

THE PORTAGE RESALE SHOP, INC.

(An Indiana Nonprofit Corporation)

ARTICLE I – NAME, STATUS, AND OFFICES

1. **Name.** The name of the corporation is **The Portage Resale Shop, Inc.** (“Corporation”).
 2. **Nonprofit Status.** The Corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.
 3. **Principal Office.** The principal office is located in Portage, Indiana, or such other location as the Board may determine.
 4. **Fiscal Year.** The fiscal year shall be the calendar year.
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ARTICLE II – MISSION AND PURPOSE

1. **Mission.** Inspired by the command of Jesus Christ to love one another, the Corporation exists to support ministries of compassion serving the Portage community.
 2. **Purpose.** The Corporation fulfills its mission by:
 - Receiving donations of clothing and household goods
 - Reselling donated goods through volunteer efforts
 - Distributing proceeds and goods to ministries of compassion and charitable purposes
 3. **Limitations.** No part of the net earnings shall inure to the benefit of any private individual. The Corporation shall not engage in prohibited political or lobbying activities.
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ARTICLE III – MEMBERS

1. **Members.** Members shall be church congregations in the Portage area that enter into a Covenant of Congregational Support (“Covenant Churches”).
 2. **Covenant Term.** Covenants are renewable every two (2) years and subject to revision by the Board.
 3. **Rights.** Covenant Churches may nominate candidates and designate voting representatives for the Annual Meeting as provided herein.
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ARTICLE IV – BOARD OF DIRECTORS

1. **Authority.** The Board of Directors (“Board”) governs the affairs, policies, and strategic direction of the Corporation.
 2. **Composition.**
 - Officers plus an odd number of Directors
 - Minimum: 5 Directors
 - Maximum: 13 Directors
 3. **Eligibility.** Directors shall be nominated by Covenant Churches and/or the Operating Team.
 4. **Terms.** Directors serve two-year staggered terms and may be re-elected.
 5. **Removal.** Directors may be removed by majority vote of the Board.
 6. **Vacancies.** Vacancies may be filled by majority vote of the remaining Directors.
 7. **Committees.** The Board may establish standing or special committees.
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ARTICLE V – OFFICERS

1. **Officers.** Chair, Vice Chair, Secretary, and Treasurer.
2. **Duties.**
 - **Chair:** Presides over meetings; chief spokesperson
 - **Vice Chair:** Assists and substitutes for Chair
 - **Secretary:** Records minutes; maintains records; required filings

- **Treasurer:** Oversees finances, internal controls, and reports
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ARTICLE VI – EXECUTIVE DIRECTOR AND OPERATING TEAM

1. **Executive Director.** Appointed by the Board; responsible for daily operations.
 2. **Authority.** Acts within Board-approved policies; ex-officio non-voting Board member.
 3. **Operating Team.** Staff and volunteers appointed by the Executive Director with Board oversight.
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ARTICLE VII – MEETINGS

1. **Board Meetings.** At least three (3) per year.
 2. **Special Meetings.** May be called by the Chair or 25% of Directors.
 3. **Annual Meeting.** Held within sixty (60) days after year-end; open to the public.
 4. **Quorum.** Majority of voting members.
 5. **Voting.** Majority vote unless otherwise specified.
 6. **Parliamentary Authority.** Robert’s Rules of Order, Newly Revised.
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ARTICLE VIII – CONFLICT OF INTEREST

The Corporation hereby adopts a **written Conflict of Interest Policy** (attached as **Appendix A** and incorporated by reference) requiring disclosure of actual or potential conflicts and recusal from deliberation and voting when personal or financial interests exist, as more fully set forth in Appendix A.

ARTICLE IX – NONDISCRIMINATION & ANTI-HARASSMENT

1. **Nondiscrimination.** The Corporation prohibits discrimination based on race, color, national origin, sex, age, disability, or any other protected status under applicable law.

