

# FOOTHILLS COMMUNITY ALLIANCE BYLAWS

## SECTION 1 – NAME, LOCATION, SCOPE

### 1.1 NAME

The legal name of the organization is FOOTHILLS COMMUNITY ALLIANCE and shall herein be referred to as the “Alliance,” the “FCA” or the “Organization.”

### 1.2 LOCATION

The FCA serves residents of the Columbia Valley area of Whatcom County, State of Washington. Street address: 2303 Moore St., Bellingham, WA 98229. The mailing address is Foothills Community Alliance, P. O. Box 159, Maple Falls, WA 98266. The service area incorporates most of Columbia Valley, as shown on page 2.

### 1.3 SCOPE

The Alliance is organized to fund projects that will fulfill the specific goals of the community as expressed through community needs-assessment surveys. These immediate goals include but are not limited to 1) access to healthy foods; 2) access to medical, dental and pharmaceutical services; 3) safe, clean and drug-free neighborhoods; and 4) parks, trails and recreational facilities. The scope of the Alliance is to review and approve plans (including feasibility studies, cost estimates, etc.) submitted to the board, and to provide funding when approved.

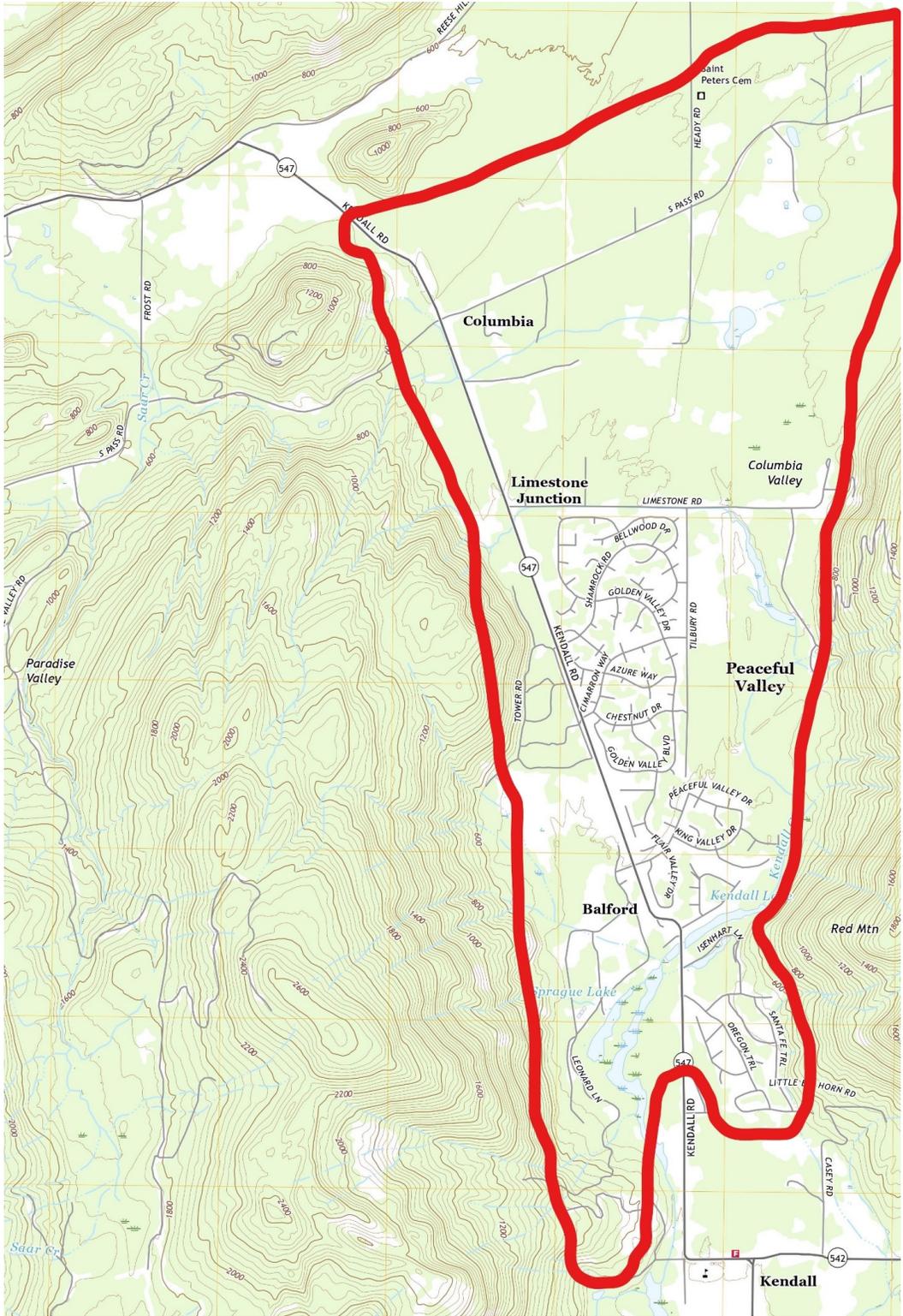
## SECTION 2 – PURPOSE

### 2.1 GENERAL PURPOSE

The purpose for which this Corporation is formed is exclusively charitable, scientific, or educational and consists of the following:

**2.1.1 To Support an Underserved Community.** To identify and support community efforts to assist members of the Foothills community to improve the greater community and individual lives with a focus on underserved and unmet needs; and

**2.1.2 To Act on Useful Projects** To do any and all lawful activities which may be necessary, useful or desirable for the furtherance, accomplishment, fostering or attainment of the foregoing purposes, either directly or indirectly and either alone or in conjunction or cooperation with others, whether such others be persons or organizations of any kind or nature, such as corporations, firms, associations, trusts, institutions, foundations, or governmental bureaus, departments, or agencies.



**Map of the area of the Columbia Valley served by these Bylaws**

## **SECTION 3 – BOARD OF DIRECTORS**

### **3.1 GENERAL POWERS**

The Alliance shall be governed by a Board of Directors (the “Board”) which shall have all the rights, powers, privileges, and limitations of liability of directors of a non-profit organization. The Board is responsible for setting policy and governing the Organization and holds the power to conduct the Organization’s business. The Board, once installed, will select by majority vote, its own Officers (referred to as the Executive Committee), and assign other Directors to head committees as deemed necessary. The Board, at the end of individuals’ terms, will select its successive directors as available.

