

**BY-LAWS
OF
MISSISSIPPI HEADWATERS AREA DENTAL HEALTH CENTER, INCORPORATED**

**ARTICLE I
OFFICE AND SEAL**

Section 1.01. Registered Office. The registered office of the corporation shall be at 1405 Anne Street NW, Bemidji, MN 56601, or as stated in a resolution hereafter adopted by the Board of Directors and filed with the Secretary of State.

Section 1.02. Corporate Seal. The Board of Directors, may at any time in its discretion, adopt a corporate seal, an imprint of which shall be preserved in the minutes of the board.

**ARTICLE II
THE ORGANIZATION**

Mississippi Headwaters Area Dental Health Center is a Minnesota Non-Profit Corporation formed exclusively for charitable and educational purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code, and, more specifically, for the purpose of establishing and operating a public access dental health clinic within the purview of Title 42 Part 254b of the United States Code and applicable federal rules and regulations and for other lawful purposes. Doing Business As (DBA) authorization is in place, naming the working clinic as: Northern Dental Access Center.

**ARTICLE III
BOARD OF DIRECTORS**

Section 3.01. General Powers. The property, business and affairs of this corporation shall be managed by its Board of Directors (Board) with full authority for the establishment of policy in the conduct of the organization. The board shall have full power and authority to fulfill all of its responsibilities set forth in Section 3.14 below and as otherwise provided in the Articles of Incorporation and these By-Laws.

Section 3.02. Number, Qualifications and Terms of Directors.

(a) Number. The Board of Directors shall consist of three members or such additional number not exceeding a total of eleven (11) as the board may in the future provide for by a resolution approved by a two-thirds (2/3) majority of the total number of board members then existing.

(b) Qualifications. Members of the board shall be representative of the community which the center area is located and shall be selected for their expertise in community affairs, local government, finance and banking, legal affairs, health related professions (private or government), trade unions, and other commercial and industrial concerns, or social service agencies within the community; no member of the board shall be an employee of the center, or spouse or child, parent, brother or sister by blood or marriage of such an employee. The clinic executive director may be a non-voting, ex-officio member of the board. The directors shall be interested in the charitable and educational objectives of the corporation as stated in its articles of Incorporation, and shall be appointed by the Board. Directors of the corporation shall not be persons nor employees, officers, directors or agents of any person or entity regularly or routinely doing business with the clinic, nor a spouse of any such employee. Directors shall adhere to the conflict-of-interest policy of the corporation at all times.

(c) Terms. Directors shall be appointed to a term of two (2) years or until a successor is appointed and qualifies. All appointed directors shall be eligible for reelection, except a director who has served five (5) consecutive two (2) year terms, but excluding any partial term to which a director has been appointed, and such director shall not be eligible for appointment for at least one (1) year after the expiration of the fifth of such two consecutive years (total of ten years). Each director shall have one vote on all matters coming before the Board of Directors. The terms of one-third or as close to one-third as possible if the total number thereof is not divisible by three (3) of the appointed Board of Directors shall expire at every annual meeting of the Board of Directors in a two year cycle.

(d) Nomination. Members shall be nominated by the Board of Directors at the annual meeting, elected by a majority vote of Board members present. Directors can also be nominated at any other time to fill vacancies, as needed.

Section 3.03. Removal.

(a) A director may be removed by the affirmative vote of a majority of the remaining directors, at any meeting, if the director is no longer eligible to serve as a director pursuant to applicable governmental rules, regulations or policies, for material failure to adhere to the conflict of interest policy of the clinic or other conduct seriously inimical to the interests of the clinic. Notice of consideration of removal of the director shall be given in the notice of meeting and the affected director shall have the right to appear and be heard on the issue.

(b) A director shall be removed without action by the board for absence from more than one-third of the total regular meetings of the Board of Directors. The affected director shall be notified when one additional absence will result in removal. If absence from meetings has resulted from causes beyond the control of the director, the Board of Directors may, by affirmative vote of two-thirds (2/3) of the directors present, or reinstate the director.

Section 3.04. Vacancy. Any vacancy among the appointed directors because of death, resignation, removal, disqualification, or any other cause, shall be filled for the balance of the term by appointment by the board following recommendation by the Nominating Committee.

Section 3.05. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly at such time and place as the Board of Directors may determine by resolution adopted by a majority of the whole board, for the purpose of transacting any business coming before the meeting. Minutes of all meetings shall be kept.

