

BY-LAWS OF PROFESSIONAL LAND SURVEYORS OF COLORADO, INC.

I. DIRECTORS

Subject to the limitations of the Articles of Incorporation, these By-Laws, and the laws of the State of Colorado, all corporate powers shall be exercised by or under the authority of, and the business affairs of the corporation shall be controlled by a Board of Directors, in number as set forth in the Articles of Incorporation, as amended, and such Board shall have the authority to delegate its duties. The authorized number of directors of this Corporation shall be eight (8) voting members of the corporation, unless said number shall be increased or decreased by amendment to the Articles of Incorporation, as therein provided. The three officers of this corporation shall be ex-officio members of the Board of Directors with full voting privileges as directors for the duration of said officers' tenure.

II. ELECTION OF DIRECTORS

At the annual meeting during odd numbered years, the first order of business shall be the announcement by the Nominations and Elections Committee of the results of the election preceding that annual meeting. The Nominations and Elections Committee shall, not later than 67 days preceding each election year annual meeting, nominate at least one candidate for each director's position expiring at the next election. After receiving an acceptance of the nomination from each nominee, the Committee shall cause the names of each candidate to be placed upon paper ballots of a form acceptable to the Committee. Additional nominations may be made by petition signed by five (5) voting members of the corporation, which petition shall be submitted to the Nominations and Elections Committee not later than 67 days preceding said annual meeting. The ballot shall be mailed to voting members not later than 36 days preceding said annual meeting, and shall be returned to the Nominations and Elections Committee postmarked not later than 7 days preceding said annual meeting. The Nominations and Elections Committee shall conduct the election and shall canvass and certify the results of the election at the election year annual meeting of the corporation.

Those nominees elected to serve as directors shall be installed at said annual meeting and shall take office immediately after installation.

Amendment to the By-Laws of PLSC, Inc. approved November 14, 1992.

In the event that a particular chapter is not represented on the Board of Directors by a regularly elected standing officer or director, the designated ex-officio representative of the chapter shall have on vote on the Board of Directors.

III. MEETINGS OF DIRECTORS

The Board of Directors shall meet as often as may be necessary, and the meetings of the directors may be called at any time by the President or Secretary of this corporation, or by any director of the corporation. Six (6) of the directors, including ex-officio directors, shall constitute a quorum for the transaction of business, and a vote of a majority of such quorum shall be sufficient to carry any measure before such meeting. Directors' meetings may be held at any such place as a majority of the directors shall agree upon. The attendance of a director at any meeting shall constitute a waiver of notice of the meeting, except when the director attends a meeting for the express purpose of objecting to the transaction of any business.

The business and purpose of any regular or special meeting of the Board of Directors will be specified in the notice of waiver of notice of such meeting. Notice of directors' meetings shall, where practical, be given to each director at least five (5) days before the time fixed for any meeting. A valid meeting may be held without notice, and may consist of letters, telephone conferences, fax transmittals or e-mail.

Directors at all times may waive notice of directors' meeting by letter, telephone, fax transmittal or e-mail. The PLSC, Inc., Board of Directors shall meet at least quarterly, and if possible, in conjunction with the annual general membership meeting and Chapter workshops.

Amendment to the By-Laws of PLSC, Inc. approved November 14, 1992.

The order of business of all meetings shall be conducted in accordance with [Robert's Rules of Order](#). The rules contained therein shall govern this organization in all cases in which they are applicable and in which they are not inconsistent with the by-laws specifically suspended for a meeting by a majority vote of the Board of Directors.

IV. OFFICERS

The officers of the corporation shall be voting members of the corporation, and shall consist of a President, Vice-President, and Secretary-Treasurer. Each of the above named officers shall be elected for a two (2) year term by a majority vote of the voting members of the corporation. Officers shall be elected at the times and in the manner set forth in Section II above. Each officer so elected may be removed from office only by a majority vote of the voting members of the corporation. Election of an officer or agent shall not of itself create any contractual rights.

President: The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have the general supervision, direction and control of the day-to-day business and affairs of the corporation. He shall have all the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other duties and powers as may be prescribed by the Board of Directors or by the By-Laws. The President shall preside at all meetings of the membership and the Board of Directors. At or before the first directors' meeting following the installation of a President, he shall appoint standing committee chairmen. He shall also designate such special committees as are authorized by the Board of Directors, and shall call such special meetings of the Board of Directors as he deems necessary. The President shall be limited to two (2) consecutive terms at a time in office. At the conclusion his term, the President shall become an advisory member of the Board of Directors, but shall have no voting power as a director, nor shall his presence be counted for determination of a quorum.