### **3.2 NUMBER OF BOARD MEMBERS**

The number of Board Directors shall be no less than six (6) nor more than fifteen (15), depending on the number of candidates who apply. If a minimum of six cannot be found, it is strongly suggested that the Executive Board should continue on with day-to-day decisions. The number of Board members may be changed from time to time by amendment to these Bylaws, by a simple majority vote of the full Board of Directors, provided that no decrease in the number shall have the effect of shortening the term of any incumbent Board member.

### **3.3 TERMS OF OFFICE**

Board members generally will serve a term of three (3) consecutive years. No Board member may serve more than two (2) consecutive terms (i.e., six (6) consecutive years) if there is another qualified interested candidate ready to volunteer. Terms may be staggered if the Board chooses, so that as one section of the board retires (e.g., one-third of the members’ terms expire), two-thirds of seasoned members will remain. Providing the Board has sufficient numbers of candidates standing for such an exchange, staggering of membership keeps an entirely novice board from being seated all at once.

### **3.4 REQUIREMENTS FOR BOARD MEMBERSHIP**

**3.4.1 Residency.** Each member of the Board must be a resident of Columbia Valley as defined by the boundaries shown in the map of the area.

#### **3.4.2 Qualifications.**

**3.4.2.1** The State requires that board members must be at least 18 years of age.

**3.4.2.2** Board members are expected to have some experience in and knowledge of Board duties in general, and to apply the principles and practices of governance as required to be an effective Board member.

**3.4.2.3** Priority for Board membership shall be based on the area’s demographics, representing the community in at least one desired category in terms of age, ethnicity, disability, veteran status, etc., as further explained in the Policies.

**3.4.2.4** Prospective Board members can volunteer, or may be invited, to attend Board meetings for initiation into Board policies and procedures. During new elections, or in the event of a termination for any reason, replacements will be selected from these prospects with experience and knowledge of the Organization.

### **3.5 ELECTION OF BOARD MEMBERS**

**3.5.1 Initial Board of Directors.** For purposes of incorporation and establishing the organization, an initial Board of Directors, made up of five (5) members, was elected by the community attending that FCA meeting. These five will serve until a board is seated of at least 6 (six) permanent members, at which time the initial board will step down and allow the seated board to assume its role. After that, all future Directors will be elected by the seated Board of Directors.

