

Bylaws of



An Arizona Nonprofit Corporation

ARTICLE ONE – INTRODUCTION

1.01. Definition of Bylaws

These Bylaws constitute the code of rules adopted by *The Kringle Cause, Inc.* (hereinafter the "Corporation") for the regulation and management of its affairs.

1.02. Purposes and Powers

This Corporation operates exclusively for charitable purposes as specified in Section 501(c)(3) of the Internal Revenue Code and as outlined in the Articles of Incorporation.

ARTICLE TWO – OFFICES AND AGENCY

2.01. Principal and Branch Offices

The principal place of business of this Corporation shall be in Arizona, with the ability to establish additional offices as necessary.

2.02. Registered Office

The registered office of the Corporation shall be maintained in the State of Arizona and may be changed by the Board of Directors.

ARTICLE THREE – FOUNDER & THE EXECUTIVE DIRECTOR

3.01. Role of the Executive Director

The Executive Director shall serve as the chief executive officer of the Corporation, responsible for overseeing daily operations, executing the strategic mission, and managing employees. The Executive Director reports to the Board of Directors.

3.02. Founder and Initial Executive Director

The Founder, Jeffrey Ladson Biggs, shall serve as the Executive Director of the Corporation for an expected tenure of 10–15 years, provided he maintains capacity to fulfill duties.

3.03. Founder's Removal

The Founder, serving as the Executive Director, cannot be removed by the Board of Directors except under the following conditions:

- (a) Self-Termination – Voluntary resignation.
- (b) Incapacity – A court of competent jurisdiction determines the Executive Director is mentally or physically incapable of performing duties.
- (c) Bad Act – The Executive Director is convicted in a final, non-appealable court ruling for fraud, gross negligence, or willful misconduct.

3.04. Founder's Transition to Emeritus Role

Upon voluntary retirement, the Founder may transition to an Emeritus Board Member role, serving in a consulting capacity without voting rights. This provision applies exclusively to the Founder and does not extend to any future Executive Directors, who shall be subject to removal by the Board of Directors based on performance and organizational needs.

3.05. Executive Director Termination

Any Executive Director succeeding the Founder in this role shall be subject to termination by the Board of Directors. Reasons for termination may include, but are not limited to:

- (a) Failure to fulfill duties – Persistent inability to meet the responsibilities outlined in these Bylaws.
- (b) Ethical or legal violations – Breach of ethical standards, financial mismanagement, or other violations that compromise the integrity of the Corporation.
- (c) Board decision – A majority vote of the Board determines that termination is in the best interest of the Corporation.

3.06. Executive Director as Acting Chair

In the event that the Board President is absent from a scheduled Board of Directors meeting, the Executive Director shall serve as Acting Chair for that meeting. The Acting Chair shall have the authority to facilitate and lead the meeting, ensuring the agenda is followed and discussions remain orderly and productive. This role does not confer voting rights on the Executive Director. The Executive Director may not make motions or vote on any matters before the Board, but may provide reports, updates, and information as necessary to support Board decision-making.

ARTICLE FOUR – BOARD OF DIRECTORS

4.01. Role of the Board

The Board of Directors shall oversee the mission, vision, and strategic direction of the Corporation. It shall not interfere with day-to-day operations, which are managed by the Executive Director.

4.02. Minimum Board Size

The Board shall consist of no fewer than eight (8) members, consisting of three (3) Executive Members and five (5) General Board Members.

4.03. Executive Board Members

The Board shall include the following Executive Board Members, who serve as officers of the Corporation:

- President
- Secretary
- Treasurer

4.04. Terms of Executive Board Members

(a) **Staggered Elections** – To ensure continuity, Executive Board Members shall serve three-year staggered terms, with elections occurring as follows:

- **In Year One**, the Board shall elect a President, Secretary, and Treasurer
- **At the end of Year One**, the Treasurer may seek a second term or a new Treasurer shall be elected.
- **At the end of Year Two**, the Secretary may seek a second term or a new Secretary shall be elected.
- **At the end of Year Three**, the President may seek a second term or a new President shall be elected.

This cycle will repeat for each role after 3 years of service to ensure a staggered leadership transitions, preserving institutional knowledge and continuity.

- (b) **Term Limits** – Executive Board Members may serve two consecutive terms (six years total). After two terms, they must step down for at least one year before being eligible to serve as an Executive Board Member again.
- (c) **Adjustments for Initial Board** – Initial officers filling the Treasurer and Secretary roles will have shortened first terms to align with the staggered cycle. They may seek re-election for a third term to make up for short terms in the beginning if they so desire.

