
PREAMBLE

These updated Bylaws are intended to rest firmly upon the intentions of the Black Hills Mining Museum's founders as recorded in the organization's founding documents. They have been updated to strengthen the organization and to help protect the Museum from drifting away from the purpose, principles, and direction of its organizers and initial supporters.

SUPERSEDING CLAUSE

All prior bylaws, rules, and regulations of the Black Hills Mining Museum, Inc. are hereby rescinded and replaced by these Bylaws, which shall govern the organization's operations from the effective date of adoption.

ARTICLE I. GENERAL ORGANIZATIONAL PROVISIONS

Section 1. Organizational Name

- 1.1.1 Name** – The official name of this organization shall be the Black Hills Mining Museum, Inc., (hereafter referred to as the Museum).
- 1.1.2 DBA's** – The Board of Directors (hereafter BOD) shall have the authority to establish and use other properly recorded DBAs (Doing Business As) names as they see fit.

Section 2. Organizational Essentials

- 1.2.1 Purpose** – The purpose of the Museum shall be to develop and maintain a museum dedicated to the preserving of accounts and artifacts related to the area's mining into a Collection and to generate from that Collection exhibits to educate the public generally on the essential nature of mining to human progress and more specifically on the nature and significance of the area's historical and current mining.
- 1.2.2 Mission** – The mission shall be "Immersing people into a mining world."
- 1.2.3 Vision** – The vision shall be "To nurture an understanding and appreciation of all that the area's mining is in its past, present, and future."
- 1.2.4 Values** – The values shall be the following:
 - a. Knowledge** – the necessity of acquiring, maintaining, and communicating pertinent, accurate information from mining's past and present to facilitate the education of current and future generations,

- b. **Integrity** – honesty and honor as a foundation of all the museum's relationships and actions,
- c. **Excellence** – seeking to surpass expectations, and
- d. **Responsibility** – the proper stewardship of all that is committed to the Museum's trust.

Section 3. Organizational Structure

- 1.3.1 Nonprofit** – The Museum shall be a South Dakota nonprofit membership corporation, which meets the requirements of an I.R.S. recognized 501(c)(3) organization.

Section 4. Organizational Offices

- 1.4.1 Principal Office** – The principal office of the Museum shall be located at 323 W. Main Street, Lead, South Dakota 57754.
- 1.4.2 Other Offices** – The BOD shall have the power and authority to establish and maintain branch or subordinate offices at any other location within or without the State of South Dakota.

Section 5. Organizational Books and Records

- 1.5.1 Correct and Complete** – The Museum shall keep correct and complete books and records of accounts and shall also keep minutes of proceedings of its members, BOD, and committees having and exercising any of the authority of the BOD and shall keep at the principal office a record giving the names and addresses of the members entitled to vote.
- 1.5.2 Inspection** – All books and records of the Museum shall be open for inspection by any member, or his or her agent or attorney, at any reasonable time.

Section 6. Organizational Calendar

- 1.6.1 Fiscal Year Defined** – The fiscal year of the Museum shall coincide with the calendar year.

ARTICLE II. MEMBERSHIP

Section 1. Membership

- 2.1.1 Becoming** – Any individual, who is at 18 years old or older and submits a Membership Form affirming that he or she subscribes to the purposes, Bylaws,

and policies of the Museum along with a payment of the required membership dues as prescribed by the BOD, shall become a member of the Museum.

2.1.2 Gift Memberships – An individual may also become a member by being given a gift membership.

a. In accepting the gifted membership, the individual affirms that he or she subscribes to the purposes, Bylaws, and policies of the Museum.

b. A member by means of a gift has the full rights and privileges of Museum membership as set forth in these Bylaws.

2.1.3 Not Eligible – Corporations, businesses, and organizations are not eligible for membership.

Section 2. Dues

2.2.1 Amount – The BOD shall determine from time to time the amount of annual membership dues payable by members and shall give appropriate notice to the members.