**3.5.2 Compensation.** Board members shall receive no compensation other than for reasonable expenses as documented and approved by the Board Chair and treasurer.

### **3.6 BOARD RESPONSIBILITIES**

**3.6.1 Allegiance to Purpose, Bylaws, and Policies.** Board members ensure that the Organization is compliant with its Purpose, the Bylaws, and written Policies. Board members are expected to work in good faith with other board members as partners toward achievement of established goals. In serving on the Board, members shall:

**3.6.1.1** Agree to devote the time and energy to serve the Alliance.

**3.6.1.2** Attend a minimum of 80% of scheduled or ad hoc Board meetings and other related activities as requested.

**3.6.1.3** Stay informed about Board and Committee matters, prepare for meetings, and review and comment on minutes and reports. Normal social rules of meeting behavior will be respected: be on time, come prepared, be patient and pleasant, stay fully engaged in tasks, by follow-up on assignments for example; stay the course of meetings and term lengths; participate as much as possible in all planned activities.

**3.6.1.4** Volunteer for assignments and complete them thoroughly and on time; may be required to convene and facilitate special committees. Further tasks and responsibilities of Board Directors are described in the Policies and Procedures.

**3.6.2 Financial Health of the Organization.** The Board ensures that the budget is being followed, confirms that the treasurer's reports are accurate. Instruments of deposit or withdrawal from any repository or bank account held in the name of the FCA shall be monitored and available for inspection by Board members upon request.

**3.6.3 Risk Management.** The Board shall proactively review risk factors to the Organization, to weigh their likelihood, and to develop plans to mitigate damage.

**3.6.3.1** Need to maintain an emergency plan for disruption of duties or services (e.g., severe weather, flood, fire, or other disaster), as such disaster may impinge on the FCA's daily operations.

**3.6.3.2** Consideration of an emergency communication plan in case of negative press concerning Board activities or the cause in which it serves.

### **3.6.4 Strategic Planning.**

**3.6.4.1** The Board shall periodically review requests for support and participate in strategic planning with the community at large. This work may include prioritization and guidance on projects brought forth by residents and other interested community members.

**3.6.4.2** The Board should develop alternative ways to keep the Alliance up and running should a primary financial stream end, so that it has a back-up plan to depend on, to ensure the Organization is not at risk of future dissolution.

## **3.7. BOARD MEETINGS**

**3.7.1 Regular Meetings.** The Board's regular meetings may be held at such time and place as shall be determined by the Board. Scheduling should be made to accommodate as many Board members as possible and include the Executive Committee.

**3.7.2 Annual Meeting.** Plans should include a community-wide meeting to be held at least once each year. This meeting should serve the dual purposes of an annual report to the membership, including annual reports and a review of the budget; and also as an opportunity for recruiting new members and as a public relations event to celebrate all that the Alliance has accomplished in the past year, and to propose and review Board goals for the following year.

**3.7.2.1** Prior to the annual meeting, the Bylaws and Policies should be reviewed and updated, if necessary. Digital copies, and some hard copies, will be available to people who indicate a desire to join with the FCA's goals and future plans, and who sign an application for volunteering.

**3.7.2.2** A summary of activities (actions taken, funds disbursed, etc.) in a report format should be made available to the public.

### **3.7.3 Special Meetings and Executive Sessions.**

**3.7.3.1** Any Executive Committee member may call a Special Meeting with a minimum of 24 hours notice to all General Members. Special Meetings may be called for needs that arise between meetings such as a time-sensitive purchase or a response to natural disaster.

**3.7.3.2** Any Executive Committee member may call an Executive Session with a minimum of 24 hours notice to Executive Board members. For determinations of discipline, legal matters or other potentially sensitive discussions, it may be necessary to seek legal advice before publicizing some events. Such emergencies preclude the prior advertisement for full public attendance. The Board strives for full transparency in most situations, but the Board must be allowed freedom to call an executive session on an occasion that calls for private discussion.

### **3.7.4 Notice of Meetings.**

**3.7.4.1** All regular and annual meetings will be open to interested community members and residents. Notice of each meeting shall be available not less than one week prior to the meeting.

**3.7.4.2** Notices for Special Meetings will be held at the discretion of the Board Chair and Executive Committee as noted in 3.7.3. Special Meetings will be open to the public and require at least 24 hours notice to the general membership. Executive Sessions are not open to the public, and require 24 hours notice to the Executive Committee.