Section 3.06. Annual Meeting. The date and time of the annual meeting of the Board of Directors of the Mississippi Headwaters Area Dental Health Center shall be as established by resolution of the board.

Section 3.07. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the president, or any two-thirds (2/3) of the Board of Directors, for the purpose of transacting only the items of business described in the notice of the meeting.

Section 3.08. Notice of Meetings. Notice of each meeting of the Board of Directors shall be provided to each director in the manner approved by the board, either addressed to the residence or usual place of business as shown in the records of the corporation, by telephone or by electronic mail at least four (4) days before the day on which the meeting is to be held. The notice shall state the time, place, and in the case of a special meeting, the purpose of the meeting. Mailed notice shall be considered given when mailed.

Section 3.09. Quorum. Except as otherwise provided by statute or by these by-laws, forty percent (40%) of the total number of directors of the corporation shall be required to constitute a quorum for the transaction of business at any meeting, and an act of the majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time until a quorum is had. If a quorum is present when a duly called or held meeting is convened, the directors present may continue to transact business until adjournment, notwithstanding that the withdrawal of a number of directors originally present leaves less than a quorum.

Section 3.10. Compensation. The directors shall not be paid compensation for their services as directors, but may be reimbursed for such reasonable expenses necessarily incurred by them in rendering such services as the Board of Directors may from time to time determine to be in furtherance of the best interests of the clinic.

Section 3.11. Place of Meeting. The Board of Directors shall hold its meetings at the registered office of the corporation, or at such other places as the board, may from time to time determine.

Section 3.12. Organization. At each meeting of the Board of Directors, the chairperson, or in the absence of the chairperson or the vice-chairperson, an acting chairperson chosen by a majority of the directors present, shall preside. An assistant secretary appointed by the presiding officer shall act as secretary of the meeting.

Section 3.13. Policies. The Board of Directors shall establish written policies to ensure compliance with conflict-of-interest, governance and operational requirements established by governmental entities necessary to obtain and maintain nonprofit, IRS 501 (c)(3) as provided by law.

Section 3.14. Board Responsibilities. The responsibilities of the board include the authority to control the organization's budget and major resource decisions, set policies and approve the selection and dismissal of the executive director. The board shall select the services to be provided by the clinic, schedule the hours during which services will be provided, approve the clinic's annual budget, approve the selection of a director of the clinic and establish general policy for the clinic. The provisions of this section are as required by BPAC PIN 98-12, April 28, 1998, Implementation of Section 330 Governance Requirements. The board shall have specific responsibility for:

- (a) Approval for the selection and dismissal of the chief executive officer of the clinic;
- (b) Establishing personnel policies and procedures, including selection and dismissal procedures, salary and benefit scales, employee grievance procedures, and equal opportunity practices;
- (c) Adopting policy for financial management practices, including a system to assure accountability for clinic resources, approval of the annual budget, clinic priorities, eligibility for services including criteria for partial payment schedules, and long-range financial planning;
- (d) Evaluating clinic activities including services utilization patterns, productivity of the clinic, patient satisfaction, achievement of clinic objectives and development of a process for hearing and resolving patient grievances;
- (e) Assuring that the clinic is operated in compliance with applicable Federal, State and local laws and regulations; and

(f) Adopting clinic policies including scope and availability of services, location and hours of services, and quality-of-care audit procedures (42CFR-51c.304(d)(3).

The board shall have such additional responsibilities as may be required from time to time by law.

Section 3.15. A Director shall discharge the duties of their position in good faith and in a manner reasonably believed to be in the best interest of the corporation. Individual Directors have no authority except that which is delegated by the Board. Board members will conduct themselves in an ethical and respectful manner making proper use of authority. Directors are expected to act within the framework established by the Mission Statement, Articles of Incorporation, By-laws, organizational operating policies, and state and federal laws.

Section 3.16. Conflict of Interest. (a) A conflict of interest shall exist at any time a proposed action affects a director by virtue of a material financial interest or other material interest the director holds in an organization as director, officer, owner, spouse, parent, child, spouse of a child, brother, sister, or spouse of a brother or sister of an owner.

(b) Whenever it is determined that a conflict of interest exists, the director with conflict of interest shall not participate in any discussions on the issue at hand unless inquiries are posed by other directors. This conflicted director may not vote on the issue and shall not be counted in the quorum.