2.2.2 Term – Membership dues shall be payable annually and expire at the end of the calendar year.

Section 3. Voting

2.3.1 Eligibility – Each member in good standing shall be entitled to one vote on each matter submitted to a vote of the members.

2.3.2 Proxy – A vote by proxy shall be allowed when executed in the manner and upon the form approved by the BOD, and it must be presented before the vote.

Section 4. Termination of Membership

2.4.1 Removal – The BOD, by an affirmative vote of two-thirds of the members of the Board, may suspend or expel a member for cause after an appropriate hearing in a closed executive meeting.

2.4.2 Resignation – Any member may resign by filing a signed and dated written resignation with the Secretary.

Section 5. Prohibitions concerning Membership

2.5.1 Not Transferable – Membership in the Museum is not real property with any tangible value and, therefore, shall not be inheritable, sellable, transferable, or assignable to another individual.

2.5.2 Nonrefundable – Membership dues shall not be refunded in any case.

Section 6. Meetings of Members

2.6.1 Time and Place – The annual meeting of the members shall be held in September on a date and time and at a place to be determined by the BOD.

2.6.2 Special Meetings – Special meetings of the members may be called by the President, a simple majority of the BOD or not less than 20% of the membership having voting rights, at a place to be designated by the BOD.

2.6.3 Notice – Official notice of all membership meetings, as is required by SDCL (South Dakota Codified Law), stating the date, time, place, and agenda of the meeting shall be made by the BOD not less than 14 business days prior to the meeting.

2.6.4 Proper Notification – A letter or electronic communication to the current address of a member on file along with either publication in the local newspaper or on the Museum's official website shall constitute proper notification.

2.6.5 Quorum – A quorum of not less than 10% of eligible members shall be required to conduct business. Directors and officers in attendance at the membership meeting do not count for purposes of the required quorum.

2.6.6 Member Participation – Members shall be permitted to do the following:

- a. Submit matters they desire to be discussed, decided, or resolved for inclusion on the official agenda if such matters are not the exclusive powers of the BOD as prescribed by law, the Articles of Incorporation or these Bylaws,
- b. Make motions to conduct the business of the meeting, and
- c. Pose questions and make comments.

ARTICLE III. BOARD OF DIRECTORS

Section 1. General Powers

3.1.1 Authority – The BOD shall be invested with full responsibility and authority to direct the Museum except as provided otherwise by law, the Articles of Incorporation or elsewhere in these Bylaws.

3.1.2 No Individual Authority – No individual Director has any authority or responsibility to direct the affairs of the Museum unless the BOD has expressly granted him or her authority to represent the BOD concerning some matter.

Section 2. Duties

- 3.2.1 Necessary Guidance** – In full harmony with the Museum’s purpose, mission, vision, and values, the BOD shall provide the Museum with necessary strategy, oversight, and policy.
- 3.2.2 Appoint Officers** – The BOD shall appoint, oversee, and evaluate its officers.
- 3.2.3 Fiduciary Duty** – The BOD is the Museum’s fiduciary that shall direct it toward a sustainable future by adopting sound, ethical, and legal governance and financial management policies, as well as assuring it has sufficient resources to advance its mission. (Language borrowed from Found at <https://www.councilofnonprofits.org/running-nonprofit/governance-leadership/board-roles-and-responsibilities>.)
- 3.2.4 Loyalty** – Each Director shall fulfill a duty of loyalty to the Museum.
- 3.2.5 Care** – Each Director shall fulfill a duty of care to the Museum.
- 3.2.6 Obedience** – Each Director shall fulfill a duty of obedience to the Museum.
- 3.2.7 Agreement** – Each Director shall annually sign the Museum’s adopted BOD Responsibilities Agreement.