Vice President: In the absence of or disability of the President, the Vice-President shall perform all the duties of the President, and when so acting, shall have all the powers of and be subject to all restrictions upon the President. The Vice-President shall have such other powers and perform such other duties as may from time to time be prescribed by the President and the Board of Directors or by these By-Laws.

Secretary-Treasurer: The Secretary-Treasurer shall keep, or cause to be kept, a book of minutes at the principal office of the corporation which book of minutes shall record the proceedings of all meetings of Directors and meetings of members, with the time and place of such meeting, whether regular or special, and if special, how authorized, the notice given thereof, the names of those present at such Directors' meetings, the number of members present or represented at members' meetings, and the proceedings thereof. He shall give, or cause to be given, notice of all meetings of members and all meetings of the Board of Directors as required by these By-Laws or by the laws of the State of Colorado, and he shall keep the seal of this corporation in safe custody. He shall further keep and maintain adequate and correct accounts of the properties, moneys, and business transactions of this corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses and surplus. The books of account shall at all reasonable times be open to inspection by any director or member. He shall deposit all moneys and other valuables in the name of and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and the directors, whenever they shall request it, an account of all of his transactions as Secretary-Treasurer, and of the financial condition of

this corporation. He shall give bond in such amount and with such sureties, and at such time or times as may be deemed advisable or necessary by the Board of Directors. He shall have such other powers and duties as may be prescribed by the Board of Directors or these By-Laws. The Secretary-Treasurer shall serve as a member of the Nominations and Elections Committee.

Executive Director: In addition the officers and Board of Directors of this corporation shall have the authority to select, appoint, and/or employ an Executive Director as an agent of this corporation. He shall serve under the direction of the elected officers and directors, and shall have duties as assigned by such. The Executive Director, when appointed, shall conduct the day-to-day business of the corporation, and shall act as its business manager. The Executive Director shall report on his activities at each meeting of the Board of Directors. The Executive Director shall assume the role of office manager in the event that PLSC, Inc., enters in to lease arrangements, or purchases office space as a permanent headquarters for the Corporation. The Executive Director shall have the authority to employ, manage and dismiss full-time or part-time employees hired for the express purpose of performing assigned duties associated with the functions and operations of the headquarters of PLSC, Inc.

V. VACANCIES

A vacancy in any elective office (except that of President) shall be filled by a majority vote of the Board of Directors. The appointee shall serve the un-expired portion of the normal term of that office.

VI. MEETINGS OF MEMBERS

The annual meeting of the corporation shall occur each year at a time and place designated by the Board of Directors. Special meetings of the members may be called at any time by the President or Secretary-Treasurer and shall be held at the office of the corporation or at such other place within the State of Colorado as may be designated in such notice. Such meetings shall be called by the President or Secretary-Treasurer when authorized by the Board of Directors, and it shall be the duty of the Board of Directors to authorize the President or the Secretary-Treasurer to call such meeting when requested by fifty-one percent (51%) of the voting members of this corporation. The order of business of all meetings shall be conducted in accordance with Robert's Rules of Order as set forth in **Section III.** above.

VII. NOTICE OF MEMBERS' MEETINGS

Written notice stating the place, day and hour of the members' meetings, and in the case of a special meeting the purpose for which the meeting is called, shall be delivered to each member, either personally by mail, or by publication in SIDE SHOTS, the official publication of this corporation.

VIII. QUORUM FOR MEMBERS' MEETINGS

A majority of the total number of members present entitled to vote at members' meeting, represented either in person or by proxy, shall constitute a quorum at any meeting of members. If a quorum is present, the affirmative vote of a majority of members represented at the meeting and entitled to vote on the subject matter thereof shall be the act of the members.

IX. CORPORATE SEAL

The seal of the corporation shall be a device described as follows: the words PROFESSIONAL LAND SURVEYORS OF COLORADO, INC. in a circle enclosing the word SEAL.

X. AMENDMENTS TO BY-LAWS

These By-Laws may be amended by the majority vote of the total voting membership of this organization. Any proposed amendment to these By-Laws must be mailed to all voting members not less than thirty (30) days prior to any meeting at which the proposed amendment is to be considered.

XI. COMMITTEES

The Board of Directors, recognizing that working committees are essential and vital to the mission and goals of the corporation, shall establish standing and special committees as they deem necessary.

