BOARD OF DIRECTORS

SECTION 4.1 **COMPOSITION:** The officers of the Board of Directors of the LHR shall be President, Vice-President, Treasurer and Secretary.

SECTION 4.2 **ELECTION/TENURE/VACANCY:** All officers of the LHR shall be elected by the Board of the LHR at the last meeting of the year from among the duly appointed/elected Directors of the Board.

4.2.1 Each officer shall serve for a one-year term. However, no officer shall serve for more than two consecutive terms in the same office.

4.2.2 Officers terms will begin January 1 following the organizational meeting.

4.2.3 Vacancies in any office of the Board of Directors may be filled for the remainder of the term of office by the Board, or at a special meeting called for that purpose.

SECTION 4.3 **OFFICERS POWERS:** The officers of the Board of Directors are in service to the entire Board. As such, they are bound by Board directives and by limits of Board authority. The officers may meet as a group with the Executive Director for purposes of preparing agenda and other pre-Board work, but they may not act in place of the Board, except as it specifically delegates. All office staff will be bonded.

If the need arises between board meetings the officers are empowered to act for the Board. All business conducted in this way shall be brought before the Board at its next meeting for discussion and concurrence with the actions taken.

SECTION 4.4 **OFFICERS DUTIES:**

4.4.1 **President** – The President is to assure the integrity of the Board process including effectiveness of meetings and the Board’s adherence to its own rules. The President’s succession, in cases of temporary absence of the President, is the Vice-President, the Treasurer and the Secretary, in that order. The President shall preside at all meetings of the LHR and the Board of Directors and appoint all committees. The President, upon Board approval, shall execute all authorized contracts or other instruments of obligation in the name of the LHR.

4.4.2 **Vice-President** – The Vice-President shall act in the absence of the President and when so acting shall have the powers of the President. The Vice-President also will oversee the consistent operation of the monitoring system to determine the degree to which the Board policies are being met.

4.4.3 **Treasurer** – The Treasurer is to perform duties in connection with finances of the Agency as may be required by the Board. Duties of the Treasurer will neither lessen nor add to the Executive Director’s accountability to Board policies on fiscal conditions and budgeting. The Treasurer shall be responsible for monitoring the organization’s financial performance, and shall serve as Chair of the Finance Committee.

4.4.4 **Secretary** – The Secretary, by affixing his/her signature, shall attest formally to the legitimacy of Board documents. The Secretary is also responsible to the Board for reporting on and noting any inconsistencies of Board actions. The Secretary shall see that the minutes and records of the Board are kept in appropriate books.

ARTICLE V – BOARD STANDING COMMITTEES

SECTION 5.1 **COMMITTEES:** The Board of Directors of the LHR may from time to time, form whatever committees or task groups it deems necessary to perform its duties. Membership on these committees/task groups is not limited to members of the LHR, however, the Chairperson of such a group must be a member of the LHR. Outside expertise may be used to help the groups accomplish their goals. These groups will regularly report to the Board of Directors on their activities and progress toward accomplishing their goals.

SECTION 5.2 **EXECUTIVE COMMITTEE:** The Executive Committee shall be comprised of officers of the Corporation. The Executive Director shall serve as an ex-officio Member of the Executive Committee.

5.2.1 The responsibilities of the Executive Committee are:
➤ Oversee the operation of the Corporation on behalf of the Board of Directors

- Supervise and annually evaluate the Executive Director including hiring and firing with Board approval
- Receive reports from committees
- Make recommendations to the Board of Directors
- Any other duties deemed necessary by the Board of Directors

SECTION 5.3 **NOMINATING COMMITTEE:** The Nominating Committee shall recommend one nominee for each Director whose term has expired, resigned, or for any vacancy result from an increase in the number of Directors. The members in good standing at the organizational meeting will have the opportunity to offer additional candidates from the floor at the time of election

The Nominating Committee Director nominations shall be provided to the membership thirty (30) days prior to the organizational meeting.

