

**BY LAWS OF THE BOARD OF DIRECTORS**

**OF**

**FAMILY RESOURCES, INC.**

**PREAMBLE**

Family Resources, Inc. is an Iowa corporation not for pecuniary profit, organized under the provisions of Chapter 504 of the Code of Iowa. It is a membership organization whose sole member is Four Oaks Children and Family Services. The governance of the corporation and the role of the member therein shall be as set forth in the following By Laws.

**ARTICLE I**

**BOARD OF DIRECTORS**

1. The Board of Directors has responsibility for policy formulation, strategic planning and oversight of management of the business and affairs of the Corporation according to the purposes, and powers of the Corporation specified in its Articles of Incorporation.

2. The Board of Directors shall consist of a group of not less than ten nor more than sixteen persons elected as provided in these by laws, provided however, that the Board, by majority vote, may expand the number of Directors within the maximum provided by the Articles of Incorporation (30).

3. Directors need not be residents of the State of Iowa.

4. The number of elected Directors, within the limits prescribed, may be determined at any time by majority vote of the Directors. No decrease may have the effect of shortening the term of any incumbent director. New Directors shall be elected to fill vacancies created by the expiration of the terms of existing Directors at the annual meeting of the Corporation unless the number of directorships is decreased. The election of directors or decision to decrease or increase the number will be determined by majority vote of incumbent directors present at the annual meeting subject to approval of the Member. One director, however, must be a member of the Board of Directors of the Member and will be designated as such by the Member. Vacancies occurring in the membership between annual meetings of the Board of Directors may be filled by the Board of Directors upon affirmative majority vote of those incumbent voting Directors present at any regular or special meeting called for such purpose, provided, however, that a vacancy created by the resignation or inability to serve of the Director who is a member of the Board of Directors of the Member will be filled by another member of the Board of Directors of the Member as designated by the Member. Each Director of the Board of Directors shall hold office until the expiration of the Director's term, and until a successor has been duly elected and qualified.

5. A Directors term in office shall be three years commencing with the first annual meeting following their election. Directors elected to fill a vacancy created by a departing director shall succeed to and complete the term of the Director whom they are replacing. Directors shall not be elected to more than two successive terms, but may be re-elected following an absence of one year. The term of a director elected to board office, however, shall be extended until completion of the duties of that office. The term of any director may also be extended in one year increments by majority vote of the Board of Directors. Any Director may be removed from office at any time, for cause, defined as failure to exercise fiduciary responsibility to the Corporation, upon a vote of two-thirds (2/3rds) of the voting Directors then in office and in attendance, at a regular meeting. A special meeting may also be called for such removal purpose. A special meeting for the purpose of removal of a Director requires that ten (10) days prior written notice of such contemplated removal action be given to all Directors.

6. Directors who are absent for two (2) consecutive regular meetings in a calendar year, exclusive of special meetings, without notice of absence prior to said meetings, shall be requested by the Secretary to provide written expression of the Directors' desire to continue as a Director of the Corporation. Failure to reply to said request within thirty (30) days of its receipt shall automatically be deemed a resignation of the delinquent Director and the position shall stand open for re-election at the first regular meeting thereafter.

7. The Board of Directors shall designate a date, time, and place for regular Board meetings for the transaction of Corporate business. There shall be at least four (4) meetings of the Board of Directors each year. The Chairperson may waive the regular meeting or change the place and time of the regular meeting at the Chairperson's discretion, provided notice is provided to each Director at least five (5) days prior to the date originally prescribed or the new date, whichever occurs first. The Board of Directors shall meet annually at a designated place during the month of November for the purpose of installing Directors to the Board, fixing the number for the ensuing year, electing or appointing officers, and for such other purposes as may be appropriate.

8. Special meetings may be called by the Chairperson. The chairperson must call such a meeting within three (3) days of receipt of a written request from one-third (1/3<sup>rd</sup>) of the voting members of the Board of Directors. Written notice of special meetings shall be mailed to each member of the Board of Directors, at least seven (7) days before the date of such meeting.

9. Notice of any meeting of the Board of Directors may be waived in writing and signed by the person or persons entitled to such notice, either before or after such meeting. Attendance of a person entitled to notice at any meeting of the Board of Directors shall constitute a waiver of notice thereof. Attendance at any meeting wherein the date, place, and time of a future meeting is established and entered in the minutes shall also constitute notice of that future meeting.

10. A quorum of the Board of Directors shall consist of one half (1/2) of the number of Directors in office, present at a meeting, voting by consent as provided in paragraph 11, or fully participating by electronic means, such as speaker phone or conference call.