**3.7.4.3** The purpose of the FCA here is to ensure that no secret ballots should be allowed based on its statements throughout these policies or the Bylaws for full disclosure of all decisions made in Committee. No actions such as secret ballots shall be allowed. All voting will be open and public, by visual/auditory vote, by show of hands, whether in face-to-face meetings or on Zoom or other visual meeting form. No formal decisions will be made in private.

**3.7.5 Meeting Minutes.** All meetings will have notes taken by the Board Secretary, or assignee. A copy will be placed in the permanent record (real and/or digital) and archived in the Alliance website within seven days after the end of the meeting.

## **3.8. QUORUM**

At each meeting of the Board, the presence of a simple majority of the members currently serving on the Board shall constitute a quorum for the transaction of business.

## **3.9 BOARD VOTING**

**3.9.1 Simple Majority Rule.** Unless otherwise described in the Articles of Incorporation or Bylaws, Board decisions require a simple majority vote. There may be occasions

when any Board member, including the Chair, may need to abstain on the record, such as with a conflict of interest. All members of the Board of Directors, including the Chair, must declare a NO vote or an ABSTAIN vote if they so wish. *Silence assumes consent, and those not deliberately voting otherwise will be counted as a YES vote.*

**3.9.2 Voting Process.** The voting process — that is, *how* a vote is taken, whether by voice or hand or ballot — will be left to the discretion of the Chair. Voting on Zoom will be taken by screen “poll” or “vote” but will be identified by the Secretary as if vote is taken by hand.

**3.9.3 Ex-Officio members.** Ex-Officio members may include representatives of other agencies with similar missions, agendas, values, and goals as the Alliance, may attend any Board meeting, *but will not have a vote.*

### **3.10. BOARD VACANCIES**

**3.10.1 Vacancy Replacement.** Vacancies on the Board should be filled by individuals nominated by a Nomination Committee, comprised of at least one Director, community residents, and committee volunteers, and elected by the affirmative vote of a majority of the Directors at a Board Meeting. A newly elected Director filling a vacancy shall serve a three year term beginning at the time the position is vacated, or at a time selected by the Board that fits into a rotating schedule.

**3.10.2 Board Vote.** A vacancy on the Board of Directors shall be filled by a vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so elected shall serve until the term has expired or until a successor is elected. A vacancy occurring on the Board of Directors by 1) reason of an increase in the number of Directors constituting the entire Board of Directors or by 2) reason of the removal of a Director by a vote of the Organization, shall be filled by the Corporation at an annual meeting or at a special meeting called for that purpose.

**3.10.3 Removal of a Board Member.** The Board, by a simple majority vote of members present and who are entitled to vote, at any meeting expressly called for that purpose and at which a quorum is present, may remove any member of the Board of Directors with cause. Reasons for dismissal may include but are not limited to:

**3.10.3.1 Lack of attendance.** Unless arrangements are made and approved by the Executive Committee, each Board member shall attend a minimum of 80% of scheduled Board meetings. An elected Board Member who is absent from three consecutive regular meetings of the Board during a fiscal year may be removed from the Board for cause.

**3.10.3.2 Malfeasance.** The declaration by the Board of a Board member to have breached a duty dealing with the normal standards of conduct for a member, such as malfeasance, or wrongful act, or mismanagement of funds may be removed for cause.

**3.10.3.3 Conflict of Interest.** See SECTION VII below.

**3.10.3.4 Prejudicial action, behavior or speech.** Any harmful , detrimental, prejudicial or inflammatory remark or action taken, either in service of self or dis-service to others, or any action taken despite factual information but based on personal feelings or beliefs, shall not be permitted.

## **SECTION 4 – OFFICERS**

### **4.1 GENERAL RULES**

The Officers of the Board (Chair, Vice-chair, Secretary and Treasurer) provide leadership and guidance for the Organization. Once elected, Board members may select from among themselves who will serve each office, based on experience, expertise, demonstrated and steadfast interest in promoting the Purpose of the Alliance, and time availability. Their service as officers will run concomitant with their Board membership and will be governed by those requirements. Officers of the Board of Directors will be selected and terminated in the same manner as all Board Directors. Separate policies apply to each of the Officer positions.

### **4.2 CHAIR**

**4.2.1 Conducting all Meetings.** It shall be the responsibility of the Chair of the Board to preside over all meetings of the Board of Directors and Executive Committee.

