

ARTICLES OF INCORPORATION
SHETEK LUTHERAN MINISTRIES

The undersigned, members of Congregations of Southern Minnesota and Southeast South Dakota, for the purpose of forming a non-profit organization under and pursuant to the provisions of the Minnesota Non-Profit Corporation Act, Laws 1951, Chapter 550 as amended, do hereby associate themselves as a body corporate and adopt the following Articles of Incorporation:

ARTICLE I

The name of this corporation shall be the "Shetek Lutheran Ministries".

ARTICLE II

The purposes for which it is formed are: To procure and hold lands to be used as a Bible Camp; to provide study and recreational facilities necessary for a proper Bible Camp; to erect and maintain buildings on and improve the grounds so procured and held; to provide food and shelter for those attending said Bible Camp; to make charges for the use of said camp in such amounts as to cover the maintenance and expense thereof and to create proper reserves against contingencies that may arise in the exercise of said purposes, but such corporation shall not make a profit or declare a dividend on the operations of such camp; to rent said camp, at such times as the camp is not in use by member Congregations, to other individuals or organizations and upon a schedule of charges to be set in the same manner as the charges for members of the said Congregations and which will not create a profit to said corporation; to acquire by gift, legacy devise, purchase or otherwise, property of every kind and nature, both real and personal, for such purpose; to lease, mortgage, improve, pledge, sell, convey, or otherwise dispose of such property for such purpose; to borrow money and to do all other things necessary, convenient, or expedient to carry out the purpose herein set forth.

ARTICLE III

This corporation does not and shall not afford pecuniary gain, incidentally or otherwise, to its members.

ARTICLE IV

The duration of this corporation shall be perpetual.

ARTICLE V

The location of the registered office of this corporation is on Keeley Island located at Slayton, Murray County, Minnesota, same being the location of Shetek Lutheran Ministries.

ARTICLE VI

The members of this corporation shall be the congregations of the ELCA, Southwest Minnesota Synod and South Dakota Synod and such other Conferences or Congregations that the corporation may accept, together with the pastors of said Congregations and the members of the Board of Directors of this corporation, all of whom shall be entitled to vote at meetings of the corporation. There shall be no personal liability of members for corporate obligations of this corporation.

ARTICLE VII

Each member Congregation shall elect or appoint a delegate who shall be known as "The Shetek Lutheran Ministries Representative" and upon his ^{new} election or appointment shall be certified to the Secretary of the Shetek Lutheran Ministries by the President, Secretary, Pastor or Board of Trustees of such Congregation. Each person so elected or appointed and so certified shall remain as the representative of such Congregation at all meetings of this corporation for a one year term and until his successor shall be duly certified in a like manner. Each delegate shall be entitled to one vote as representative of his Congregation at all meetings of the corporation.

ARTICLE VIII

This corporation is organized on a non-stock basis; it shall have no capital stock; and all property of the corporation is irrevocable dedicated to charitable purposes. In no event shall any of its money or assets be distributed to or insured to the benefit of any private individual or member of this corporation. Upon liquidation or dissolution of the corporation or abandonment by it of its property, the same shall be distributed to and become the property of the Board of Trustees of the Evangelical Lutheran Church in America.

ARTICLE IX

The management of this corporation shall be vested in a Board of Directors consisting of no fewer than ten nor more than fifteen persons, the number within such limitation to be determined by the By-Laws of the corporation.

ARTICLE X

The following ten directors shall constitute the first Board of Directors of this corporation and their respective tenures in office shall be until the annual meeting of the Corporation in October of the year set opposite their respective names:

<u>Name</u>	<u>Address</u>	<u>Tenure Expires</u>
Mr. John Fried	% Blue Star Motel Windom, MN	Deceased

