Article I – NAME

Section 1.
The name of this organization shall be: Colorado Emerald Society.

Section 2.
The Society shall have an official seal in a form approved by the membership.

Section 3.
The Society's name may be changed by a majority vote of the membership.

Article II – PURPOSES
The Society is an Irish-American charitable and cultural organization that welcomes participation from the broader community. Its purposes include preserving Irish and Irish-American heritage, promoting charitable service, education, fellowship, and community engagement, and maintaining strong traditions of support for law enforcement, fire, EMS, military veterans, other public servants, and their families.

Section 1.
a. Foster fraternalism and fellowship among members.

b. Encourage active participation in community events.

c. Promote professionalism within public safety professions for the benefit of the community.

d. Inspire exemplary conduct among public safety officers, building public respect and goodwill toward law enforcement, fire, and emergency medical services (EMS).

e. Provide a family-oriented social and cultural environment within the public safety community.

f. Uphold and defend the Constitution of the United States.

g. Preserve and promote Gaelic heritage among members.

h. Recognize and honor the achievements and contributions of Gaelic-Americans.

i. Build positive public sentiment toward law enforcement, fire, and EMS.

j. Educate the public on the value and accomplishments of these professions.

k. Promote cooperation between public safety professionals and the community to protect life, property, and prevent crime.

l. Assist members in need when it is in the best interest of the Society.

m. Support legislation that benefits law enforcement, fire, and EMS.

n. Provide assistance to the families of active members in the event of a line-of-duty death.

o. Maintain a strictly nonpartisan and religiously neutral posture in all Society activities.

Article III – MEMBERSHIP

Section 1.

Section 1 – Membership Philosophy and Classes

Membership in the Colorado Emerald Society is open to individuals who support the purposes and mission of the Society. The Society welcomes and encourages participation from the broader community, including, but not limited to, law enforcement officers, firefighters, emergency medical personnel, military veterans, other public servants, their families, and individuals who share an interest in Irish and Irish-American heritage, charitable service, fellowship, and the activities of the Society.

Membership classes are as follows:

1. Life

2. Active

3. Associate.

4. Honorary

Section 2 – Life Membership

a. Open to any member in good standing at the time of application.

Section 3 – Active Membership

a. Open to active or retired paid sworn law enforcement officers, paid or career firefighters, and paid paramedics of Gaelic descent who demonstrate good character, patriotism, and support for the U.S. Constitution.

Section 4 – Associate Membership

a. Associate membership combines the former Associate and Auxiliary categories.

b. Associate Membership is open to individuals who support the mission and purposes of the Society, including civilians of Gaelic ancestry; individuals of non-Gaelic ancestry who share an appreciation for Irish and Irish-American heritage and the Irish spirit; non-Gaelic law enforcement officers, firefighters, paramedics, and other public servants; members and veterans of the Armed Forces or Coast Guard; family members; and other members of the broader community who wish to participate in the charitable, cultural, educational, and fellowship activities of the Society.

c. Auxiliary members may participate in meetings and social activities.

Section 5 – Honorary Membership

a. Granted to individuals recommended and approved by the Brehon Council.

b. Honorary members have no vote and no voice in Society affairs.

c. Honorary members may attend meetings and social activities.

d. The Brehon Council may designate deserving individuals as Honorary Lifetime Members (living) or Honorary Members (deceased).

e. Nominees must have contributed substantially to the goals and purposes of the Society and must not be of poor moral character or have a reputation that would cast the Society in a negative light.

Article IV – MEETINGS

Section 1 – Annual Meetings

a. The annual membership meeting of the Colorado Emerald Society shall be held in November on a date set by the Brehon Council.

b. The Secretary shall mail notice of the time and place to all members in good standing, using the address on the membership roll.

Section 2 – Regular Meetings

a. Regular membership meetings shall be held quarterly each year. Specific dates shall be set by the Brehon Council.

b. Normally, no membership meetings are held in June, July, or August.

Section 3 – Quorum

a. At least twelve (12) members must be present to conduct business.

b. If fewer than twelve members are present, the meeting may be adjourned for up to ten (10) weeks, with notice mailed to absent members.

c. The same quorum requirement applies to any adjourned meeting.