**4.2.2 Executing Contracts** The Chair is authorized to execute, in the name of the Alliance, any contracts or other documents which may be authorized, either generally or specifically, by the Board.

**4.2.3 Committees** The Chair may be responsible for creating committees deemed necessary to conduct the business of the Organization and may appoint a Board member to head such Committees. The Chair will keep the Board informed at all times of volunteer performance and will draft the policies which may be adopted and implemented by the Board.

**4.2.4 Past-Chair** The year's previous Chair, if no longer serving on the Board, may serve as a non-voting advisor to the new Board Chair to provide information about past committee and board decisions when requested. If the former Board Chair currently serves in another Board capacity, he or she may vote as any other Board member.

### **4.3 VICE-CHAIR**

**4.3.1 Substitute for Chair.** In the absence of the Chair, it is the responsibility of the vice chairperson to perform all the duties of the Chair, and will have all authority and powers of, and shall be subject to all the restrictions on, the chairperson.

**4.3.2 Next in Order.** Generally, the Vice-Chair is next in turn to assume the Chair when it becomes vacant, except and unless the Vice-Chair is found to be in collusion with the Chair in the event of wrongdoing of the former. The Vice-Chair may also choose to decline the position.

#### **4.4 SECRETARY**

**4.4.1 Minutes.** The Secretary attends all meetings of the Board, the Executive Committee, and the Advisory Committee. The Secretary records the meetings of those meetings; distributes minutes to all members of the body attended within five (5) days.

**4.4.2 Keeper of Records.** The Secretary is the custodian of all records and documents of the Agency, which must be kept faithfully in a safe place; as well as in books purposed for that archive. Such records are to be published in the public media of the Organization, to be available to all members.

**4.4.3 Gives Public Notice of Meetings.** The Secretary, in concert with the Chair, shall attend to the giving and serving of all notices of meetings of the Alliance, including monthly or quarterly and annual meetings, and will issue such necessary information for public distribution regarding meeting attendance and access; and see that the execution of such notices are duly authorized in accordance with the provisions of these bylaws.

**4.4.4 Handles Correspondence.** The Secretary will perform all official correspondence from the Board as may be prescribed by the Board Chair.

**4.4.5 Provides Referencing of Bylaws and Principles.** At all Board meetings, will maintain in a binder with the last 2 years of meeting minutes, the Organization's Bylaws, and Principles.

**4.4.6 In Case of Absence.** In the event that the Secretary is unavailable, the Board Chair shall appoint an individual member to act as Secretary at that meeting.

#### **4.5 TREASURER**

**4.5.1 Tracks all Business Accounts.** It shall be the responsibility of the Treasurer to keep and maintain adequate and accurate accounts of all the business transactions of the Alliance, and other matters customarily included in financial statements.

**4.5.2 Association with Mount Baker Foundation.** The Treasurer will work closely with the Foundation, in preparation of forming annual operating budgets, in reviewing fund-raising accounts, if any, and any and all funds and endowments by the Mount Baker Foundation, or potential new sources of funding. The Treasurer will present, at minimum, quarterly financial reports to the Board in concordance with those of the Foundation, including the annual financial report, which will be available to the Board and also to the public at the annual meeting.

**4.5.3 Association with Whatcom Family Community Network.** The Treasurer will work closely with WFCN in their capacity as the fiscal agent of the Alliance. Funding for projects approved by the board of FCA will require a formal request from the project organization. This will be approved by the FCA board and forwarded to WFCN for payment. The Treasurer will maintain records of all payments made by WFCN on behalf of the FCA. The Treasurer will present, at minimum, quarterly financial reports to the Board in concordance with those of WFCN, including the annual financial report, which will be available to the Board and also to the public at the annual meeting.

**4.5.4 Approval of Expenses.** All expenses must be approved by the Chair and the Treasurer. The Treasurer will work with the Chair in obtaining a majority vote of the Board prior to processing an expense for payment over \$500. The Treasurer will present detailed monthly spending at the board meetings, to include copies of bank statements and financial activity spreadsheets. Treasurer will maintain and have present at all board meetings a binder with all copies of bank statements, and copies of expenses and dispersals of funds.

**4.5.5 501(c)(3) Status.** The Treasurer will be responsible for maintaining regulations required by the Organization's 501(c)(3) non-profit status, for following all requirements by State and Federal governments, by preserving the Alliance's active status of a non-profit.