In addition the Nominating Committee shall present an annual slate of officers for the Board of Directors every year, twenty days prior to the scheduled organizational meeting. Those officers will be the President, Vice-President, Secretary, and Treasurer. The Board of Directors will have the opportunity to offer additional candidates from the floor at the time of election.

The Executive Director shall server as ex-officio, non-voting member of the Nominating Committee.

SECTION 5.4 **PROJECT REVIEW COMMITTEE:** Annually the Project Review Committee shall be involved in the pre-application process by determining the eligible projects, both implementation and special purpose studies. It shall also review, evaluate and recommend all applications submitted and develop a list of projects to be submitted to the Board. This committee shall also review such additional projects as brought before the Board of Directors for review and consideration.

SECTION 5.5 **FINANCE COMMITTEE:** The Finance Committee shall include the Treasurer of the Corporation and other Directors from the Board as appointed by the President of the Board of Directors. The Executive Director shall serve as ex-officio member of the Finance Committee.

SECTION 5.6 **OTHER COMMITTEES:** Such other Committees, standing or special shall be appointed by the President of the Board of Directors.

ARTICLE VI – EXECUTIVE DIRECTOR

SECTION 6.1 **APPOINTMENT:** The Board shall appoint a Chief Executive Officer whose title will be Executive Director.

SECTION 6.2 **DUTIES AND RESPONSIBILTIES:** The duties and responsibilities of the Executive Director shall include without limitation, those duties prescribed in the official Job Description for the Executive Director as approved by Resolution of the Board and in the Board's Policy Manual.

SECTION 6.3 **COMPENSATION:** The Board shall determine the compensation of the Executive Director and other staff following a written work performance evaluation completed by April based on compliance with Board policies.

SECTION 6.4 **OTHER COMPENSATION AND REIMBURSEMENT:** The Board shall provide for the compensation of the Executive Director for actual and necessary expenses incurred in the authorized performance of official duties, and may provide other compensation as deemed appropriate by Resolution of the Board.

ARTICLE VII – FINANCIAL MANAGEMENT

SECTION 7.1 **FISCAL YEAR:** The fiscal year of the LHR shall commence on January 1 and terminate on December 31.

SECTION 7.2 **FISCAL AGENT/DEPOSITORY:** The Board, by Resolution, may delegate responsibility to the LHR's Executive Director for the review and approval of such encumbrances and disbursements, as outlined in the financial control policy⁴ created by the Lumber Heritage Region Finance Committee.

SECTION 7.3 **EXPENSE/PURCHASE OF SERVICE CONTRACTS:** The Board shall authorize the execution of such contract(s) as necessary for the proper functioning of the organization.

SECTION 7.4 **EXPENSE/ADMINISTRATIVE OPERATIONS:** The Board, by Resolution, shall authorize the encumbrance and disbursement of LHR funds for the procurement of goods and services for the administrative operation of the LHR.

7.4.1 All expenses (encumbrance/disbursement) for administrative operations procurement shall be subject to the provisions of Pennsylvania law regarding competitive bidding requirements.

7.4.2 The Board, by Resolution, may delegate responsibility to the LHR's Executive Director for the review and approval of such encumbrances and disbursements for administrative operations procurement; such approvals being subject to specific budgetary guidelines established by the Board in its policies for such purposes.

7.4.3 With the exception of approved, budgeted items, and designated grant funds, all checks written in excess of \$250 by the LHR will require a signature from two of these five individuals: Executive Director, President, Vice-President, Treasurer, Secretary.

SECTION 7.5 **FINANCIAL AUDIT:** The Board by resolution, shall contract with a qualified public accounting entity, to conduct an annual audit of the LHR's financial records of the LHR's financial transactions.

SECTION 7.6 **FINANCIAL REPORTING:** The Executive Director shall report the receipt and expenditure of LHR funds to the Board at the scheduled Board meetings.

ARTICLE VIII – RULES OF ORDER

SECTION 8.1 **MEETING PROCEDURES:** All meetings of the LHR, Board or Committees will be conducted according to modified Parliamentary Procedures.