Section 4 – Special Meetings

a. The President may call a special meeting when it serves the best interest of the Society, with at least thirty (30) days' mailed notice to members. The notice shall state the purpose of the meeting and who called it.

b. At the written request of two (2) Brehon Council members or five (5) Society members, the President must call a special meeting. Requests must be made at least sixty (60) days in advance.

c. Only business listed in the meeting notice may be discussed unless all present agree unanimously to consider other matters.

Section 5 – Online Meetings

a. Brehon Council meetings may be conducted online via Zoom, Microsoft Teams, or similar technology.

b. Notice of such meetings shall be shared with all Council members as soon as scheduled and posted on the CES website.

c. The Brehon Council may circulate information among the full Council and may vote via email or other reputable electronic method when necessary.

d. When deemed necessary by the President or any two other Council members, membership meetings may be conducted online in a similar manner.

e. For any membership meeting held online, an announcement with participation details shall be shared with the membership at least seven (7) days in advance.

f. Online membership meetings are expected to be the exception. Membership meetings shall continue to be held on a quarterly basis.

g. Members may participate in any regular or special meeting of the Membership, including the Annual Meeting, by means of teleconference, video conference, or similar communications equipment by which all persons participating in the meeting can simultaneously hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting. The Council must be notified one month in advance in order to secure telecommunications.

Article V – VOTING

Section 1 – Procedures

a. At meetings, voting is normally by voice, except in officer elections.

b. All dues paying members of the Society may vote, regardless of type of membership.

Article VI – ORDER OF BUSINESS

Section 1 – Standard Meeting Order

a. Roll Call

b. Reading of previous meeting minutes

c. Committee reports

d. Officer reports

e. Old or unfinished business

f. New business

g. Good and Welfare

h. Adjournment

Section 2 – Parliamentary Authority

All meetings shall follow the most recent edition of Robert's Rules of Order.

Article VII – BOARD OF DIRECTORS (BREHON COUNCIL)

Section 1 – Composition and Duties

The Board of Directors shall consist of the Officers (President, VP, 2nd VP, Secretary, Treasurer) and four Delegates, including the **Pipe Band Delegate (Manager)**.

b. Directors serve two-year terms, elected at the annual meeting.

c. The Board acts only when convened by its chair with due notice to all members.

d. A simple majority of directors constitute a quorum for Board meetings. Meetings are held in January, April, May, July, September, and November.

e. Each director has one (1) vote; proxy voting is not permitted.

f. The Board may adopt its own meeting rules.

g. Vacancies are filled by a majority vote of remaining directors, based on the President's nomination, for the remainder of the term.

h. The President serves as Board chair.

i. The Board may appoint a secretary from among its members if the elected Secretary is unavailable.

j. A director may be removed for cause following a Board hearing. The director may be represented by counsel. The Board shall adopt rules for the hearing process.

k. Any member of the Brehon Council may participate in a meeting of the Board by means of telephone, video conference, or any similar communications equipment by which all persons participating in the meeting can simultaneously hear and speak to each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Article VIII – OFFICERS

Section 1 – Titles

a. President

b. Vice President

c. Second Vice President

d. Secretary

e. Treasurer

f. Trustees (two Active members and one Active or Retired member)

g. Associate Delegate (active once five Associate members are accepted)]

i. Past President

j. Chapter President(s) (once Chapters are formed)

Section 2 – President

a. Presides at all membership meetings and serves as Board chair.

b. Presents an annual report at the annual meeting.

c. Appoints all committees.

d. Ensures required books, reports, and certificates are maintained.

e. May sign Society checks and drafts.

f. Exercises the powers of the chief executive of the Society.

g. Votes only to break a tie.

Section 3 – Vice President

a. Acts as President when the President is absent or unable to serve, with full authority.

Section 4 – Second Vice President

a. Assists the President in conducting meetings and other duties as assigned.

b. Presides in the absence of both the President and Vice President.

Section 5 – Secretary

a. Maintains the minutes and records of the Society.

b. Files required certificates with government authorities.

c. Issues notices to members.

d. Serves as custodian of records and the Society seal.

e. Presents communications addressed to the Society.

f. Submits communications to the Board as needed.

g. Handles all correspondence for the Society.

Section 6 – Treasurer

a. Manages all Society funds and securities.

b. Signs Society checks and drafts. In addition to the Treasurer, the President, and at the direction of the President, any Brehon Council member may be added as an authorized signer to CES bank accounts, excluding Trustees who serve in an accounting oversight role.

c. Provides written financial reports as determined by the Board, with copies attached to Board meeting minutes.