The Chairman of each Standing Committee shall be a Director of the corporation and will be appointed by the President and confirmed by the Board of Directors. The Chairman of each Special Committee may be any voting member of good standing of PLSC, Inc., and will be appointed by the President and confirmed by the Board of Directors. The members of Standing and Special Committees shall be any member of good standing of PLSC, Inc., and will be confirmed by the Chairman of each Standing or Special Committee by written notice to the President and Board of Directors.

The standing committees may consist of, but not be limited to the following:

1. **The Nominations and Elections Committee**, which shall make nominations and conduct elections as outlined in these By-Laws.
2. **The Legislative Committee**, which shall compose and recommend to this corporation certain legislation for the general welfare and benefit of the profession of land surveying, shall lobby and promote such legislation as approved by the Board of Directors, and shall lobby against such legislation as the Board of Directors of this corporation may determine to be hostile to the general good and welfare of the profession of land surveying.
3. **The Publications Committee**, which shall prepare and publish all newsletters, bulletins, reports, and other items as authorized by the Board of Directors, and shall publish the official news bulletin of the corporation, SIDE SHOTS.
4. **The Liaison Committee**, which shall confer and cooperate with other professional organizations, educational institutions, and other interested or related groups, and shall recommend affiliations with any such other organization.
5. **The Survey Monumentation and Standards Committee**, which shall study and recommend methods of preserving and referencing survey monuments, study and recommend standards for surveying and record keeping, and shall make reference information available to the surveying profession at large.
6. **The Membership Committee**, the duty of which shall be to promote and enhance membership benefits of PLSC, Inc., and increase and maintain the membership of the corporation.
7. The Ethics and Fair Practices Committee, the duties of which shall be to prepare and recommend a code of ethics to this organization, and other such tasks, assignments, studies or reports as requested by the Officers and Directors.
8. **The Executive Committee** shall consist of the officers, two (2) directors and the Executive Director. The President shall appoint, with the confirmation of the Board of Directors, the two Director members of the Executive Committee. The duties of the Executive Committee will be to deal with urgent business of the corporation that cannot be delayed until the next regularly scheduled Board of Directors' meeting. When urgent business conducted by the Executive Committee requires a vote of the Board of Directors, a telephone, fax or e-mail poll of all directors will be taken by the President or the Executive Director. An affirmative vote of a majority of the participating polled directors will be sufficient to support the Executive Committee in the management of the business activity. The Executive Committee may also meet from time to time for the purpose of planning or scheduling corporation business. Reports of executive committee actions will be submitted at the next regularly scheduled Board of Directors' meeting.

XII. DELEGATES

The President shall appoint, with the confirmation of the Board of Directors, the delegate from PLSC, Inc., to the Board of Governors of the National Society of Professional Surveyors (NSPS). Such appointment will be for a two (2) year term, unless vacated by resignation or removal for cause. The NSPS appointee must be a voting member of PLSC, Inc., and an actual member in good standing of NSPS (a requirement of NSPS by-laws.) The NSPS delegate will site as an ex-officio non-voting member of the PLSC, Inc., Board of Directors unless he holds a PLSC, Inc., officers or directors position concurrently.

The President shall appoint, with the confirmation of the Board of Directors, two delegates from PLSC, Inc., to the Western Federation of Professional Surveyors (WFPS). Such appointments will be for a two (2) year term, unless vacated by resignation or removal for cause. The WFPS appointees must be voting members of PLSC, Inc. The WFPS delegates will site as ex-officio non-voting members of the PLSC, Inc. Board of Directors unless they hold a PLSC, Inc., officers or directors position concurrently.

XIII. ANNUAL AUDIT

An annual audit of the fiscal affairs of the corporation shall be provided by the Secretary-Treasurer to the general membership at each annual meeting. The fiscal year of the corporation shall coincide with the calendar year. All expenditures in excess of five hundred dollars (\$500.00) shall be authorized by the Board of Directors, and all moneys of this organization shall be deposited in a bank of the Secretary-Treasurer's choice, and under the signature of the Secretary-Treasurer. The Secretary-Treasurer shall have the discretionary authority to disburse singular expenditures not exceeding five hundred dollars (\$500.00) between Board of Directors' meetings.

XIV. REMOVAL OF OFFICERS

Amendment to the By-Laws of PLSC, Inc. approved November 14, 1992.