Mr. Roy Nyberg	1515 E. 20th Sioux Falls, SD	1969
Pastor Robert Sorenson	Box 753 Pipestone, MN	1969
Pastor Paul Sanders	5509 W. 41st St. Sioux Falls, SD	1969
Mr. John C. Vos	Chandler, MN	1969
Mr. Duane Peterson	Garvin, MN	1970
Mr. Leonard Rollagg	Beaver Creek, MN	1970
Mr. Lewis Menzel	700 E. 32nd St. Sioux Falls, SD	1970
Pastor A. R. Sellevold	3070 Linden Ave. Slayton, MN	1970
Pastor Vern Severson	3600 N. Cliff Ave. Sioux Falls, SD	

ARTICLE XI

These Articles of Incorporation, and any provision therein contained, may be amended, altered, changed, added to, or repealed as provided in the By-Laws, proving that any such changes shall be consistent with the Laws of this State which define, limit, or regulate the powers of this corporation or the directors of this corporation.

ARTICLE XII

The names and post office addresses of the incorporators are as follows:

<u>Name</u>	<u>Address</u>	<u>City</u>
Mr. Roy Nyberg	1515 E. 30th	Sioux Falls, SD
Mr. Duane Peterson		Garvin, MN
Pastor Robert Sorenson	Box 753	Pipestone, MN
Mr. John Fried	% Blue Star Motel	Windom, MN
Mr. Leonard Rollagg		Beaver Creek, MN
Mr. Lewis Menzel	700 E. 32nd St.	Sioux Falls, SD
Pastor Paul Sanders	5509 W. 41st St.	Sioux Falls, SD
Pastor Vern Severson	3600 N. Cliff Ave.	Sioux Falls, SD

Mr. John C. Vos

Chandler, MN

Pastor A. R. Sellevold

3070 Linden Ave.

Slayton, MN

IN TESTIMONY WHEREOF, we have hereunto set our hands and seals this _____ of _____, 1968.

State of Minnesota

County of Murray

On this _____ day of _____, 1968, personally appeared before me a Notary Public within and for said County and State.

to me known to be the persons described in and who executed the foregoing Articles of Incorporation as Incorporators, and each acknowledged that he executed the same as his free act and deed for the uses and purpose therein expresses.

Notary Public, Murray County, Minnesota
My Commission expires _____

BY-LAWS OF SHETEK LUTHERAN MINISTRIES

ARTICLE I (Fiscal year, Annual Meeting, Membership)

1. The fiscal year of this Corporation shall be January 1 to December 31 inclusive.
2. The Annual Meeting of the members of the Corporation shall be held on the first Sunday of February, or at such other date designated by the Board of Directors, of each year at the hour and place designated by the Board of Directors. Appropriate written notice of the Annual Meeting shall be given to each Member Congregation not less than ten days prior to the date of such meeting.
3. A quorum at any meeting of the Corporation shall consist of those members present and any action by the majority of those present shall be the action of the membership.
4. The Shetek Lutheran Ministries representatives representing member congregations and pastors of member congregations are the voting members of the Corporation at all corporate meetings including the annual meeting. Acceptance of any Congregations other than those already members shall be acted upon at the annual meeting and shall require a two-thirds majority.
5. This Corporation at its annual meeting may adopt, amend, or repeal rules and regulations for the management, care and conduct of the business and affairs of the Corporation of the Bible Camp operated by it. In the intervals between annual meetings, the Board of Directors may in its reasonable discretion adopt, amend, or repeal such rules and regulations.

ARTICLE II (Directors)

1. The business and property of the Corporation shall be vested in a Board of Directors of fifteen members. The board shall consist of three pastors from Minnesota, three pastors from South Dakota, five lay people from Minnesota, and four lay people from South Dakota. Five members of the Board of Directors shall be elected at each annual meeting for a term of three years.
2. Directors may succeed themselves for one three year term.
3. Absence from three consecutive meetings of the Board may, at the discretion of the Board, be construed as a resignation by the member so absent. Vacancies occurring on the Board between annual meetings shall be filled by the Board.
4. If a Director is appointed during the first 1 ½ years of a three year term to fill that term, this will be considered their "first term" and they would be eligible to be re-elected to serve another three year term. If a Director is appointed during the last 1 ½ years of a three year term, they would be eligible to be re-elected twice more and to serve two full three year terms, if they choose.
5. Meetings of the Board of Directors shall be held at least four times a year or on call of the President, or by call of any five Directors. Five days notice of the time and the purpose of such

meeting must be given to each Director. At least one meeting per year shall be held at the Bible Camp.