(c) A Conflict of Interest Statement shall be provided to each Board member upon their election and annually; continued service as Board members constitutes tacit approval and compliance with said Conflict of Interest Statement.

ARTICLE IV OFFICERS

Section 4.01. Number and Qualifications. The officers of this corporation shall be a President, who shall be a director elected by the Board of Directors for no more than three, two-years terms (a total of six (6) years); and a member of the Board of Directors, elected by the Board of Directors for a term of no more than three, two-years terms (a total of six (6) years) who shall serve as vice-president.

Section 4.02. Removal. Removal of a director who is an officer as provided in Section 4.01 shall constitute removal as an officer.

Section 4.03. Vacancy. A vacancy in the office of President or Vice-President shall be filled for the unexpired term by the vote of a majority of the remaining directors present at any meeting of the Board of Directors.

Section 4.04. President. The President will be the principal officer of the corporation. It will be the duty of the President to preside at all meetings of the Board of Directors, and to have general supervision of the affairs of the corporation. S/he has the authority to execute on behalf of the corporation all contracts, deeds, conveyances, grant applications, and other instruments in writing that may be required or authorized by the Directors, except in such cases in which such authority is expressly delegated to another officer or agent of the corporation. The President shall have the authority to sign checks related to payroll and other business expenses of the corporation.

Section 4.05. Vice-President. It will be the duty of the Vice-President to act in the absence or disability of the President and to perform such other duties as may be assigned by the President or the Board. The Vice-President has the authority to execute on behalf of the corporation all contracts, deeds, conveyances, grant applications, and other instruments in writing that may be required or authorized by the Directors, except in such cases in which such authority is expressly delegated to another officer or agent of the corporation. The Vice-President shall have the authority to sign checks related to payroll and other business expenses of the corporation.

Section 4.06. Secretary/Treasurer. The secretary/treasurer shall see to it that accurate accounts of the financial affairs of the corporation are kept in accordance with all applicable legal requirements and generally accepted accounting practices, shall report to the Board of Directors, the president, on the financial affairs and condition of the corporation as requested, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors. The Secretary/Treasurer shall have the authority to sign checks related to payroll and other business expenses of the corporation.

Section 4.08. Other Agents and Employees. This corporation may have such other agents, employees and officers as may from time to time be deemed necessary by the Board of Directors or the president, and shall be appointed and have such duties as may be directed by the Board of Directors or the president.

Section 4.09. Bond. The Board of Directors shall, from time to time, determine which, if any, of the officers, agents or employees of this corporation shall be required to provide bond, and the amount of such bond.

ARTICLE V COMMITTEES

Section 5.01. Committees. The Board of Directors may, from time to time, by resolution of two-thirds of the total number of directors, establish such committees as it may deem necessary, which resolution shall state the membership, powers, duties and responsibilities of the committee. Committees shall at all times be subject to the direction and control of the Board of Directors.

Section 5.02. Meetings, Quorums, and Manner of Acting. Committee meetings shall be held on the call of the chairperson of the committee, or the president, or a majority of the members of the committee. Notice of each meeting shall be given as provided in section 3.08. Forty percent (40%) of the total number of members of a committee shall constitute a quorum, and the act of a majority of the members present at any meeting shall be the act of the committee.

Section 5.03. Minutes and Reports. Written minutes of each meeting of a committee shall be prepared by the secretary/treasurer or other board approved designee, and copies shall be furnished to all members of the committee and to the president and chairperson. All reports, recommendations, and other communications by a committee shall be in writing. Electronic submission of such communications constitutes sufficient written communication.

Section 5.04. Executive Committee. The Board of Directors shall establish an executive committee. The executive committee shall consist of the President, Vice-President, Secretary/Treasurer, and Immediate Past President. The executive committee shall serve as a working committee when necessary or advisable between meetings of the Board, shall make recommendations to the Board and

shall exercise such other appropriate powers as may be assigned to it from time to time by the Board of Directors. The executive committee shall report to the Board of Directors on its recommendations and actions at the next meeting of the Board of Directors and such recommendations and actions shall be subject to revision and alteration by the Board at such meeting; provided, however, that the rights of third parties shall not be affected by any such revision or alteration.