ARTICLE FIVE – MEETINGS

5.01. Regular Meetings

During the first year, until the Corporation receives its IRS determination letter recognizing its 501(c)(3) status, the Board of Directors shall meet on the last Tuesday of each month. Thereafter, regular meetings shall be held quarterly, unless a special meeting is called.

5.02. Special Meetings

Special meetings may be called by the President or by a majority of the Board.

5.03. Quorum and Voting

A quorum shall be constituted by a majority of the Board. Decisions shall require a majority vote unless otherwise specified.

ARTICLE SIX – COMMITTEES

6.01. Establishment of Committees

The Board of Directors may establish committees to oversee specific functions and enhance the efficiency of the Corporation. Committees shall operate under the direction of the Board and shall not exercise governing authority unless expressly authorized.

6.02. Standing Committees

The Corporation shall have the following standing committees, with additional committees created as needed by the Board:

- (a) **Finance Committee** – Responsible for overseeing financial planning, budgeting, and financial policy compliance.
- (b) **Fundraising Committee** – Develops and implements strategies to secure financial support for the Corporation.
- (c) **Governance Committee** – Ensures adherence to policies, assists with Board recruitment, and manages governance practices.

- (d) **Marketing/Social Media Committee** – Oversees public relations, branding, and social media engagement to promote the Corporation's mission.

6.03. Committee Meetings

Each committee shall meet monthly at a time agreed upon by its members.

ARTICLE SEVEN – COMPENSATION AND EMPLOYMENT POLICIES

7.01. Executive Director Compensation

The Executive Director shall receive reasonable compensation, including but not limited to, a full salary and benefits for work performed for the Corporation. The Board of Directors shall determine and approve the Executive Director's compensation in accordance with Internal Revenue Code (IRC) Section 4958, ensuring it is fair and aligned with nonprofit best practices.

- The Board shall follow the IRS three-step process to determine reasonable compensation:
- Review Comparable Salary Data – Compensation shall be benchmarked against salaries for similar nonprofit roles.
- Independent Board Approval – The Board (excluding the Executive Director) shall approve salary and benefits based on the data reviewed.
- Proper Documentation – The decision-making process shall be recorded in meeting minutes, ensuring compliance with nonprofit law.

7.02. Employee Compensation

Employees shall receive reasonable compensation for services rendered, in compliance with IRS nonprofit regulations. The Executive Director shall ensure that salaries align with industry standards, nonprofit best practices, and budgetary constraints. Any significant changes in employee compensation shall require Board approval.

ARTICLE EIGHT – HIRING AND FIRING OF EMPLOYEES

8.01. Authority Over Employment Decisions

The Executive Director shall have the authority to hire, manage, and terminate employees to fulfill the Corporation's mission.

8.02. Board Oversight on Employment Policies

While the Executive Director has primary authority over staffing, the following shall require Board approval:

- (a) The creation of new key leadership positions (e.g., department heads, senior managers).
- (e) Any significant restructuring that affects operational capacity.
- (f) Any salary package that exceeds industry benchmarks for nonprofit organizations.

8.03. Compliance with IRS Regulations

The Corporation shall comply with IRS guidelines on nonprofit employment practices, ensuring all employment contracts, salaries, and terminations adhere to legal and ethical standards.

8.04. Background Checks and Drug-Free Workplace Policy

As a condition of employment, all prospective employees of the Corporation shall undergo and pass a criminal background check. Employment offers shall be contingent upon the successful completion of this check. The Corporation reserves the right to terminate employment or rescind offers based on the results of background screenings.

The Corporation maintains a Drug-Free Workplace Policy. Employees may be subject to pre-employment drug screening and random or post-incident drug tests. In the event of a workplace injury involving serious bodily harm or death, the Corporation shall require a drug test of the employee involved as part of the investigation process. Refusal to comply with drug testing procedures or a confirmed positive result may result in immediate disciplinary action, up to and including termination.

ARTICLE NINE – INFORMAL ACTION

9.01. Waiver of Notice

Whenever any notice is required to be given under the provisions of the law, the Articles of Incorporation, or these Bylaws, a waiver of such notice in writing signed by the person or persons entitled to notice, whether before or after the time stated in such waiver, shall be deemed equivalent to the giving of such notice.

9.02. Action by Consent

Any action required by law or under the Articles of Incorporation or these Bylaws, or any action that otherwise may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all Directors in office and filed with the Secretary.

ARTICLE TEN – OPERATIONS

10.01. Fiscal Year

The fiscal year of the Corporation shall be the calendar year.