11. Each Director shall be entitled to cast one vote on any matter properly presented for consideration. The act of the majority of Directors present at a meeting in which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number of Directors is required either by these By Laws, the Articles of Incorporation, or applicable statute. If a Director will not be present at the meeting where a vote will be taken on a particular action, such Director may instruct the Secretary of the Corporation to cast an affirmative or negative vote on the Director's behalf by submitting a signed and dated written statement to the Secretary, prior to the call for a vote on the specified action, stating the action under consideration and the Director's intention to vote in the affirmative or negative. Any such votes properly submitted shall be counted in deciding the question and, if a quorum is not present, each absentee vote shall be considered the equivalent of a present Director in determining if sufficient Directors are present to take action on the specified matter. Such an absentee vote may not be given or accepted in the event of any material amendment to the matter under consideration prior to the vote, but subsequent to the date of the written authorization.

12. A Director of the Corporation who is present at a meeting of the Board of Directors or of a committee thereof at which action on any matter is taken shall be presumed to have assented to the action taken unless the Director's dissent is entered in the minutes of the meeting or evidenced by a written dissent filed with the Secretary within three days after the meeting is adjourned. The right of dissent shall not apply to a director who voted in favor of the action.

13. No member of the Board of Directors of Corporation may have a direct or indirect interest in the assets or leases of the agency, and any member who individually or as part of a business or professional firm is involved in business transactions or current professional services of the agency must disclose this relationship and not participate in any vote taken in respect to such transaction or services. Additionally, all members of the Board of Directors shall fully disclose any family or non privileged business or financial relationships with agency officers, employees or other directors.

14. Former or retiring Directors may be named by the Board to the position of Emeritus Director in expression of appreciation for services rendered to the agency. Emeritus Directors shall be entitled to service on committees/task forces as requested, attend Board meetings by invitation but without voting privileges, and to regularly receive written material dealing with the work of the Corporation.

## **ARTICLE II OFFICERS AND BOARD**

1. The officers of the Board of Directors will be a Chairperson and a Vice Chairperson, who shall be nominated and elected at the Annual Meeting.

2. The Chairperson and Vice Chairperson may serve for no more than two (2) consecutive one (1) year terms in the same office; however, partial terms created by a mid-term vacancy shall not be counted toward this limitation.

3. Any officer may resign at any time by giving written notice to the Chairperson or to the Secretary. Such resignation takes effect on the date of Board acceptance. Any officer of the Board may be removed from such office by the Board whenever in its judgment the best interest of the Corporation will be served thereby. Removal shall be without prejudice to the contract rights, if any, of the person so removed. A vacancy in any elected office may be filled by the Board for the unexpired portion of the term.

4. The Chairperson presides at all meetings of the Board and the Executive Committee. Except as otherwise specified, the Chairperson is an ex officio member of all Board committees, and of the Boards and committees of organizations that are associated or affiliated with the Corporation. Except as otherwise specified, the Board Chairperson appoints the members and Chair of each committee. The Director who is also a member of the Board of Directors of the Member, however, may serve on any committee (or none) at the designation of the member. The Chairperson may sign on behalf of the Corporation any documents or instruments which the Board has authorized to be executed, except where the signing and execution thereof is expressly delegated by the Board or these By Laws to some other officer or agent, or is required by law to be otherwise signed or executed. In addition, the Chairperson shall perform such other duties as may be prescribed by the Board from time to time.

5. The Vice-Chair shall perform such duties as may be assigned by the Board or by the Chairperson. In the absence of the Chairperson or when, for any reason, the Chairperson is unable to perform the duties of the office, the Vice-Chair shall perform those duties with the full powers of and subject to the same limitations as the Chairperson.

### **ARTICLE III OFFICERS OF THE CORPORATION**

1. The officers of the Corporation shall be the President, Chief Executive Officer of the Member, Vice President, and Treasurer.

2. The President of the Corporation is selected and appointed by the Chief Executive Officer of the Member, subject to the approval of the Board of Directors. The President has responsibility for the overall management and strategic direction and is responsible for management of the agency and all its departments. The President is authorized to take all appropriate action to accomplish the objectives of the Corporation, subject to the Articles of Incorporation, these By Laws, and the Policies of the Board of Directors. The President shall be an ex officio member, without vote, except as otherwise expressly provided, of all Board committees and of all organizations that are associated or affiliated with the Corporation. The President shall act as the duly authorized representative of the Board of Directors in all matters except those in which the Board has formally designated some other person or group to act.

The President is responsible for the keeping of minutes of all meetings of the Board of Directors. This responsibility includes assuring that minutes are made available to members and duly filed with the records of the Corporation. The President shall give appropriate notices in accordance with these By Laws or as required by law, and may attest documents executed on behalf of the Corporation.