The Board of Directors shall have the authority to remove any officer, director or voting Chapter representative who incurs three (3) consecutive absences from regularly scheduled or duly announced Board of Directors' meetings if such absences are not excused. The notice of removal from office must be in writing to said officer, director or voting Chapter representative.

XV. DISCIPLINE AND EXPULSION

The Board of Directors, including the ex-officio directors, shall have the power to investigate the conduct of any of the members of this corporation when such conduct is alleged to be in violation of the Code of Ethics promulgated by the corporation, or to be otherwise detrimental to the profession of land surveying. When any allegation of misconduct is made to the Board of Directors against any members of this corporation, the Board of Directors shall examine such charges, and if there appears to be sufficient reason to conduct a hearing thereon, shall fix a date for such hearing and shall, not less than thirty (30) days before such date, notify the subject member thereof. Such notice shall set forth the name of the complaining party, the nature of the accusation, the date and nature of the hearing to be held, and shall contain a copy of this Section XV of the By-Laws, together with a copy of the Code of Ethics adopted by this corporation. Such notice shall be given by depositing the same in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the last known address of the subject member.

Upon the date and time so fixed, the Board of Directors shall conduct such hearing. Such hearing shall be conducted as an open meeting of the voting members, at which the President of the corporation shall preside. At the conclusion of such hearing, the Board of Directors, by majority vote, may censure or reprimand the subject member, or, by the affirmative vote of not less than eight (8) directors and ex-officio directors, may expel the subject member from the corporation. Any person so censured,

reprimanded, or expelled, may appeal the decision of the Board of Directors to the voting membership of this corporation, at the next regular meeting thereof. The decision of the Board of Directors may be overridden only by the vote of not less than two-thirds (2/3) of the voting members present at that next regular membership meeting.

XVI. MEMBERSHIP CLASSIFICATION OF LIFE MEMBERS

Honorary life members shall be a sixth class of membership of PLSC, Inc., and shall be defined as follows: members of PLSC, Inc., who give of themselves in a special way by their prominent and conspicuous service to the surveying profession, to the public and to the community. The following attributes shall apply to this membership classification:

1. Shall be in the profession of land surveying and a voting member in good standing of PLSC, Inc. in the year immediately prior to the year in which the Life Member Classification would become effective.
2. Membership fee is initially set at \$0.00 per year.
3. Life Member classification shall be a voting classification.
4. All past Presidents shall be eligible for this classification, and all future Presidents eligible upon successful expiration of their term of office.
5. The annual PLSC, Inc., roster shall include the Life Member's name and registration number followed by an (LM), together with the address and telephone number and other pertinent information.

Amendment to the By-Laws of PLSC, Inc. approved (I find no record of Board Approval following the vote of the membership).

Non-voting members who have provided outstanding contributions to the surveying community and who are not a licensed professional land surveyor may be honored with a life membership.

MEMBERSHIP DUES

Amendment to the By-Laws of PLSC, Inc. approved May 7, 2009.

The amount of annual dues for members of this corporation shall include the choice of one PLSC, Inc Chapter and shall be as follows:

Voting Member \$110.00
Associate Member \$75.00
Student Member \$30.00
Retired Professional Land Surveyor \$60.00
Sustaining Member \$230.00*
Life Member \$0.00

Dues shall be due and payable as of January 1 for the coming year and shall be delinquent if not paid by April 1 following. Membership rights cease when dues become delinquent.

The Board of Directors is authorized to modify the dues structure of PLSC, Inc., consistent with the needs of the organization, after acceptance of the approved budget and the annual audit.

* PLSC, Inc Sustaining Members are considered sustaining members of all PLSC, Inc Chapters

XVII. NON-RESTRICTIVE MEMBERSHIP

Membership in PLSC, Inc., is open to qualified persons without regard to race, religion, color, national origin, age, gender or sexual preference. Any use in these By-Laws of the masculine grammatical form is for purposes of brevity only, and shall be construed to apply equally to both genders.

Amendment to the By-Laws of PLSC, Inc. approved (I find no record of Board Approval following the vote of the membership).

XVIII. CONFLICT OF INTEREST POLICY

This Conflict of Interest Policy of the Professional Land Surveyors of Colorado: (1) defines conflicts of interest; (2) identifies classes of individuals within the Organization covered by this policy; (3) facilitates disclosure of information that may help identify conflicts of interest; and (4) specifies procedures to be followed in managing conflicts of interest.