10.02. Execution of Documents

The Executive Director may authorize financial transactions up to \$2,000 without additional approval. Any transaction exceeding \$2,000 shall require dual authorization from the Executive Director and one Executive Board Member (President, Treasurer, or Secretary). All contracts, leases, or other instruments executed in the name of and on behalf of the Corporation shall be signed by the President or Executive Director, with approval from the Board of Directors. A resolution authorizing such execution must be documented and certified by the Secretary.

10.03. Books and Records

The Corporation shall maintain accurate and complete financial records, meeting minutes, and governance documents. All records shall be stored at the Corporation's principal place of business and shall be available for review by the Board of Directors.

10.04. Inspection of Books and Records

Board Members shall have the right to inspect the Corporation's financial records and meeting minutes for a proper purpose upon written request to the Board. The Corporation shall establish procedures for such requests to ensure financial transparency.

10.05. Nonprofit Operations & Compensation

The Corporation shall not have or issue shares of stock, and no dividends shall be paid. No part of the income of the Corporation shall be distributed to Board Members or Officers, except for reasonable compensation for services rendered in accordance with nonprofit law.

10.06. Loans to Management

The Corporation shall not make loans to any of its Directors, Officers, or employees under any circumstances.

10.07. Corporate Assets

(a) No Director, Officer, or Incorporator shall have any vested right, interest, or privilege in the Corporation's assets, operations, or affairs.

(b) Upon dissolution, any remaining corporate assets shall be distributed to another 501(c)(3) nonprofit organization in accordance with IRS regulations.

10.08. Indemnification

The Corporation shall defend, indemnify, and hold harmless all Board Members, Officers, and employees against claims, lawsuits, or damages incurred while performing their official duties, to the fullest extent permitted by Arizona law. Indemnification shall not apply in cases of fraud, gross negligence, or intentional misconduct. This protection extends to heirs, executors, and successors of the indemnified parties.

ARTICLE ELEVEN – VOLUNTEERS AND PROGRAM STANDARDS

11.01. Volunteer Engagement

The Corporation may engage volunteers in support of its charitable mission. Volunteers shall adhere to the policies, training, and conduct standards established by the Corporation. All volunteers are expected to act in a manner consistent with the values and public image of The Kringle Cause, Inc.

11.02. Santa and Mrs. Claus Volunteer Standards

Individuals volunteering to portray Santa Claus or Mrs. Claus for in-person deliveries or public-facing events are strongly encouraged to have completed a training program from a recognized or approved Santa school. Preference shall be given to training programs that include instruction on how to appropriately interact with and support children with cognitive, developmental, and physical disabilities, as well as those facing health or emotional challenges.

The Corporation may provide or approve internal training programs to ensure that all Santas and Mrs. Clauses maintain a high standard of safety, sensitivity, professionalism, and compassion, reflecting the values and mission of The Kringle Cause, Inc.

11.03. Right to Approve or Remove Volunteers

The Corporation reserves the right to approve or decline participation by any volunteer, including Santas, based on background checks, conduct, or failure to meet the standards and expectations of the Corporation.

ARTICLE TWELVE – AMENDMENTS

12.01. Amendment of Articles of Incorporation

The power to alter, amend, or repeal the Articles of Incorporation of this Corporation is vested in the Founder. If the Founder is incapacitated, this power shall be vested in the Executive Committee, subject to approval by a two-thirds (2/3) majority vote of the Board of Directors.

The Kringle Cause – Bylaws

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12.02. Modification of Bylaws

The power to alter, amend, or repeal these Bylaws, or to adopt new Bylaws, is vested in the Board of Directors. Amendments require a two-thirds (2/3) majority vote of the Board of Directors and must be recorded in the corporate records.


ADOPTION OF BYLAWS

We, the undersigned, are the directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing Bylaws as the Bylaws of this corporation.

Adopted by the Board of Directors by resolution and vote of 6 to 0,
on Tuesday, April 29th, 2025.

Approved and adopted by:

[Founder Jeffrey Ladson Biggs]



[Board President's Jeffrey Neal Peterson]

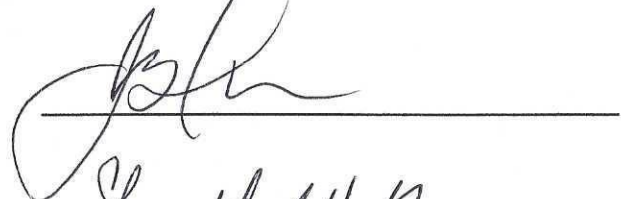
[Board Secretary Jamie Marlece Lovell]




[Board Treasurer Christine Marie Feller]



[Joseph Feller]



[Shawntel Aleece Huff]



[Erika Brown]

[John David Berret]