2. **Anti-Harassment.** Harassment or retaliation by directors, staff, or volunteers is strictly prohibited.
 3. **Reporting.** Complaints may be reported without fear of retaliation and will be promptly investigated.
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ARTICLE X – WHISTLEBLOWER PROTECTION

1. **Policy Adopted.** The Corporation hereby adopts a written Whistleblower Protection Policy (attached as **Appendix B** and incorporated by reference). No director, employee, or volunteer shall suffer retaliation for reporting suspected illegal, unethical, fraudulent, or improper conduct in good faith, as more fully set forth in Appendix B.
 1. **Reporting and Handling.** Reports may be made and will be handled in accordance with Appendix B, including reporting channels, confidentiality expectations, and prompt review and investigation procedures.
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ARTICLE XI – RECORDS & DOCUMENT RETENTION

The Corporation shall maintain accurate records and hereby adopts a **Document Retention and Destruction Policy** (attached as **Appendix C** and incorporated by reference) consistent with legal requirements, as more fully set forth in Appendix C.

ARTICLE XII – INDEMNIFICATION

The Corporation shall indemnify Directors, Officers, employees, and volunteers to the fullest extent permitted under Indiana law and may maintain liability insurance.

ARTICLE XIII – DISSOLUTION

Upon dissolution, assets shall be distributed exclusively for charitable purposes consistent with Section 501(c)(3), to one or more organizations qualifying under said section.

ARTICLE XIV – AMENDMENTS

These bylaws may be amended by majority vote of the Board, provided written notice is given at least ten (10) days prior to the meeting.

ARTICLE XV – GOVERNING LAW

These bylaws are governed by the **Indiana Nonprofit Corporation Act (Indiana Code 23-17)** and applicable federal law.

APPENDIX A – CONFLICT OF INTEREST POLICY

Adoption. This Conflict of Interest Policy is adopted pursuant to **Article VIII** of these bylaws.

Purpose. The purpose of this Conflict of Interest Policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, employee, or key volunteer, or that might result in a possible excess benefit transaction. This policy is intended to supplement, not replace, any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Persons Covered. This policy applies to all directors and officers, and to any employee or volunteer who has authority to influence the Corporation's decisions, expenditures, contracting, purchasing, or disposition of assets.

Definitions. (1) **Interested Person:** any person covered by this policy who has a direct or indirect financial interest, as defined below. (2) **Financial Interest:** a person has a financial interest if the person has, directly or indirectly, through business, investment, or family: (a) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement; (b) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or (c) a potential ownership, investment, or compensation interest in, or other tangible benefit from, any transaction or arrangement under consideration by the Corporation. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the financial interest and all material facts to the Board of Directors (or the committee with delegated authority) before the Board takes action on the

proposed transaction or arrangement. Directors and officers shall also disclose conflicts annually and as they arise.

2. 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, the Interested Person shall leave the meeting while the potential conflict is discussed and voted upon. The remaining disinterested directors shall decide, by majority vote, whether a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

1. **Recusal.** An Interested Person shall not participate in discussion, negotiation, or decision-making on the matter, except to provide factual information at the request of the Board.
2. **Alternative Transactions.** The Board (or committee) may, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. **Best Interest Determination.** After exercising due diligence, the Board shall determine whether the Corporation 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.
4. **Approval.** If a more advantageous transaction or arrangement is not reasonably possible under the circumstances, the Board may approve the transaction or arrangement only if it determines by majority vote of disinterested directors that the transaction or arrangement is in the Corporation's best interest, for its own benefit, and is fair and reasonable.

4. Records of Proceedings

The minutes of the Board and all committees with Board-delegated powers shall contain: (1) the names of the persons who disclosed or were found to have a financial interest in connection with an actual or possible conflict of interest; (2) the nature of the financial interest; (3) any action taken to determine whether a conflict of interest was present; (4) the Board's decision as to whether a conflict of interest existed; and (5) the names of the persons present for discussions and votes, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the matter.

5. Annual Statements

Each director and officer shall annually sign a statement affirming that the person: (1) has received a copy of this policy; (2) has read and understands it; (3) agrees to comply with it; and (4) understands the Corporation is charitable and must engage primarily in activities that accomplish its tax-exempt purposes.

6. Violations of the Policy

If the Board has reasonable cause to believe a person has failed to disclose an actual or possible conflict of interest, it shall inform the person and allow an opportunity to explain the alleged failure to disclose. If, after hearing the person's response and making any further investigation warranted by the circumstances, the Board determines the person failed to disclose a conflict of interest, it may take appropriate corrective and disciplinary action.