**4.5.6 Execution of instruments.** Checks or electronic drafts shall be executed, signed and/or endorsed by the WFCN, as recommended by the Board, for any amounts over \$500. The Alliance shall maintain a separate bank account for small operating expenses. All checks and drafts drawn on such bank or other depository of funds to the credit of the Alliance shall be signed by both Chair and Treasurer. No officer or other agent of the Alliance may enter any contract or execute and deliver any financial instrument in the name of or on behalf of the Alliance.

**4.5.7 Indemnification.** As all Board members are in a fiduciary relationship with the community it serves, any breach of that relationship, whether justified or not, may put the Board at significant financial risk. Director and Officer (D&O) insurance should be investigated, especially if/when FAC seeks other sources of revenue.

## **SECTION 5 – COMMITTEES**

### **5.1 BOARD DESIGNATION OF COMMITTEES**

**5.1.1 Establishment of Committees.** The Board of Directors shall by resolution establish and appoint the members of one or more committees each of which shall consist of two or more Directors and, if desired, one or more Members who are not members of the Board, which committees, to the extent provided in such resolution, in the Articles of Incorporation, or in the Bylaws of the Corporation, shall have and exercise the authority of the Board of Directors in the management of the Corporation: *Provided*, that no such committee shall have the authority of the Board of Directors in reference to:

**5.1.1.1** Amending, altering or repealing the Bylaws;

**5.1.1.2** Electing, appointing, or removing any member of any such committee or any Director or Officer of the Corporation;

**5.1.1.3** Amending the Articles of Incorporation;

**5.1.1.4** Authorizing the sale, lease, exchange or mortgage, of all or substantially all of the property and assets of the Corporation)

**5.1.1.5** Authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; or

**5.1.1.6** Amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee.

**5.1.2 Limitations of Committee Powers.** The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director of any responsibility imposed upon them by law. Any decision of any committee may be appealed to the Board of Directors by any Member affected by a decision of such committee.

**5.1.3 Advisory Committees.** The Board of Directors may by resolution establish and appoint the members of one or more committees intended to obtain information for and provide advice to the Board, but not to exercise any of the powers of the Board, with respect to such matters as from time to time may be deemed useful by the Board. The members of any such committee may be Board members, or Ex-Officio Members, or other persons whose participation is deemed useful by the Board, ~~in~~ **at** its discretion.

**5.1.4 Dual Selection of Committee Members.** The appointment of volunteer members to a committee depends on the Chair of that committee, based on the qualities and experience of a volunteer requesting such membership and expressing a commitment to become engaged in that committee's work. It is most likely that the proposer of the project will volunteer for serving on the committee and have a team already involved.

## **5.2 MEETINGS AND ACTIONS OF COMMITTEES**

Meetings and actions of all committees shall be governed by, and held in, accordance with the Board should this Board decide to utilize committees. Minutes shall be kept of each meeting of each committee and shall be filed with the Board Secretary and kept with Alliance records.

## **5.3 STANDING COMMITTEES**

### **5.3.1 Executive Committee (Steering Committee)**

**5.3.1.1** This committee consists of the four Officers of the Board (Chair, Vice-Chair, Secretary and Treasurer). The Board may appoint additional members at its discretion.

**5.3.1.2** The executive committee shall act in-between board meetings for actions that cannot wait for the next meeting and to make plans for the next full board meeting.

**5.3.1.3** The Executive Committee shall provide leadership to establish goals for the year and evaluate the Organization's performance. The Executive Committee reports on these activities to the full board.

**5.3.2 Other Standing Committees**, such as a Nomination Committee, may be formed as deemed necessary by the Board of Directors.

#### **5.4. AD-HOC COMMITTEES**

Ad-Hoc committees may be established by the Board for the purpose of carrying out specific and time-limited tasks. These committees shall be directed by the Board for specified purposes of matching areas of concern as expressed in the collected data with an action committee (such as Clean and Safe Neighborhoods), as deemed necessary by the Board. Such committees are to be attended by two (2) Board of Directors (excluding executive committee members if possible) and are strongly urged to encourage representation by as many residents in the community as possible.

#### **5.5. TASK FORCES**

Task forces may be formed to bring people together to solve a particular problem. The Alliance may form task forces from time to time when it recognizes the need to address a short-term project that requires immediate attention.