3. The President may appoint Vice Presidents of the Corporation. Vice Presidents serve at the pleasure of the President. The Vice Presidents assume such responsibilities and duties as are assigned by the President.

4. In the event the President is unable, for any reason, to fulfill any of the responsibilities of the office, that responsibility will be assumed by one of the Vice Presidents as determined in the following manner:

- Subject to the advice and consent of the Board and the Member, the President shall file a standing directive which designates an order of temporary delegation of authority to one or more incumbent Vice Presidents.
- During the period of inability to act, the authority of the President may be exercised by the first designated Vice President in the order temporary delegation of authority who is not also unable to act.
- The order of temporary delegation of authority may provide for certain specified responsibilities which may be exercised by any of the Vice Presidents.

5. The Treasurer shall keep correct and accurate accounts of the properties and financial transactions of the Corporation, provide periodic reports to the Board of Directors for approval or rejection, and in general perform all duties incident to the office including such duties as may be assigned by the President. The Treasurer is appointed by and serves at the pleasure of the President of the Corporation.

#### **ARTICLE IV BOARD COMMITTEES**

1. The Board shall have a standing executive committee, governance committee, finance committee, audit committee and such other standing or special committees as the Chairperson may authorize.

2. Each committee will determine a means of notifying its members of the time and place of scheduled meetings, preparing an agenda, and completing minutes to be submitted to the full Board.

3. A majority of the voting members of a Board Committee constitutes a quorum for the transaction of business at any meeting of such committee, and if a quorum is present, the act of a majority of those voting members present shall be the act of the Committee.

4. The Executive Committee shall consist of the Chairperson, Vice-Chair, the immediate Past Chairperson of the Corporation and two other Directors elected by the Board. The President of the Corporation shall serve as an ex officio member of the Executive Committee, without vote. The Chairperson of the Board shall act as Chair of the Executive Committee. The Executive Committee may exercise, when the full Board of Directors is not in session, all of the powers vested in the Board except the power to:

- Fill vacancies in the Board of Directors;
- Change the membership of, or to fill vacancies in, the Executive Committee;
- Make, alter, or repeal the Articles of Incorporation or By-Laws of the Corporation;
- Authorize any unbudgeted single expenditure in excess of \$100,000;
- Adopt a plan of merger or consolidation;
- Sell, lease, or exchange or make other disposition of all or substantially all of the property and assets of the Corporation or to effect a voluntary dissolution of the Corporation or a revocation thereof;
- Permanently hire or discharge the President; and
- Take any action which may be expressly or specifically withheld by resolution of the Board of Directors.

In addition to its general powers, the Executive Committee shall be specifically responsible for the annual evaluation of the performance of the President, and establishing the President's compensation. The Executive Committee shall also be empowered to suspend the President for cause, with pay, until a regular or special meeting of the Board can be convened to review such action.

5. The Governance Committee shall consist of Directors appointed as provided by Article II of these By Laws. The responsibilities of the Governance Committee shall be to:

- Regularly review and update the Board's statement of its roles and areas of responsibility.
- Assist the Board in periodically updating and clarifying the primary areas of focus and to help shape the Board agenda for the future based on the strategic plan.
- Take the lead in assessing current and anticipated needs related to Board composition in light of Board member knowledge, attributes, skills, abilities, influence and access to resources.
- Develop a profile of the Board as it should look over time.
- Identify potential Board member candidates and explore their interest and availability for service.
- Nominate individuals to be elected as members of the Board.
- In cooperation with the Board Chair, contact each Board member to assess their continuing interest in Board membership and term of service.
- Oversee the process of Board orientation and ongoing education.
- Periodically assess the Board's performance and propose, as appropriate changes in structure and operation.
- Provides ongoing counsel to Board leadership for the enhancement of Board effectiveness.
- Regularly review board practice regarding participation, conflict of interest, confidentiality, etc. and propose improvements as needed.
- Conduct periodic review of Board policy and practice.
- Lead the processes of succession planning and the recruitment and preparation of future Board leadership.

- Nominate board members for election as Board officers.

6. The Finance Committee shall consist of Directors appointed as provided by Article II of these By Laws. The responsibilities of the Finance Committee shall be to:

- Oversee the preparation of the annual budget and financial statements.
- Advise the board and the agency with respect to making significant financial decisions.
- Oversee the administration, collection, and disbursement of the financial resources of the organization.

7. The Audit Committee shall consist of Directors appointed as provided by Article II of these By Laws. The responsibilities of the Audit Committee shall be to:

- Oversee preparation of the financial statements of the organization and other official financial information provided to the public;
- Oversee the systems of internal controls, including overseeing compliance by management with applicable policies and procedures and risk management;
- Oversee the annual independent audit process, including the recommended engagement of and receiving of all reports from the independent certified public accountants.
- Possess such other authority and perform such other tasks as the board may assign.