1. **Definition of conflicts of interest.** A conflict of interest arises when a person in a position of authority over the Organization may benefit financially from a decision he or she could make in that capacity, including indirect benefits such as to family members or businesses with which the person is closely associated. This policy is focused upon material financial interest of, or benefit to, such persons.
2. **Individuals covered.** Persons covered by this policy are the Organization's officers, directors, chief employed executive and chief employed finance executive.
3. **Facilitation of disclosure.** Persons covered by this policy will annually disclose or update to the Chairman of the Board of Directors on a form provided by the Organization their interests that could give rise to conflicts of interest, such as a list of family members, substantial business or investment holdings, and other transactions or affiliations with businesses and other organizations or those of family members.
4. **Procedures to manage conflicts.** For each interest disclosed to the Chairman of the Board of Directors, the Chairman will determine whether to: (a) take no action; (b) assure full disclosure to the Board of Directors and other individuals covered by this policy; (c) ask the person to recuse from participation in related discussions or decisions within the Organization; or (d) ask the person to resign from his or her position in the Organization or, if the person refuses to resign, become subject to possible removal in accordance with the Organization's removal procedures. The Organization's chief employed executive and chief employed finance executive will monitor proposed or ongoing transactions for conflicts of interest and disclose them to the Chairman of the Board of Directors in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

XIX. WHISTLEBLOWER POLICY

This Whistleblower Policy of the Professional Land Surveyors of Colorado: (1) encourages staff and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of the Organization; (2) specifies that the Organization will protect the person from retaliation; and (3) identifies where such information can be reported.

1. **Encouragement of reporting.** The Organization encourages complaints, reports or inquiries about illegal practices or serious violations of the Organization's policies, including illegal or improper conduct by the Organization itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on which the Organization has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment via the

Organization's human resources channels, unless those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.

2. **Protection from retaliation.** The Organization prohibits retaliation by or on behalf of the Organization against staff or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. The Organization reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.
3. **Where to report.** Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the bases for the complaints, reports or inquiries. They should be directed to the Organization's chief employed executive or Chairman of the Board of Directors; if both of those persons are implicated in the complaint, report or inquiry, it should be directed to Chair-Elect. The Organization will conduct a prompt, discreet, and objective review or investigation. Staff or volunteers must recognize that the Organization may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.

XIX. DOCUMENT RETENTION AND DESTRUCTION POLICY

This Document Retention and Destruction Policy of the Professional Land Surveyors of Colorado identifies the record retention responsibilities of staff, volunteers, members of the Board of Directors, and outsiders for maintaining and documenting the storage and destruction of the Organization's documents and records.

1. **Rules.** The Organization's staff, volunteers, members of the Board of Directors and outsiders (i.e., independent contractors via agreements with them) are required to honor these rules: (a) paper or electronic documents indicated under the terms for retention below will be transferred and maintained by the Human Resources, Legal or Administrative staffs/departments or their equivalents; (b) all other paper documents will be destroyed after three years; (c) all other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year; and (d) **no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.**
2. **Terms for retention.**
 - a. Retain permanently:

Governance records -Charter and amendments, Bylaws, other organizational documents, governing board and board committee minutes.

Tax records -Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits.

Intellectual property records -Copyright and trademark registrations and samples of protected works.

Financial records -Audited financial statements, attorney contingent liability letters.
 - b. Retain for ten years:

Pension and benefit records --Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government agencies, and supporting records.

Government relations records -State and federal lobbying and political contribution reports and supporting records.

c. Retain for three years:

Employee/employment records -Employee names, addresses, social security numbers, dates of birth, INS Form 1-9, resume/application materials, job descriptions, dates of hire and termination/separation, evaluations, compensation information, promotions, transfers, disciplinary matters, time/payroll records, leave/comp time/FMLA, engagement and discharge correspondence, documentation of basis for independent contractor status (retain for all current employees and independent contractors and for three years after departure of each individual).

Lease, insurance, and contract/license records -Software license agreements, vendor, hotel, and service agreements, independent contractor agreements, employment agreements, consultant agreements, and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, non-renewal of each agreement).

d. Retain for one year:

All other electronic records, documents and files -Correspondence files, past budgets, bank statements, publications, employee manuals/policies and procedures, survey information.

3. **Exceptions.** Exceptions to these rules and terms for retention may be granted only by the Organization's chief staff executive or Chairman of the Board.