Section 7 – Trustees

a. Two Active members and one Active or Retired member serve as Trustees.

b. Ensure Board actions are legally sound and in the Society's best interest.

c. Have access to Society records when requested.

d. Conduct an annual review of Society assets, liabilities, and disbursements.

Section 8 – Associate Delegate

(Activated when there are at least ten Auxiliary members.)

a. Keeps Associate members informed of meetings and activities.

b. Promotes support from the community and public safety agencies.

c. Must be an Associate member in good standing. Holds full Board voting rights.

Section 9-Advisory Trustees

All willing and active Past Presidents of the Society shall be invited to serve as **Advisory Trustees**. **Advisory Trustees are non-voting members** of the Brehon Council and their role is strictly to provide historical context, institutional knowledge, and strategic advice to the voting Board.

Section 10 – Past President

a. The immediate Past President serves as a Board member with full voting rights.

Article IX – SALARIES and FINANCES

The Board of Directors may hire employees and set their compensation as needed for Society operations. Board members shall serve the Society on a **strictly volunteer basis and shall receive no compensation** for their services as Directors or Officers. However, they shall be entitled to reimbursement for **actual, reasonable, and pre-approved expenses** incurred in the performance of their duties, provided such expenses are documented in accordance with the Society's expense reimbursement policy.

Section 1-Fiscal Year

The fiscal year of the Society shall be the **calendar year, commencing on January 1st and ending on December 31st.**

Section 2-Spending and Authorization Thresholds

Any single, non-budgeted expenditure over **Five Hundred Dollars ($500.00)** shall require prior written approval from the Treasurer and President. Any single, non-budgeted expenditure over **One Thousand Five Hundred Dollars ($1,500.00)** shall require prior majority approval by the Brehon Council.

Section 3 – Scholarship Funds

The Annual Scholarship Fund and Scholarship Legacy Fund shall be separately identified and accounted for in accordance with Article XVI and Addendum A. Legacy Fund assets shall be governed and safeguarded in accordance with the Scholarship Legacy Fund Governance and Stewardship Policy.

Article X – COMMITTEES

Section 1 – Appointment and Term

All committees are appointed by the President for a term of up to two years, unless ended sooner by the President.

Section 2 – Standing Committees

a. Activities or Social Committee

b. Elections Committee

c. Membership Committee

d. By-Laws Committee

e. Pipe Band Committee

f. Merchandise Committee

Article XI – DUES

Section 1 – Life Members

Life membership dues are ten (10) times the member's current annual dues, plus $100, at the time of application.

Section 2 – Active Members

- $30 to join; $30 annually due January 1.

- Retired members: $20 to join; $20 annually due January 1.

Charter Membership (closed) – First 100 Active members only:

- $50 to join; $40 annually due January 1.

- Retired: $40 to join; $30 annually due January 1.

Section 3 – Associate Members

- $30 to join; $30 annually due January 1.

- Retired: $20 to join; $20 annually due January 1.

Section 5 – Arrears

Any Active or Auxiliary member who is four months behind on dues will lose good standing and membership benefits unless an extension is approved by the Board.

Article XII – AMENDMENTS

Section 1. These By-Laws may be altered, amended, repealed, or replaced by an affirmative vote of not less than twenty (20) members entitled to vote, provided that the proposed action has been included in the notice of the meeting at which the vote will occur.

Section 2. Proposed amendments or replacement By-Laws shall be made available to the membership for review at least thirty (30) days before the ratification vote whenever practicable. The thirty-day review period is a notice and review requirement and does not reduce or replace the twenty-vote approval requirement in Section 1.

Article XIII – SOCIETY BUSINESS

Section 1. The President, with the Brehon Council, manages Society business between meetings.

Section 2. The membership will be informed of all business conducted and decisions made.

Section 3. All actions must be in the best interest of the Society and consistent with its Constitution and By-Laws.

Article XIV – ELECTIONS

Section 1. Board and officer terms are two years, from January 1 to December 31.

Section 2. In July of election years, the President appoints an Election Committee; members of the committee may not be candidates.

Section 3. Nominations are taken in September; elections are held in November.