8. Special Committees may be appointed by the Chairperson, or by the Board of Directors, for such special tasks as circumstances warrant. A Special Committee shall limit its activities to the accomplishment of the task for which it is appointed and shall have no power to act except as specifically conferred by action of the Board of Directors. Upon completion of the task for which appointed, a Special Committees shall stand discharged.

9. The Board of Directors may establish Advisory Boards from time to time. The purpose of any advisory board is: (a) to broaden community participation; (b) to increase the overall effectiveness of the professional service programs; (c) to advise the Board of Directors on program or policy matters; and (d) to work on any assignment that the Board of Directors designates. Advisory Board members do not need to be members of the Board of Directors. Advisory Boards may establish By Laws which define their operation, how their members are selected, and their standing committees. Any such By Laws shall be reviewed and approved by the Board of Directors. The minutes of any meetings of Advisory Boards shall be distributed to the Board of Directors.

10. The Board of Directors may appoint individuals not currently serving on the Board of Directors as members of any standing or special committee of the board. Such 'ex officio' members of such committees shall abide by the same conflict of interest and disclosure requirements as regularly elected directors and shall serve for a term of six months, which term may be extended in increments of one to six months by vote of the Board.

**ARTICLE V  
SCOPE OF BOARD ACTIVITIES**

1. The oversight responsibilities of the Board, in compliance with Article I of these By Laws and the Articles of Incorporation include, but are not limited to the following:

- Planning, defining and assessing the services provided by the Corporation.
- Adopting and reviewing policies.
- Planning, defining and assessing the strategic direction of the Corporation
- Overseeing resource and fund development
- Reviewing and overseeing fiscal management of the Corporation.

2. The Board will exercise these responsibilities in the manner it deems most appropriate to the task. The methods utilized will include, but not be limited by, the following:

- Receiving and reviewing financial and operating reports from the President or designated officers no less than quarterly.
- Utilizing board meetings and/or special committees to be fully informed for the purpose of exercising oversight with regard to particular issues.
- Involving participation by members of the community in the assessment and planning process, through utilization of advisory boards or other effective methods.
- Requiring continuous policy review in light of changes in legal or regulatory requirements, and a complete policy review no less that every four years.
- Establishing controls for and monitoring fundraising activities to assure that they are carried out in an ethical and cost effective manner.

**ARTICLE VI  
INDEMNIFICATION**

The Board of Directors may, in accordance with the authority and subject to the limitations provided by Section 504.4(14) of the Code of Iowa, or any successor provision thereto, resolve to indemnify any Director, officer, employee or agent of the Corporation. This power of indemnification will not be exclusive of any rights to indemnification which any person may have by contract or operation of law.

**ARTICLE VII  
AFFILIATED AND RELATED CORPORATIONS**

1. The Corporation's Member is Four Oaks Children and Family Services. All of the following actions by the Corporation or its Board of Directors shall require the consent and approval of such Member:

- (i) Approving its annual operating budget and capital budget;

- (ii) Approving and authorizing unbudgeted transfers of assets of the Corporation exceeding \$50,000 in value, or transfers to a single transferee in any thirty (30) day period in an aggregate value exceeding \$250,000;
- (iii) Authorizing, approving or implementing the terms of any unbudgeted loan transaction in a principal amount exceeding \$300,000; and
- (iv) Approving any policy decision and/or implementing any agreement involving the merger, dissolution or consolidation of the Corporation, the sale of substantially all of the assets of the Corporation, or a significant change in the corporate purpose or the objects of the Corporation from those stated in its organizational documents, or which could affect its status as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986.

2. The Corporation or its agents may from time to time, at the discretion of its Board of Directors, form or participate in the formation or governance of other corporations.

3. In such cases, the Board shall select, from names proposed by the Governance Committee, persons to represent its interest in such corporations. Such persons need not be members of the Board of Directors. Persons so selected shall serve at the pleasure of the Board, except if specific appointments are made under other terms.

4. The organization of any such entity will take into account the need to exercise oversight to the extent allowed by law of any such organization which is to hold funds or assets on behalf of the Corporation.

## **ARTICLE VIII GENERAL PROVISIONS**

1. The Corporation shall have no seal.

2. The fiscal year of the Corporation shall begin on the first day of July of each year and end on the last day of June of each year.

3. The Board of Directors is authorized to amend, alter, or repeal the By Laws and to adopt new By Laws at any meeting by the affirmative vote of three-quarters (3/4) of the Directors then in office, excluding ex officio Directors, provided that a full presentation of such proposed amendments shall have been published in the notice calling the meeting, subject, however, to the right of approval reserved to the Member.

These By Laws were adopted on January 19, 2016.