Section 5.05. Nominating Committee. At such time as new or replacement board members are to be elected to the Board of Directors, the President shall name an ad hoc nominating committee, comprised of at least three seated directors, to identify and nominate potential members for consideration and election.

Section 5.06. Finance Committee. A standing finance committee will be comprised of the Secretary/Treasurer, at least one additional member of the board of directors, and the executive director. The finance committee serves as advisors to the full board of directors on all financial matters of the corporation.

ARTICLE VI FINANCIAL MATTERS

Section 6.01. Audit. The Board of Directors shall cause the records and books of account of the corporation to be audited by an independent certified public accounting firm at least once in each fiscal year and at such other times as it may deem necessary or appropriate, and may retain such person or firm for such purposes as it may deem appropriate.

Section 6.02. Accountability. Copies of the audited annual financial statements, and any unaudited interim financial statements, shall be provided to all officers and directors of the corporation.

Section 6.03. Fiscal Year. The fiscal year of the corporation shall be determined by the Board of Directors.

Section 6.04. Restrictions. The corporation shall not, without the prior approval of the Board of Directors, (a) borrow any money, whether secured or unsecured, or (b) enter into any contract providing for the sale, assignment, transfer, lease or other disposition of any real estate or interest therein having a value of more than \$50,000.00 or any other property or interest therein which involves, in the aggregate, more than 25,000.00 payable or receivable by the corporation and which is not cancelable by the corporation on notice of thirty (30) days or less without penalty; (c) make contributions or dispositions of property for less than fair market value, to any entity outside of the organization and its controlled entities; (d) take any action in violation of the restrictions set forth in its Articles of Incorporation and any subsequent amendments thereto; (e) raise funds by means of charitable gambling, although it may receive funds from outside entities which so raise funds so long as such funds are not raised in the name of the corporation or its controlled entities; (f) take any action in contradiction with any express restrictions established by law.

ARTICLE VII WAIVER OF NOTICE

Whenever notice of any meeting is required to be given by statute or by these by-laws, the notice may be waived in writing, signed by the person or persons entitled to the notice, whether before, at, or after the time stated therein or before, at, or after the meeting.

**ARTICLE VIII
AUTHORIZATION WITHOUT A MEETING**

Any action that may be taken at a meeting of the Board of Directors may be taken without a meeting when authorized by the President, or in his/her absence, any officer of the corporation.

Action without Meeting. Remote communication will be allowed when timing is critical in accordance with Minnesota Statute 317A.239:

(1) **Method.** An action required or permitted to be taken at a board meeting may be taken by written action signed, or consented to by authenticated electronic communication, by a (2/3) majority of the directors. An action, other than an action requiring member approval, may be taken by written action signed, or consented to by authenticated electronic communication, by the number of directors that would be required to take the same action at a meeting of the board at which all directors were present.

(2) **Effective time.** The written action is effective when signed, or consented to by authenticated electronic communication, by the required number of directors, unless a different effective time is provided in the written action.

(3) **Notice; liability.** When written action is permitted to be taken by less than all directors, all directors must be notified immediately of its text and effective date. Failure to provide the notice does not invalidate the written action. A director who does not sign or consent to the written action is not liable for the action.

**ARTICLE IX
INDEMNIFICATION**

The corporation shall indemnify, to the fullest extent authorized or permitted by Minnesota law, former or present directors, officers, employees or agents of the corporation as provided by Minnesota Statutes, Chapter 317A, as now enacted or as hereafter amended. The indemnification provided to any such person shall be only in excess of any valid and collectible insurance or other source of indemnification available for the benefit of such person, and no rights of subrogation are intended to be created by this section. Notwithstanding any limit on indemnification under Minnesota law, the corporation may purchase and maintain insurance on behalf of any such persons, against any liability asserted against them or incurred by them, whether or not the corporation would otherwise have the power to indemnify under the circumstances.

**ARTICLE X
AMENDMENTS**

Amendments to the Articles of Incorporation and these By-Laws must be approved by two-thirds (2/3) of the directors.

The foregoing By-Laws were adopted by the incorporator of the Mississippi Headwaters Area Dental Health Center on June 7, 2006.

Duly approved by the Board of Directors of the Mississippi Headwaters Area Dental Health Center on June 7, 2006.

Amended and approved by the Board of Directors of the Mississippi Headwaters Area Dental Health Center on April 10, 2012.