ARTICLE IX – DISSOLUTION OF THE LHR

SECTION 9.1 **DISSOLUTION PROCEDURES:** In the event the corporation is dissolved and liquidated, the Board of Directors shall, after paying or making provisions for

payment of all the liabilities of the corporation, distribute the corporate property and assets to such organization or organizations as in their judgment have purposes most closely allied to those of this corporation provided, however, that the transferee organization or organizations shall then be qualified tax-exempt charitable organization within the meaning of Section 501(c) (3) and Section 170 (b) (1) (A) other than in clauses (VII) and (VIII) of the Internal Revenue Code or their successor provisions, shall have been in existence and so described for a continuous period of at least sixty (60) calendar months, and shall also be organization contributions to which are deductible under Section 170, 2055, and 2522 of the Internal Revenue Code or successor provisions. Any of the property or assets not so distributed shall be disposed of by the Court having jurisdiction of the dissolution and liquidation of a Pennsylvania non-profit corporation exclusively to such charitable organization or organizations as are then qualified tax-exempt organizations as defined above.

ARTICLE X – CONFLICT OF INTEREST

- SECTION 10.1** **CONFLICT CONDITIONS:** It is expected that all members of the Board of Directors will act in the best interest of the LHR. Any contract or other transaction between the LHR and one or more members of the LHR, firm association or other entity in which one or more of the members of the Board of Directors serve as officers, Board Directors, or have a significant financial or influential interest may be declared void or voidable by the Board unless all of the following conditions are met.
- 10.1.1 The relevant and material facts as to such member of the Board's interest in such contract or transaction and as to any common directorship, officership, or financial, or influential interest were disclosed in good faith in advance of any vote, by such member of the Board, to the Board, and such facts are reflected in the minutes of the Board meeting; and
 - 10.1.2 The relevant and material facts, if any, known to such interested member of the Board with respect to such contract or transaction which might reasonably be constructed to be adverse to the LHR's interest were disclosed in good faith in advance of any vote by such member of the Board to the Board, and such facts are reflected in the minutes of the Board meeting; and
 - 10.1.3 Such interested member of the Board has, as determined by the judgment of the Board: (1) made the disclosures and fully responded to questions concerning the matters referred to in 12.1.1 and 12.1.2 above; and not otherwise significantly influenced the action of the Board with respect to the contract or transaction, and all such determinations by the Board are reflected in the minutes of the Board meeting; and
 - 10.1.4 The Board authorized such contract or transaction by a vote of at least a majority of the members present at a meeting at which a quorum was present, and such interested member of the Board abstained from participating in the vote; and
 - 10.1.5 Such interested member of the Board was not present at such time as the vote was taken; and
 - 10.1.6 The contract or transaction was approved by the Board.

ARTICLE XI – INDEMNIFICATION

SECTION 11.1 **DIRECTOR INDEMNIFICATION:** A Director shall not be personally liable for monetary damages as Director for any action taken, or any failure to take any action, unless:(a) the Director has breached or failed to perform the duties of Director in accordance with the standards of conduct contained in Section 5712 of the Pennsylvania Non Profit Corporation Act and any amendments and successor acts thereto; and (b) the bread of failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, the foregoing provision shall not apply to the responsibility or liability of a Director for the payment of taxes pursuant to local, state, or federal law.

The Corporation shall indemnify any officer or Director (or employee or representative of the Corporation) who was or is a party or is threatened to be made a party to any threatened, pending or completed action suit or proceeding, whether civil, criminal, administrative or investigative, (and whether or not by, or in the right of, of the Corporation) by reason of the fact that such person is or was a representative of the Corporation, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action or proceeding if such person acted in good faith and in a manner, he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and with respect to any criminal proceeding, had no reason to believe such conduct was illegal, provided, however, that no persons shall be entitled to indemnification pursuant to the Article in any instance in which the action or failure to take action giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness; and provided, further, however, in instances of a claim by or in the right of the Corporation, indemnification shall not be made under this section in respect of any claim, issue, or matter as to which the person has been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the Judicial District embracing the county in which the action was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or other Court shall deem proper

Unless ordered by a court, any indemnification under the previous paragraph or otherwise permitted by law shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because he or she has met the applicable standard of conduct set forth under that section. Such determination shall be made: (a) By the Board of Directors by a majority vote or a quorum consisting of Directors who were not parties to the action or proceeding; or (b) If such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

Expenses incurred by a person entitled to indemnification pursuant to this Article or otherwise permitted by law in defending a civil or criminal action, suit or proceeding shall, in any case required by this Article, and may, in any other case, be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of any undertaking by or on behalf of such person to repay the amount so advanced if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation.