## **SECTION 6 - CONFLICT OF INTEREST**

### **6.1 PURPOSE**

The purpose of the conflict of interest policy is to protect this tax-exempt FCA's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### **6.2 DEFINITIONS**

**6.2.1 Interested Person.** Any director, principal officer, or board member or a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

**6.2.2 Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

**6.2.2.1** An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,

**6.2.2.2** A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or

**6.2.2.3** A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

**6.2.3 Compensation.** Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

**6.2.4 Financial Interest.** A financial interest is not necessarily a conflict of interest. Under Section 5.2.2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

## **6.3 PROCEDURES**

**6.3.1 Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

**6.3.2. Determination of Conflict of Interest.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

### **6.3.3 Procedures for Addressing the Conflict of Interest**

**6.3.3.1** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

**6.3.3.2** The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

**6.3.3.3** After exercising due diligence, the Board of Directors or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction from a person or entity that would not give rise to a conflict of interest.

**6.3.3.4** If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction.

## **6.4 VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY**

**6.4.1 Failure to disclose.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

**6.4.2 Corrective action.** If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**6.4.3 Records of Proceedings.** The minutes of the governing board and all committees with board delegated powers shall contain:

**6.4.3.1** The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

**6.4.3.2** The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

### **6.4.4 Compensation**

**6.4.4.1** A voting member of the governing board who receives compensation, directly or indirectly from the Organization for services, is precluded from voting on matters pertaining to that member's compensation.

**6.4.4.2** A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services, is precluded from voting on matters pertaining to that member's compensation.

**6.4.4.3** No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

## **6.5 ANNUAL STATEMENTS**

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

**6.5.1** Has received a copy of the conflicts of interest policy

**6.5.2** Has read and understands the policy

**6.5.3** Has agreed to comply with the policy, and signed contract of compliance.

**6.5.4** Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

## **6.6 PERIODIC REVIEWS**

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

**6.6.1** Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

**6.6.2** Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

# **SECTION 7 – RECORDS AND REPORTS**

## **7.1 MAINTENANCE AND INSPECTION OF BYLAWS**

The Organization shall keep at its principal office or on a permanent website the original or a copy of its Articles of Incorporation and as amended to date; Bylaws as amended to date;

correct and adequate statements of accounts and finances, a list of officers' and directors' names and addresses, minutes of the proceedings of the Board and its Committees which shall be open to inspection by the directors with reasonable notice at all reasonable times during office hours.

## **7.2 PREPARATION OF ANNUAL FINANCIAL STATEMENTS**

The Alliance shall prepare annual financial statements using generally accepted accounting principles including the annual tax returns to all relevant jurisdictions. The Treasurer shall ensure an annual report is to be available to all board members within 15 days after the end of the Organization's fiscal year, and which shall contain the following information:

**7.2.1** The assets and liabilities

**7.2.2** Principal changes in assets and liabilities during the fiscal year.

**7.2.3** Expenses or disbursements of FCA for both general and restricted purposes during the fiscal year.

**7.2.4** The information required by Non-Profit Corporation Code concerning certain self-dealing transactions involving more than \$50,000 or indemnifications involving more than \$10,000 which took place during the fiscal year.

**7.2.5** Financial records will be shared and compared for accuracy between the tripartite contracts of FCA, MBF, and WFCN agencies, and any discrepancies explained to everyone's satisfaction and remedied

**7.2.6** At such time as the FCA gains 501(c)(3) status, all requirements concerning financial records shall be delivered to Federal and State agencies as required by law.

**7.2.7** Annual financial statements may be made public by their presentation at the annual community-wide meeting.

## **SECTION 8 — AMENDMENTS AND REVISIONS**

These bylaws may be adopted, amended or repealed by a majority vote by FCA board members then in office. Such action is authorized only at a duly called meeting of the Board of Directors — for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefore, is given in accordance with these bylaws. If any provision of these bylaws requires the vote of a larger proportion of the Board than is otherwise required by law, that provision may not be altered, amended, or repealed by that greater vote.

## CERTIFICATE OF ADOPTION

I, \_\_\_\_\_ certify that I am the current elected and acting Secretary of the FCA, and the above bylaws, consisting of 16 pages, are the bylaws of this organization as adopted by the Board of Directors at a meeting where a quorum was present on the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

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[Kandi Camacho]