6. A quorum for any meeting of the Board of Directors shall consist of not fewer than eight members of the Board, and any action by the majority of those present shall be the action of the Board of Directors.
7. The Board of Directors shall have the following powers in the operation and control of the Corporation:
 - a. To manage the affairs of the Corporation.
 - b. To adopt and carry out such policies and procedures as may be consistent with the Articles of Incorporation and By-Laws.
 - c. To appoint such Committees as the Board may deem expedient for carrying out the objects of this Corporation and to act upon the recommendations of such Committees.
 - d. To employ such persons as it may deem necessary for the successful prosecution of the objects of the Corporation.
 - e. To annually appoint a Nominating Committee to make nominations for the election of Directors.
 - f. To give a full and complete report of its activities at each annual meeting.
 - g. To borrow money and incur indebtedness for the purposes of the Corporation.
 - h. To make and alter any by-law or by-laws including the fixing and altering of the number of Directors. Such changes shall not affect any current member of the Board.

ARTICLE III (Officers)

1. The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer. Such officers shall be elected by the Board of Directors annually at a meeting of the Board of Directors held as soon as possible following the annual meeting of the Corporation.
2. Each officer shall serve for a term of one year or until his successor is elected or until removed by the Board of Directors. Vacancies among the officers occurring during the year shall be filled by the Board of Directors for the unexpired term.
3. The duties of the officers shall be as follows:
 - a. The President shall be the chief executive officer of the Corporation. The President shall preside at all meetings of the members of the Board of Directors. The President shall exercise and perform the duties of the Corporation according to the powers assigned to the office by the Board of Directors or prescribed by the by-laws. The President, subject to the approval of the

Board of Directors, shall appoint all standing and special committees as may be deemed necessary or expedient, specifying their duties.

- b. The Vice President shall serve as President in the absence or disability of the President, and when so serving shall have all of the powers of, and be subject to all of the restrictions upon, the President.
- c. The Secretary shall keep or cause to be kept at the principal office of the Corporation a book of minutes of all meetings of the Directors and Members.
- d. The Treasurer shall be the chief financial officer of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation, including the accounts of its assets, liabilities, receipts, disbursements, gains, losses, and surplus. The books of account shall at all times be open to inspection by any Director, pastor or representative. The Treasurer shall promptly deposit, or cause to be deposited, all monies and other valuables in the name and credit of the Corporation, with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation or cause the same to be disbursed, as may be ordered by the Board of Directors, and shall render, or cause to be rendered, to the President and Directors upon request, an accounting of all transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall present to the Board of Directors, at each regular meeting thereof, a monthly operating statement and report of any and all purchases and sales of securities and investments made by and on behalf of the Corporation since the last preceding regular meeting of the Board. The Treasurer shall be responsible for the bonding of all employees entrusted with funds of the Corporation and for the maintenance of adequate insurance coverage to protect funds received by the Corporation against loss or burglary. The Treasurer shall also have such powers or duties as may be prescribed by the Board of Directors.

ARTICLE IV (Amendments)

1. The Articles of Incorporation and/or these By-Laws may be enlarged, amended, repealed, or altered in whole or in part by a two-thirds vote of all members of the Board of Directors, provided that such action has been announced in the Notice of such meeting.
2. Alternatively, the Articles of Incorporation and/or these By-Laws may be enlarged, amended, repealed, or altered in whole or in part by a majority vote at any annual or special meeting of the Corporation at which a proper quorum is present, provided that such action has been announced in the Notice of such meeting.

ARTICLE V (Endowment Fund and Endowment Committee)

1. The Corporation at its annual meeting in 1991 expanded its by-laws to include this article, which establishes a new and separate fund known as the Shetek Lutheran Ministries Endowment Fund, hereinafter referred to as the "Fund".