Article XV – SUSPENSIONS/EXPULSIONS

Section 1 – Cause and Procedure

a. A member may be suspended or expelled for good cause.

b. Charges are investigated and reported to the President.

c. The President may call a special meeting where the member may:

1. Attend in person.
2. Be represented by personal counsel.
3. Present and cross-examine evidence and witnesses.

d. A majority vote of the Brehon Council is required for suspension or expulsion. The member may appeal to the full membership.

e. A majority vote of members present at the appeal will confirm or overturn the Council's decision.

Article XVI – BENEFITS

Section 1 – Death Benefit

The Society shall pay a $1,000 benefit to the family of an Active member killed in the line of duty, disbursed as soon as possible upon notification.

Section 2 – Annual Scholarship Fund

The Annual Scholarship Fund is a current-use fund dedicated to scholarships awarded for the current scholarship year. It is separate and distinct from the Scholarship Legacy Fund and is not intended to serve as a long-term endowment or investment account.

The Annual Scholarship Fund may receive annual fundraising proceeds, sponsorships, designated current-use gifts, Board-approved appropriations, and other funds intended for current scholarship awards. Funds designated for the Annual Scholarship Fund shall be used for current scholarship purposes and shall be separately identifiable from Scholarship Legacy Fund assets in the Society's financial records.

The Brehon Council shall determine the number and amount of annual scholarship awards based upon available current-use resources and the Society's established procedures, while preserving the independence of scholarship recipient selection.

Section 3 – Scholarship Legacy Fund

The Colorado Emerald Society Scholarship Legacy Fund is the Society's long-term capital and investment fund dedicated to supporting the educational mission of the Scholarship Program for generations to come. The Legacy Fund is not intended primarily to fund the next year's scholarship awards. Its purpose is to accumulate, preserve, grow, and responsibly use charitable assets for the long-term benefit of the Scholarship Program.

Scholarship Legacy Fund assets shall be separately identified and accounted for and shall not be treated as part of the Society's ordinary operating funds or the Annual Scholarship Fund. The Fund shall be governed in accordance with Addendum A, Scholarship Legacy Fund Governance and Stewardship Policy, which is incorporated into and made part of these By-Laws.

Ultimate fiduciary responsibility for the Scholarship Legacy Fund rests with the Brehon Council. The Legacy Fund shall remain in its initial capitalization period until its market value reaches at least $100,000. Routine annual scholarship distributions from Legacy Fund assets shall not begin before that threshold is reached, except as otherwise required by law or a legally enforceable donor restriction. Thereafter, distributions shall be governed by the spending provisions established under Addendum A.

Section 4 – Scholarship Committee and Application Requirements

The Scholarship Committee shall be comprised of three (3) members of the Society appointed by the President. The Committee shall independently evaluate scholarship applications and select recipients in accordance with the Society's established scholarship procedures. The Brehon Council shall not evaluate, score, rank, or select individual scholarship recipients.

The guidelines for scholarship applications are found on the CES website. Applicants must submit the following:

Completed CES Application Title Page
Statement of Goals and Aspirations, noting any unusual circumstances
Two Letters of Recommendation from Non-Family Members
Most Recent High School or Higher Academic Transcripts

All applicants must follow the application instructions and ensure that the application package is received at the address listed on the application by July 1 of the application year.

Article XVII – MERCHANDISE

a. Purchase and set pricing for Society merchandise with Brehon Council approval.

b. Maintain accurate sales records and receipts.

c. Provide merchandise updates for newsletters and the website.

d. Assist at merchandise booths during events.

e. Report merchandise activity and financial status to the Brehon Council.

Article XVIII – PIPE BAND

3. Nonprofit Status, IRS Compliance, and Reporting
The Colorado Emerald Society Pipe and Drum Band is recognized as operating under the umbrella of the Society's 501(c)(3) nonprofit status. As such, the Band is legally and financially part of the Society for purposes of IRS reporting and compliance. In order to ensure accurate and timely reporting, the Pipe and Drum Band leadership shall provide quarterly financial reports to the Brehon Council as requested. These reports shall include all income, expenditures, current balances, and supporting receipts or documentation sufficient for inclusion in the Society's consolidated financial records.