XX. CONFLICT OF INTEREST POLICY

This Policy on the Process for Determining Compensation of the Professional Land Surveyors of Colorado applies to the compensation of the following persons employed by the Organization:

The Organization's **chief employed executive**¹ (CHECK IF APPLICABLE)

Other **Officers**² or **Key Employees**³ (NA) of the Organization by title: Officers: Chairman of the Board; Chair Elect; Secretary; Treasurer

The process includes all of these elements: (1) review and approval by the board of directors or compensation committee of the Organization; (2) use of data as to comparable compensation; and (3) contemporaneous documentation and recordkeeping.

1. **Review and approval.** The compensation of the person is reviewed and approved by the board of directors or compensation committee of the Organization, provided that persons with conflicts of interest with respect to the compensation arrangement at issue are not involved in this review and approval.
2. **Use of data as to comparable compensation.** The compensation of the person is reviewed and approved using data as to comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations.

3. **Contemporaneous documentation and record keeping.** There is contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement.

¹**Chief employed executive** -The CEO (i.e., Chief Executive Officer), executive director, or top management official (i.e., a person who has ultimate responsibility for implementing the decisions of the Organization's governing body or for supervising the management, administration, or operations of the Organization).

²**Officer** -A person elected or appointed to manage the Organization's daily operations, such as a president, vice-president, secretary or treasurer. The officers of the Organization are determined by reference to its organizing document, bylaws, or resolutions of its governing body, or as otherwise designated consistent with state law, but at a minimum include those officers required by applicable state law. Include as officers the Organization's top management official and top financial official (the person who has ultimate responsibility for managing the Organization's finances).

³**Key Employee** -An employee of the Organization who meets all three of the following tests: (a) \$150,000 Test: receives reportable compensation from the Organization and all related organizations in excess of \$150,000 for the year; (b) Responsibility Test: the employee: (i) has responsibility, powers, or influence over the Organization as a whole that is similar to those of officers, directors, or trustees; (ii) manages a discrete segment or activity of the Organization that represents 10% or more of the activities, assets, income, or expenses of the Organization, as compared to the Organization as a whole; or (iii) has or shares authority to control or determine 10% or more of the Organization's capital expenditures, operating budget, or compensation for employees; and (c) Top 20 Test: is one of the 20 employees (that satisfy the \$150,000 Test and Responsibility Test) with the highest reportable compensation from the organization and related organizations for the year.

XXI. CONFLICT OF INTEREST POLICY

This Joint Venture Policy of the Professional Land Surveyors of Colorado requires that the Organization evaluate its participation in joint venture arrangements under Federal tax law and take steps to safeguard the Organization's exempt status with respect to such arrangements. It applies to any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity as further defined in this policy.

1. **Joint ventures or similar arrangements with taxable entities.** For purposes of this policy, a joint venture or similar arrangement (or a "venture or arrangement") means any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity without regard to: (1) whether the Organization controls the venture or arrangement; (2) the legal structure of the venture or arrangement; or (3) whether the venture or arrangement is taxed as a partnership or as an association or corporation for federal income tax purposes. A venture or arrangement is disregarded if it meets both of the following conditions:
 - a. 95% or more of the venture's or arrangement's income for its tax year ending within the Organization's tax year is excluded from unrelated business income taxation [including but not limited to: (i) dividends, interest, and annuities; (ii) royalties; (iii) rent from real property and incidental related personal property except to the extent of debt-financing; and (iv) gains or losses from the sale of property]; and
 - b. the primary purpose of the Organization's contribution to, or investment or participation in, the venture or arrangement is the production of income or appreciation of property.

2. **Safeguards to ensure exempt status protection.** The Organization will: (a) negotiate in its transactions and arrangements with other members of the venture or arrangement such terms and safeguards adequate to ensure that the Organization's exempt status is protected; and (b) take steps to safeguard the Organization's exempt status with respect to the venture or arrangement. Some examples of safeguards include:
 - a. control over the venture or arrangement sufficient to ensure that it furthers the exempt purpose of the organization;
 - b. requirements that the venture or arrangement gives priority to exempt purposes over maximizing profits for the other participants;
 - c. that the venture or arrangement not engage in activities that would jeopardize the Organization's exemption; and
 - d. that all contracts entered into with the organization be on terms that are arm's length or more favorable to the Organization.
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These revisions to the By-Laws of PLSC, Inc., were approved by a vote of the general membership on November 12, 2009, and adopted by the Board of Directors on (no record).

Any of the BY-LAWS Amendments approved are subject to the Constitution or Constitutional Amendments. Should a resultant approved By-Law be in conflict with the Constitution, the Constitution will prevail.