APPENDIX B – WHISTLEBLOWER PROTECTION POLICY

Adoption. This Whistleblower Protection Policy is adopted pursuant to **Article X** of these bylaws.

Purpose. The Corporation encourages directors, employees, and volunteers to report in good faith suspected illegal, unethical, fraudulent, or improper conduct. This policy provides reporting channels, promotes prompt review, and prohibits retaliation.

1. Good Faith Reports

Anyone making a report must act in good faith and have reasonable grounds for believing the information disclosed indicates wrongdoing. Reports that are knowingly false or made with reckless disregard for the truth may be subject to corrective action.

2. Non-Retaliation

No director, employee, or volunteer who makes a good faith report of suspected wrongdoing shall suffer harassment, retaliation, or adverse action. Any person who retaliates against someone who has reported a concern in good faith is subject to discipline up to and including removal from position or termination of involvement with the Corporation.

3. Reporting Channels

Reports may be made verbally or in writing to any of the following:

- The Board Chair
- The Treasurer
- The Executive Director
- If the report involves any of the above, the report may be made to any other officer or to a Board-designated committee.

4. Handling, Review, and Investigation

All reports will be promptly reviewed and, as appropriate, investigated. The Corporation will strive to conduct investigations in a fair, impartial, and timely manner, and will take appropriate corrective action if wrongdoing is substantiated. The Board may oversee investigations involving senior leadership, financial irregularities, or matters presenting significant legal or reputational risk.

5. Confidentiality

Reports will be handled confidentially to the extent possible, consistent with the need to conduct an adequate investigation and to comply with applicable law. Individuals involved in an investigation are expected to maintain appropriate confidentiality.

APPENDIX C – DOCUMENT RETENTION AND DESTRUCTION POLICY

Adoption. This Document Retention and Destruction Policy is adopted pursuant to **Article XI** of these bylaws.

Purpose. The Corporation is committed to maintaining records as required by law, best practices for nonprofit governance, and operational needs. This policy governs the retention, storage, and destruction of paper and electronic records and helps ensure the Corporation does not destroy records relevant to litigation, audits, or investigations.

1. Responsibility

The Executive Director is responsible for day-to-day administration of this policy. The Treasurer oversees financial recordkeeping practices. The Secretary maintains corporate governance records. All directors, employees, and volunteers who create or handle records are responsible for following this policy.

2. Retention Guidelines

Records shall be retained for the periods set forth below (or longer if required by law, grant terms, contract, or audit requirements). If a record falls into more than one category, the longer retention period applies.

Record Type	Minimum Retention
Governing documents (articles, bylaws) and IRS determination letter	Permanent
Board and committee minutes, agendas, resolutions	Permanent
Conflict of interest disclosures/annual statements	7 years after service ends
Financial statements, general ledger, chart of accounts	Permanent (or 7 years, if not otherwise required)
Annual tax filings (e.g., Form 990) and supporting workpapers	7 years
Bank statements, reconciliations, deposit records	7 years
Accounts payable/receivable and expense documentation	7 years
Payroll records and related tax filings	7 years
Contracts, leases, insurance policies (expired)	7 years after expiration/termination
Donor records (gift acknowledgments, restrictions)	7 years (permanent for restricted/endowment gifts)
Grant agreements, reports, and compliance documentation	7 years after closeout (or per grant terms)
Employment/volunteer personnel files (if applicable)	7 years after separation
Incident reports, claims, and related correspondence	7 years after resolution

3. Legal Hold (Suspension of Destruction)

If the Corporation becomes aware of any actual or reasonably anticipated litigation, audit, investigation, public records request (if applicable), or other legal matter, it shall

immediately suspend destruction of records relevant to the matter (a “legal hold”). The legal hold remains in effect until lifted in writing by the Board Chair or legal counsel (if engaged). Records subject to a legal hold must be preserved even if their retention period has expired.

4. Destruction of Records

Records shall be destroyed in a secure manner once the applicable retention period has expired and no legal hold applies. Paper records should be shredded; electronic records should be permanently deleted in a manner that makes them not reasonably retrievable. Destruction should be routine, systematic, and documented when appropriate for key record categories.

5. Prohibition on Improper Destruction

No director, employee, or volunteer may alter, conceal, falsify, or destroy any record with the intent to impede, obstruct, or influence any investigation, audit, or legal proceeding.