In addition, the Pipe and Drum Band leadership shall provide updated membership rosters upon request of the Brehon Council. Rosters shall include each member's name, agency or affiliation, membership status (active, retired, or auxiliary), and contact information. Such reporting ensures transparency, accountability, and compliance with the requirements of the Internal Revenue Service and the governing documents of the Colorado Emerald Society.

a. The Pipe Band supports the firefighting and law enforcement communities and related activities, with the Colorado Emerald Society as its parent organization.

b. The Pipe Band and Society maintain independent leadership but coordinate as follows:

1. The Pipe Band Treasurer shall provide a detailed quarterly financial report to the Brehon Council. This report will include all income and expenditures, itemized by source and purpose, along with current account balances. All supporting receipts and documentation must accompany the report.

2. The Pipe Band shall provide a full membership list to the Brehon Council quarterly. This list will include each member's name, agency, status (active, retired, or auxiliary), and email address. The list will clearly highlight any new members or members who have departed since the last update.

3. A Pipe Band delegate attends Society meetings to coordinate schedules.

4. The delegate may request funds from the Society as approved by the Council.

- Funds may be used for in-state or out-of-state functions or special activities.
- Requests should be pre-approved when possible.
- Reimbursements require Council review and approval.

Article XIX – CHAPTERS

At the adoption of these By-Laws, no Chapters existed. If needed, the Board may establish guidelines for forming Chapters, including geographic area, membership requirements, and Chapter leadership.

Article XX – CONFLICT OF INTEREST

Section 1. All officers, Brehon Council members, and committee members shall disclose any personal or financial interest in matters before the Society. Individuals with a conflict of interest shall recuse themselves from discussion and voting on such matters.

Article XXI – INDEMNIFICATION

Section 1. The Society shall indemnify and hold harmless its officers, Brehon Council members, and committee members from any liability, claims, or expenses arising from acts performed in good faith on behalf of the Society, to the fullest extent permitted by law.

Article XXII – FISCAL YEAR

Section 1. The fiscal year of the Society shall begin on December 1 and end on November 30 of each year, consistent with the Society's current federal tax reporting period, unless changed by formal action of the Brehon Council and reflected in all required federal and state filings.

Article XXIII – RECORDS AND INSPECTION RIGHTS

Section 1. The Society shall maintain accurate membership lists, meeting minutes, and financial records. Members in good standing may inspect these records upon reasonable written request, subject to privacy and confidentiality requirements.

Article XXIV – DISSOLUTION

Section 1. Upon dissolution of the Society, after payment or provision for payment of all liabilities, the Society's remaining assets shall be distributed exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended, to one or more organizations then recognized as exempt under Section 501(c)(3), or to the federal government or a state or local government for a public purpose. No remaining assets shall be distributed to any member, director, or officer of the Society.

Article XXV – CODE OF CONDUCT

Section 1. All members are expected to conduct themselves in a manner that reflects positively on the Society. Disruptive, disrespectful, or unethical behavior at meetings, events, or online may result in disciplinary action under Article XV.

Article XXVI – COMMUNICATION AND NOTICE

Section 1. Notices required under these By-Laws may be delivered by postal mail, email, the official Society website, or other reliable electronic means. Electronic delivery shall be considered equivalent to written notice.

Article XXVII – Nonpartisanship and Religious Neutrality

Section 1. Policy.

The Colorado Emerald Society is nonpartisan and religiously neutral. In order to equally protect the Constitutional rights of all Society members, the Society shall not endorse or oppose any political party, candidate, ballot measure, legislation unrelated to the Society's purposes, or any religion or denomination. The Society will neither advance nor inhibit any religion.

Section 2. Use of Society Name and Resources.

a. The Society's name, logo, funds, member lists, website, social media, events, and other resources shall not be used for political campaigns, partisan activities, religious advocacy, or fundraising for such activities.

b. No officer, Brehon Council member, committee, or member may issue endorsements, make solicitations, or distribute campaign or religious-advocacy materials in an official capacity or at Society events.

Section 3. Permitted Civic and Community Activities.

a. The Society may host educational or community forums that are neutral in purpose and open to differing viewpoints, consistent with the Society's purposes and applicable law.

b. Elected officials, candidates, or faith leaders may be invited to Society functions for ceremonial or informational purposes only, provided that similarly situated individuals are afforded comparable opportunities and no endorsement is implied.

c. The use of faith-based venues or participation in community traditions is permitted when conducted in a non-proselytizing and inclusive manner.

d. A prayer or invocation may be offered at Society functions by a member in good standing with the consent of the members present. Participation is voluntary and no specific faith tradition is required or endorsed.