2. The purpose of this Fund is to provide monetary support to the Corporation in the specific areas of religious, charitable, and educational activities.
3. The Fund's purpose shall be to receive gifts of money and property whether inter vivos (while the donor is still alive) or testamentary (given through an estate or will), and whether absolute or conditional, and except where authorized in the terms of the gift, all principal amounts will be added to the Fund and become part of the total Fund.
4. The Endowment Committee, hereinafter referred to as the "Committee", shall be the custodian of the Fund. The perceived intent of the Committee is to keep the principal of the Fund intact as well as allowing for inflation. With this in mind, the Committee shall use the standard endowment philosophy of distributing a percent of the corpus (principal) of the Fund, if necessary, annually as its distribution policy. The Committee will distribute 4.25% of the rolling average total of the Fund for the previous three fiscal years.
 - a. The Committee shall consist of three members, elected by the members of the Corporation at the annual meeting of the Corporation. One member of the Committee shall be a member of the Board of Directors of said Corporation and the other two members shall be members of the congregations which make up the Corporation. Except as herein limited, the term of each member shall be three years. Upon adoption of the Resolution by the Corporation, the Board shall appoint three members to the Committee, one for a term of three years, one for a term of two years and one for a term of one year. Any initial member named for less than three years shall be eligible for two additional full three year terms. Thereafter, at each annual meeting, the Corporation shall elect the necessary number for a term of three years. No member shall serve more than two consecutive three year terms. After a lapse of one year, former Committee members may be re-elected. The Director of Shetek Lutheran Ministries shall be an advisory member of the Committee. In the event of a vacancy on the Committee, the Board of Directors of the Corporation shall appoint a member to fill the vacancy until the next annual meeting of the Corporation at which time the Corporation shall elect a member to fill the term of the vacancy. This will be considered a partial term and the person appointed will be eligible for two additional three year terms.
 - b. The Committee shall meet at least quarterly or more frequently as deemed in the best interest of the Fund. A quorum shall consist of two members. A majority present and voting shall carry any motion or resolution.
 - c. The Committee shall elect from its membership, a Chairperson, Treasurer, and Recording Secretary. The Chairperson or member designated by the Chairperson shall preside at all Committee meetings.
 - d. The Secretary shall maintain complete and accurate minutes of all meetings of the Committee and supply a copy thereof to each member of the Committee. Each member shall keep a

complete copy of minutes to be delivered to his or her successors. The Secretary shall also supply a copy of minutes to the Board of Directors of the Corporation.

- e. The Committee shall establish written rules and regulations as may be necessary for the conduct of its business. It shall adopt standards and goals to guide in the expenditures from the Fund which it may amend all within the stated purpose of this Fund.
- f. The Committee shall maintain accounts with banks and brokerage firms as it may by resolution authorize and determine. All checks and other documents transferring or expending any funds or assets in the Fund shall be executed by the Treasurer and either the Chairperson or Secretary of the Committee.
- g. The members of the Committee, at the expense of the Fund, shall provide a Corporate Fiduciary Bond in the principal amount to be determined from time to time by the Committee.
- h. At its discretion, the Committee may employ at the expense of the Fund such professional counseling on investment or legal matters as it deems to be for the best interest of the Fund.
- i. The Committee shall report on a quarterly basis to the Board of Directors of the Corporation and at each annual meeting or special meeting of the Corporation shall render a full and complete auditing account of the administration of the Fund during the preceding year. The Annual Report shall contain a list of all receipts and disbursements for the period and a list of assets in the Fund as of the end of the period. The Committee shall cause the books to be audited annually by an independent accountant in time so that such audit report will be on file at the time of the annual meeting of the Corporation.
- j. Members of the Committee shall not be liable for any losses which may be incurred upon the investment of the assets of the Fund except to the extent such losses shall have been caused by bad faith or gross negligence. No member shall be personally liable as long as he/she acts in good faith and with ordinary prudence. Each member shall be liable only for his/her own willful misconduct or omissions and shall not be liable for the acts or omissions of any other member. No member shall engage in any self dealings or transactions with the Fund in which the member has direct or indirect financial interest and shall at all times refrain from any conduct in which his/her personal interest would conflict with the interest of the Fund.
- k. The Shetek Lutheran Ministries Endowment Fund will allow an individual or a family to establish a named (restricted) fund within the Endowment Fund as long as the following conditions are met.
 - a. The restricted fund must have a purpose consistent with that of the Shetek Lutheran Ministries Endowment Fund.
 - b. The restricted fund must have a minimum starting balance of \$25,000 and/or, on its own, must support the purpose for which it was created.