Section 3. Number, Tenure and Qualifications

- 3.3.1 Number** – The BOD shall consist of nine Directors.
- 3.3.2 Term** – The terms of service of each Director shall be three years with alternating terms of service wherein only three terms of service expire each year.
- a. The BOD shall be authorized to take the necessary steps to transition Director seats to align with the requirement of 3.3.2.
 - b. Afterwards, the BOD shall endeavor to maintain seats to their staggered terms.
- 3.3.3 Election by Membership** – Directors shall be elected from the Museum’s membership by a vote of the members at the annual meeting of members.
- 3.3.4 Vacancy** – Any vacancy on the BOD shall be filled by a vote of the members at either the next annual meeting or a special members’ meeting called for that purpose. The replacement Director shall only serve the remainder of the vacated term.

Section 4. President and Recording Secretary

- 3.4.1 Chair and Vice Chair** – The President shall be the BOD Chair and the Vice-President the BOD Vice-Chair.

- 3.4.2 Recording Secretary** – The Museum’s secretary shall keep the minutes of the meetings.

Section 5. Meetings

- 3.5.1 Meeting Schedule** – The BOD shall set their meeting’s regular schedule according to their workload but shall not meet less than once per quarter.
- 3.5.2 Majority a Meeting Quorum** – A majority of the BOD (not counting vacant seats) shall constitute a quorum for the transaction of business at any meeting of the Board.
- 3.5.3 Number to Act** – The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the BOD, unless the act of a greater number is required by law or by these Bylaws.
- 3.5.4 Notice Prior to Meeting** – Notice of any special meeting of the BOD shall be given at least five days previous.

Section 6. Compensation

- 3.6.1 Directors as Volunteers** – Directors shall serve as volunteers, but a fixed sum or actual amount expended for expenses, whichever is less, may be allowed for attendance for special circumstances if approved by the Board.

ARTICLE IV. OFFICERS

Section 1. Officers

- 4.1.1 Specific Officers** – The officers of the Museum shall be the President, Vice-President, Secretary and Treasurer.

Section 2. Appointment and Terms of Office

- 4.2.1 Appointment** – The BOD shall appoint the Museum’s officers at its final meeting of the calendar year with a beginning term of January 1st if not otherwise specified in the motion to appoint.
- 4.2.2 Term** – The terms of office of each Officer shall be three years with alternating terms of office wherein only one term of office expires each year except in the third year wherein there shall be two expirations.
- 4.2.3 Reappointment Permitted** – Officers may be re-appointed as often as the Board desires.

4.2.4 Specific End of Term – Each officer shall hold office until his or her successor begins his or her term of office.

4.2.5 Directors as Officers – Directors may be appointed as officers.

4.2.6 Prohibition of Combination – As specified under SDCL 47-23-24, the office of the President and that of the Secretary shall not be held by the same person.

Section 3. Premature End of Term of Office

4.3.1 Removal – Any officer appointed by the BOD may be removed by the BOD whenever in the BOD' judgment the removal is in the best interests of the Museum, but such removal shall be without prejudice of the officer so removed.

4.3.2 Resignation – Any officer may by a signed letter of resignation, which is also accepted by the Board with an approved motion to accept, prematurely end his or her term of office.

4.3.3 Vacancies – A vacancy in any office may be filled by the BOD for the unexpired portion of the term of office.

Section 4. Powers and Duties

4.4.1 General Provisions – The officers shall have such powers and shall perform such duties as required by law, these Bylaws, and resolutions or other directives of the BOD.

ARTICLE V. CHIEF EXECUTIVE OFFICER

Section 1. Appointment, Term, and Termination

5.1.1 Appointment – The BOD shall appoint a Chief Executive Officer (hereafter CEO) as its agent to manage the day-to-day affairs and operations of the Museum.

5.1.2 Term – The CEO may be appointed to any term so desired by the BOD.

5.1.3. Termination – The CEO serves at the pleasure of the BOD and may be terminated by them, with or without cause, by a two-thirds vote.