Section 4. Communications.

Official Society communications shall remain neutral on political and religious matters. Any public position statement that relates to the Society's purposes must be approved by the Brehon Council and issued in the name of the Society. Personal views expressed by members must clearly indicate they are not made on behalf of the Society.

Section 5. Enforcement.

Violations of this Article may result in corrective action under Article XV and any related Society policies. The Brehon Council may issue guidance to implement this Article.

Article XXVIII – BY-LAW REVIEW SCHEDULE

Section 1. These By-Laws shall be reviewed at least every five years, ordinarily in years ending in 0 or 5. The President shall appoint a committee to conduct the review and present any recommended revisions to the Brehon Council. Any proposed amendments or replacement By-Laws shall then be submitted to the membership in accordance with Article XII. A periodic review does not itself amend these By-Laws.

ADDENDUM A

SCHOLARSHIP LEGACY FUND GOVERNANCE AND STEWARDSHIP POLICY

Purpose

The Colorado Emerald Society Scholarship Legacy Fund is established to create a long-term financial resource dedicated to supporting the educational mission of the Colorado Emerald Society Scholarship Program.

For more than 25 years, the Colorado Emerald Society has provided scholarships to support the educational goals of the children and grandchildren of its members. The Scholarship Legacy Fund represents an intentional effort to move beyond reliance solely upon annual fundraising and build financial resources capable of supporting scholarships for generations to come.

The Legacy Fund is not intended primarily to fund the next year's scholarship awards. Its purpose is to accumulate, preserve, grow, and responsibly use charitable assets for the long-term benefit of the Scholarship Program.

1. Fund Objectives

The Colorado Emerald Society establishes an initial long-term capitalization objective of $500,000 for the Scholarship Legacy Fund, with an aspirational goal of $1 million and beyond.

These amounts represent fundraising milestones and do not establish limits on the size or duration of the Fund.

The Society intends to pursue these objectives through individual and major gifts, corporate and community partnerships, foundation support, recurring contributions, multi-year commitments, employer matching programs, memorial and tribute gifts, planned and estate gifts, investment growth, fundraising activities, and other appropriate charitable sources.

2. Long-Term Character of the Fund

The Scholarship Legacy Fund shall be managed with a long-term perspective and with the objective of benefiting both present and future generations.

Legacy Fund assets shall not ordinarily be used for general Colorado Emerald Society operating expenses or unrelated organizational purposes.

The existence of Legacy Fund assets shall not eliminate the Society's responsibility to continue annual fundraising and seek other sources of support for its Scholarship Program.

The Board recognizes that protecting and growing the Fund during its formative years may provide substantially greater benefits to future scholarship recipients than immediately distributing all contributions or investment earnings.

3. Financial Separation and Accounting

Scholarship Legacy Fund assets shall be separately identified and accounted for within the financial records of the Colorado Emerald Society.

Legacy Fund contributions, investment income, realized and unrealized gains or losses, distributions, and expenses directly attributable to administration of the Fund shall be tracked in a manner that permits accurate reporting of Fund activity and value.

The Legacy Fund shall not be treated as part of the Society's ordinary operating funds.

4. Fiduciary Oversight

Ultimate fiduciary responsibility for the Scholarship Legacy Fund rests with the Brehon Council. The Legacy Fund shall remain in its initial capitalization period until its market value reaches at least $100,000. Routine annual scholarship distributions from Legacy Fund assets shall not begin before that threshold is reached, except as otherwise required by law or a legally enforceable donor restriction. Thereafter, distributions shall be governed by the spending provisions established under Addendum A.

The Board may delegate appropriate administrative, investment, fundraising, or advisory responsibilities to officers, committees, professional investment managers, accountants, attorneys, or other qualified advisers. Such delegation does not relieve the Board of its fiduciary responsibility for the Fund.

The Scholarship Legacy Fund Campaign Co-Chairs and other fundraising volunteers are responsible for advancing the fundraising objectives of the campaign but do not independently control or direct Legacy Fund assets.

Fundraising leadership raises the resources. The Board governs and safeguards them.