- c. If the purpose no longer exists for any restricted funds within the Endowment Fund, the Committee will recommend to the Board of the Corporation that the restricted fund be terminated. Monies remaining in the fund would be transferred to another fund or the general Shetek Lutheran Ministries Endowment Fund. If possible, the donor or donor's family will be contacted for advice for the reallocation of said funds, but the decision shall be made by the Committee and shall be consistent with the original terms of the gift.
- l. The Committee shall evaluate the purpose and objectives of the Fund five (5) years from the date of adoption of this amendment and every five (5) years thereafter. At such time consideration shall be given to the amount of accumulated principal and the designated benevolent mission of the Fund. The results of the five year evaluation shall be reported to the Board of the Corporation. If it is determined that the amount of accumulated principal has grown to the point that Shetek Lutheran Ministries mission could be better served through a principal reduction, such a recommendation shall be proposed by the Board to the Corporation. The Corporation, by a majority vote at any annual or special meeting of the Corporation at which a proper quorum is present, provided such action has been announced in the Notice of such meeting, may authorize up to a thirty percent (30%) reduction of the principal of the undesignated Funds. Dollars from this principal reduction will be immediately gifted to fund Shetek Lutheran's ministry.
- m. In the event Shetek Lutheran Ministries ceases to exist through dissolution, it is logical to assume the Fund would receive no further contributions and disposition or transfer of the Fund would be appropriate. Such disposition or transfer shall be accomplished by the Committee in accordance with the Funds stated purpose of supporting the Corporation, however when the Corporation is no longer an option, then the Committee should look at ways to support outdoor ministry, either through the endowments of several different organizations or an individual organization's endowment.
- n. The Committee is hereby authorized to have and exercise in its absolute discretion with reference to the Fund for and on behalf and in the name of the Corporation the following powers:
 1. To receive the income, profits, rents and proceeds of the Fund, to collect in receipt for the same, and pay all administrative and other necessary expenses in connection with the Fund.
 2. To purchase or otherwise acquire and to retain whether originally a part of this Fund or subsequently acquired, any and all stock, bonds, notes, other securities, or any variety of other personal property, including stocks or interest in investment trusts. Investment need not be diversified and may be made or retained with a view to a possible increase in value.

3. The Committee shall not have the power to purchase, sell, lease or mortgage real property. These actions must be approved and completed by the Board of Directors of the Corporation. If needed, this action by the Board will be done as soon as feasible.
4. The Committee shall be authorized to refuse any gift or bequest when the designated use is considered improper or inappropriate to the overall purposes of the Corporation. The Committee, after reviewing it, may also refuse a gift of property that would have an adverse affect on the financial well-being of the Fund.
5. To maintain a portion or all of the property constituting the Fund in liquid or nearly liquid form, even though little or no income is earned thereon.
6. To manage in such a way as to not permit income to accumulate unreasonably but shall use it with all diligence to accomplish the purposes for which this Fund has been established.
7. When in the opinion of the Committee, circumstances are so dire, and of such an emergency nature that the future of the Corporation is at stake, and the only recourse seems to be the use of the Funds principal, the Committee may recommend such authorizing action to the Corporation.
8. To administer and expend such other funds as may be given to the Fund under all the powers, authority, restrictions and for the uses and purposes, all as provided herein.

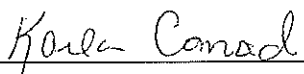
These updated and amended by-laws of Shetek Lutheran Ministries, recommended and accepted by the Corporation at a legally called Corporation meeting, are hereby adopted.

Dated: February 7, 2010

SHETEK LUTHERAN MINISTRIES

President:  _____

Erin Patten

Secretary:  _____

Karla Conrad