The indemnification and advancement of expenses provided pursuant to this

Article shall continue as to any person who has ceased to be an officer or Director (or employee or representative) of the Corporation and shall inure to the benefit of the heirs, executors, administrators of such person.

This Article shall not be exclusive of any other right which the Corporation may have to indemnify any person as a matter of law.

ARTICLE XII – NON-DISCRIMINATION CLAUSE

SECTION 12.1 **POLICY OF NON-DISCRIMINATION:** The LHR, its Board, affiliates, committees, or task groups will not discriminate against any employee, applicant for employment, independent contractor or any other person in any of its activities in regard to race, color, national origin, ancestry, religion, sex, marital status, age, physical or mental handicap. LHR will take affirmative action to ensure that employees are treated without regard to their race, color, national origin, ancestry, religion, sex, marital status, age, physical or mental handicap. Such affirmative action shall include but not be limited to: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. The LHR will post in conspicuous places a notice setting forth the provisions of this nondiscrimination clause which shall be available to employees, agents, applicants for employment, and other persons.

ARTICLE XIII – SEVERANCE

SECTION 13.1 **SEVERANCE CLAUSE:** In the event any section of these by-laws are found to be in violation of any laws or regulations it shall not effect the validity of the remaining articles and or sections of articles.

ARTICLE XIV – AMENDMENTS

SECTION 14.1 **PROPOSED AMENDMENTS:** These by-laws may be altered, amended, or replaced, either in part or in entirety, by the membership upon written notice of the full text of any proposed amendment or change in the bylaws.

SECTION 14.2 **NOTIFICATION OF MEMBERSHIP:** The President shall see that each member of the LHR membership is notified in writing concerning all proposed amendments at least fifteen (15) days ahead of the Board meeting at which the proposed changes will be considered and acted upon.

SECTION 14.3 **MEMBERSHIP VOTING ON AMENDMENTS:** Each member of the LHR shall be given the opportunity to vote on the by-laws changes by mail if they can not attend a meeting.

SECTION 14.4 **AMENDMENT APPROVAL:** These by-laws (and any future alterations, amendment, or repeal to these by-laws) shall require approval by an affirmative vote of two-thirds of the vote cast by the membership of the LHR which has been done in accordance with section 16.3.

SECTION 14.5 **REGULAR REVIEW:** These by-laws shall be reviewed and updated when necessary.

WE THE OFFICERS OF THE BOARD OF DIRECTORS OF THE LUMBER HERITAGE REGION OF PENNSYLVANIA, INC. CERTIFY THAT THE FOREGOING BY-LAWS WERE ADOPTED/RATIFIED AT THE MEETING OF THE LHR ON *03/16/2017*

ATTEST: LUMBER HERITAGE REGION OF PENNSYLVANIA

_____ President

_____ Vice-President

_____ Treasurer

_____ Secretary

Revisions:

1. Changes per March 19, 2009 Board of Directors meeting
Page 7, Section 8.1 - Roberts Rule of Order changed to *modified Parliamentary Procedures*
Page 8, Section 11.1 - bread of changed to *breach of*
2. Change DCNR Ex-officio to DCNR Liaisons per September 16, 2010 Board meeting
3. Changes by BOD vote on 03/16/2017- Changes to sections: 2.1, 3.1, 3.3, 3.5, 3.7, 3.8, 3.9, 4.2.1, 7.5.2
4. Fiscal Policy was adopted on 03/16/2017 and will become an extended part of the LHR by laws.