5. Investment of Legacy Fund Assets

Legacy Fund assets shall be managed prudently with consideration given to:

preservation of capital and purchasing power;

appropriate long-term investment growth;

diversification;

management of investment risk;

liquidity requirements;

anticipated scholarship distributions; and

the long-term charitable purposes of the Fund.

As the Fund grows, the Board shall adopt a formal Investment Policy Statement establishing appropriate investment objectives, asset allocation parameters, risk considerations, benchmarks, oversight responsibilities, and procedures for selecting and reviewing professional investment management.

The Board may engage qualified professional investment advisers or institutional investment services when appropriate.

6. Accumulation and Scholarship Distributions

The Board recognizes that the Scholarship Legacy Fund must first accumulate meaningful financial resources before it can achieve its long-term purpose.

The initial capitalization threshold of the Scholarship Legacy Fund is established at $100,000. Until the Fund reaches a market value of at least $100,000, Legacy Fund assets shall remain in the accumulation phase and shall not be used for routine annual scholarship distributions. During this period, current scholarship awards should be financed through the Annual Scholarship Fund, annual fundraising, designated current-use gifts, sponsorships, and other appropriate sources.

The $100,000 threshold is a minimum capitalization requirement for beginning routine distributions and is not the Fund's ultimate fundraising objective. The Society retains its initial long-term capitalization objective of $500,000, with an aspirational goal of $1 million and beyond.

Once the Legacy Fund has reached at least $100,000, the Board may authorize annual scholarship distributions under a prudent spending policy. The Board should ordinarily target an annual distribution rate within a range of three percent (3%) to five percent (5%) of the Fund's value, calculated using a reasonable averaging methodology adopted by the Board, rather than treating current-year investment earnings as automatically available for expenditure.

In establishing annual distributions, the Board shall balance three objectives: supporting current scholarship recipients, preserving the long-term purchasing power of the Fund, and allowing the Fund to continue growing for future generations.

Reaching the $100,000 threshold does not require the Board to begin distributions. The Board may continue to retain all or a substantial portion of investment earnings and contributions when it determines that continued accumulation is in the long-term best interest of the Scholarship Program.

If the market value of the Legacy Fund subsequently falls below $100,000, the Board should ordinarily suspend routine distributions until the Fund again reaches the capitalization threshold, unless the Board determines that a limited distribution is prudent, consistent with donor restrictions, applicable law, and the long-term purposes of the Fund.

The Board shall periodically review the spending policy as Fund assets, investment conditions, scholarship needs, inflation, and organizational circumstances change.

7. Protection of Legacy Fund Assets

Legacy Fund assets shall not ordinarily be invaded to address routine operating deficits, event expenses, administrative costs unrelated to the Fund, or other short-term financial needs of the Colorado Emerald Society.

Any extraordinary use of Legacy Fund assets outside the Fund's established scholarship purpose must comply with applicable law, donor restrictions, CES governing documents, and this policy and shall require specific action by the Board of Directors.

Donor-restricted assets shall always be administered in accordance with applicable restrictions.

8. Gift Acceptance

The Colorado Emerald Society may accept appropriate charitable contributions to the Scholarship Legacy Fund, including cash, checks, electronic contributions, publicly traded securities, corporate and foundation gifts, memorial and tribute gifts, bequests, beneficiary designations, and other forms of planned giving.

The Society may also consider other noncash assets when appropriate.

The Board shall establish a formal Gift Acceptance Policy governing significant, restricted, planned, complex, or noncash contributions.

CES reserves the right to decline any gift that:

is inconsistent with the Society's charitable purposes;

creates an unreasonable financial or administrative burden;

exposes the Society to inappropriate legal or financial risk;

could damage the reputation or independence of the Society;

contains restrictions that cannot reasonably be administered; or

is otherwise determined by the Board to be contrary to the best interests of the organization or Scholarship Legacy Fund.

9. Donor-Restricted Gifts

Donors may request that significant contributions be designated for particular purposes consistent with the mission of the Scholarship Legacy Fund.

All proposed restrictions must be reviewed and accepted by CES before the gift is finalized.

The Society shall not accept restrictions that improperly interfere with scholarship selection, organizational governance, or the fiduciary responsibilities of the Board.

No donor, regardless of the amount contributed, shall acquire authority to select or influence the selection of an individual scholarship recipient.