Section 2. Power, Duties and Accountability

5.2.1 Act as Agent of the BOD – The CEO shall act as the agent of the BOD, being duly authorized by them to execute their adopted plans, policies, and procedures all within the framework of the law and these Bylaws by the following:

- a. Ensure all programs and services clearly advance the Museum's mission.

- b. Oversee budgeting, staffing, and resource allocation, ensuring good stewardship of collections and facilities, and
- c. Ensure adherence to legal, ethical, and nonprofit governance standards.

5.2.2 Non-Interference – The BOD shall refrain from micromanaging the CEO but instead allow him or her to lead the Museum within the bounds of their adopted plans, policies, and other official guidance.

5.2.3 Spokesperson – The CEO shall serve as the primary spokesperson for the Museum to the public, donors, and stakeholders.

5.2.4 Budget and Strategic Planning – The CEO shall assist the BOD in annual budget preparations and strategic planning, which sets the overall direction of the Museum.

5.2.5 Accountability – The CEO shall be directly accountable to the BOD, shall provide them in a timely manner the information that they request concerning the operations of the museum, and shall make a report to them at their meetings of his or her activities on behalf of the Museum.

Section 3. Qualifications

5.3.1 Education and Experience Requirements – The CEO shall at a minimum have acquired a Bachelor of Arts or Science degree and have professional experience in either museum management, the arts, or other non-profit related fields.

5.3.2 Managerial Aptitude Requirements – The CEO must have previously demonstrated an aptitude to manage resources, lead programs, and represent an organization publicly.

5.3.3 Not Opposed to Mining Requirement – The CEO cannot have an aversion to mining.

Section 4. Compensation

5.4.1 BOD or its Agent to Determine Compensation – The compensation (including salary, benefits, and any other remuneration) of the CEO shall be determined by the BOD, or by a committee of the Board composed entirely of individuals who do not have a conflict of interest with respect to the compensation arrangement.

5.4.2 Means for Determination – In determining compensation, the BOD or its authorized committee shall rely on appropriate comparability data, which may include compensation levels for similarly qualified individuals in comparable positions at organizations of similar size, budget, and geographic location.

5.4.3 Documentation of Means – The basis for the compensation decision shall be documented in the minutes of the meeting, including the following:

- a. The terms of the compensation arrangement,
- b. The comparability data relied upon,
- c. The names of those present during the discussion and vote, and
- d. Any actions taken by individuals with conflicts of interest.

5.4.4 Annual Review Requirement – The BOD or its authorized committee shall review and approve the CEO’s compensation annually to ensure it remains reasonable and aligned with the Museum’s mission, performance, and financial capacity.

ARTICLE VI. BOARD COMMITTEES

Section 1. Creation of Board Committees

6.1.1 Authorization to Create – The BOD may create Board-level committees as it deems necessary by adopting a charter for that committee.

6.1.2 Charter to Define – The BOD shall authorize and define the powers, duties, and duration of all Board committees within that specific committee’s charter.

Section 2. Appointment of Members and Chairs

6.2.1 President to Appoint – The President shall appoint all Board-level committee members and chairs, subject to confirmation by the BOD.

ARTICLE VII. ASSET AND FINANCIAL MANAGEMENT

Section 1. General Provisions

7.1.1 Purposeful Management – The Museum shall manage its assets, funds, and property in accordance with the purposes set forth in its Articles of Incorporation and these Bylaws.

7.1.2 BOD Responsibility – The BOD bears the ultimate responsibility for the Museum’s assets and financial management and shall provide oversight to fulfill that duty.

7.1.3 Financial Report – The CEO in conjunction with the Treasurer shall provide to the BOD at their meetings a printed financial report that at a minimum includes year-over-year income and expense data and a current-year budget versus actual year-to-date revenue and expense data.

- 7.1.4 Financial Policy** – The BOD shall adopt comprehensive financial policies to provide specific guidelines for the handling and managing of its finances.