10. Independence of Scholarship Selection

The integrity and independence of the Colorado Emerald Society Scholarship Program shall be preserved.

Scholarship applications shall continue to be evaluated through the Society's established independent Scholarship Committee process.

The Board of Directors shall not evaluate, score, rank, or select individual scholarship recipients.

Contributions to the Scholarship Legacy Fund shall not provide donors, sponsors, businesses, foundations, Campaign Co-Chairs, Board members, or other individuals with preferential influence over scholarship selections.

11. Donor Recognition

The Colorado Emerald Society may recognize individuals and organizations whose generosity contributes to the establishment and growth of the Scholarship Legacy Fund.

Recognition may include designation as a founding supporter, publication in appropriate CES materials, recognition at events, permanent or periodic donor listings, or other forms approved by the Board.

Donors may request anonymity, and such requests shall be respected to the extent reasonably possible and consistent with legal and financial reporting requirements.

Permanent naming opportunities or other significant recognition arrangements shall require specific Board approval and shall not be promised by individual officers, Campaign Co-Chairs, or fundraisers without prior authorization.

12. Planned and Estate Gifts

The Colorado Emerald Society welcomes the opportunity to discuss bequests and other planned gifts benefiting the Scholarship Legacy Fund.

Donors considering estate gifts, beneficiary designations, appreciated assets, trusts, or other sophisticated charitable arrangements should be encouraged to consult their own legal, tax, and financial advisers.

CES representatives shall not provide individual tax, legal, investment, or estate-planning advice.

All proposed planned gifts remain subject to the Society's Gift Acceptance Policy and applicable law.

13. Transparency and Annual Reporting

The Board shall provide appropriate financial oversight and reporting for the Scholarship Legacy Fund.

At least annually, the Society should report:

Beginning Fund Balance
Contributions Received
Investment Gains or Losses
Scholarship Distributions, if any
Direct Fund Management Expenses
Ending Fund Balance

The annual report should also provide appropriate information concerning progress toward the Fund's long-term capitalization objectives and the educational impact of the Scholarship Program.

This commitment to transparency is intended to provide members, donors, partners, and prospective supporters with confidence that Legacy Fund resources are being managed responsibly.

14. Campaign Leadership

The Scholarship Legacy Fund Campaign shall be led by Campaign Co-Chairs appointed or recognized by the Colorado Emerald Society.

The Campaign Co-Chairs shall coordinate major-donor cultivation, fundraising strategy, sponsorship development, community and corporate partnerships, donor communications, and other activities intended to grow the Fund.

Campaign leadership shall coordinate significant gift discussions with appropriate CES officers and the Board when proposed gifts involve restrictions, naming opportunities, noncash assets, multi-year obligations, or other material commitments by the Society.

Campaign leadership does not replace the fiduciary authority of the Board.

15. Professional Advice and Administration

As the Scholarship Legacy Fund grows, the Board may obtain professional assistance in areas including investment management, accounting, taxation, nonprofit governance, charitable giving, estate and planned giving, and legal compliance.

The Board recognizes that the financial and administrative structure appropriate for a $25,000 fund may differ substantially from that required for a Fund holding $500,000, $1 million, or more.

The governance structure should therefore evolve responsibly as Fund assets and donor relationships grow.

16. Future of the Fund

The Scholarship Legacy Fund is intended to provide long-term support for the charitable educational purposes of the Colorado Emerald Society.

If the Scholarship Program is substantially modified, becomes impracticable to administer, or the Colorado Emerald Society ceases operations, remaining Legacy Fund assets shall be administered or distributed in accordance with applicable law, CES governing documents, legally enforceable donor restrictions, and the Society's tax-exempt charitable purposes.

17. Review of This Policy

The Board of Directors shall periodically review this Governance and Stewardship Policy to ensure that it remains appropriate as the Scholarship Legacy Fund grows and as legal, financial, investment, or organizational circumstances change.

Amendments shall require formal action of the Colorado Emerald Society Board of Directors.

Adoption and Amendment

This Addendum is incorporated into and made part of the Colorado Emerald Society By-Laws. The Brehon Council shall periodically review this policy as provided herein. Amendments to this Addendum shall be made in a manner consistent with the amendment requirements applicable to these By-Laws and any governing legal requirements.