Section 2 Authority to Act

- 7.2.1 Contracts** – The BOD may enter into any contract or execute and deliver any instrument in the name of and on behalf of the Museum.
- 7.2.2 Gifts** – The BOD or its designated agent(s) may accept on behalf of the Museum any contribution, gift bequest or real property for any purpose of the Museum.

Section 3. Personal Inurement Prohibited

- 7.3.1 Inurement Forbidden** – No part of the net earnings of the Museum shall inure to the benefit or be distributable to any director, officer, member, or other private individual, including but not limited to:
- a. Compensation or remuneration in excess of amounts required by law or BOD policy,
 - b. Gifts, loans, or other benefits in excess of amounts required by law or BOD policy, and
 - c. Use of the Museum’s property for personal purposes.
- 7.3.2 Exceptions** – The Museum shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

Article VIII – Indemnification

Section 1. General Provisions

- 8.1.1 Authorization to Indemnify** – To the fullest extent permitted by the South Dakota Nonprofit Corporation Act, the Museum shall indemnify any person who is or was a director, officer, employee, or volunteer of the Museum, and who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action, suit, or proceeding—whether civil, criminal, administrative, or investigative—by reason of the fact that such person is or was serving in such capacity, against expenses (including reasonable attorneys’ fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding, provided that such person acted in good faith and in a manner they reasonably believed to be in, or not opposed to, the best interests of the Museum, and, with respect to any criminal

action or proceeding, had no reasonable cause to believe their conduct was unlawful.

8.1.2 Limitations – No indemnification shall be made in connection with any matter in which the person seeking indemnification is adjudged liable for gross negligence, willful misconduct, or a knowing violation of the law, unless and only to the extent that a court of competent jurisdiction determines that, despite such adjudication, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

8.1.3 Insurance – The Museum may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or volunteer of the Museum against any liability asserted against them and incurred in such capacity, whether or not the Museum would have the power to indemnify them under this Article.

ARTICLE IX. AMENDMENT OF BYLAWS

Section 1. Authority to Amend, Alter, Rescind, or Otherwise Change

9.1.1 Authorization to Amend or Otherwise Change – These Bylaws may be altered, amended or repealed and new Bylaws adopted by a two-thirds vote of the BOD.

Section 2. Notice of Intent to Amend or Change

9.2.1 BOD to provide Notice – If the BOD desires to make any changes authorized under 9.1.1 to these Bylaws, they shall first officially inform the membership of their intended changes 30 days prior to convening a Board Meeting to consider the changes.

ARTICLE X. DISSOLUTION OF THE CORPORATION

Section 1. Membership Vote

10.1.1 Membership Pre-Approval Required – Prior to acting upon any motion for the dissolution of the Museum by the BOD, the BOD must convene a special membership meeting in accordance to 2.6.1 through 2.6.6 to gain a three-quarters approval of those voting to proceed.

Section 2. Dissolution Process

10.2.1 Plan to Accompany Motion – Any motion for the dissolution shall be accompanied with a Dissolution Plan that shall outline the general steps the

BOD will take to execute the dissolution of the Museum. That plan shall include at least the following:

- a. Paying or making provision for the payment of all liabilities.
- b. The distribution of all remaining assets exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.
 - (1) Such assets shall be distributed to one or more nonprofit organizations organized and operated exclusively for charitable, educational, or scientific purposes, with preference given to organizations whose mission aligns with the preservation, interpretation, and promotion of history, art, or culture, such as museums or historical societies.
 - (2) Any assets not so disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the Museum is then located, exclusively for such purposes or to such organization(s) as said court shall determine to be organized and operated exclusively for such purposes.

At the meeting of the Board of Directors on _____, a motion to adopt these Bylaws was made by _____ and second to that motion was made by _____.

Those voting in the affirmative were _____

Those voting in the negative were _____

Therefore, these Bylaws are hereby effective as of this date _____.

Signed by President: _____ Date _____

Signed by Secretary: _____ Date _____