

## **BOARD OF DIRECTORS BY-LAWS**

### **ARTICLE I: PURPOSE**

The general nature of the business of the Corporation will be to operate programs for young children and their families which are family-centered, community based, and stimulate and focus all available resources toward the development of these and other programs which help to build healthier communities in Arizona.

### **ARTICLE II: LOCATION**

The principal office of the corporation, at which the general business of the corporation will be transacted and where the records of the corporation will be kept, will be at such place in the state of Arizona, as may be fixed from time to time by the board of directors.

### **ARTICLE III: BOARD OF DIRECTORS**

**Section 1:** The number of members of the board of directors of this corporation will consist of not less than three or more than fifteen.

**Section 2:** Directors will be representative of the communities served by ethnicity, gender, and geographically when possible. At least one member must have a background and expertise in early childhood education and development; one have a background and expertise in fiscal management or accounting, one is a licensed attorney familiar with issues that come before the Governing Body and two representatives from the PGCCS policy council. Additional members must reflect the community to be served and include: parents of children who are currently, or were formerly, enrolled in Head Start programs; and individuals with expertise in education, business administration, or community affairs. All members will share the mission and goals of the corporation. This corporation is committed to a policy of fair representation on the board of directors, which does not discriminate on the basis race, color, religion, sex, age, national origin, genetic testing results, disability (physical or mental), veteran or uniformed services status, pregnancy, marital status, medical condition, sexual orientation, membership in a Uniformed Service or any other classification protected by applicable federal, state or local law.

**Section 3:** Election of new directors or election of current directors to additional terms will occur as the first item of business at the annual meeting of the corporation in August, at a special meeting, or by written ballot (by mail or email). Directors will be elected by a majority vote of the current directors. Current PGCCS employees are not eligible to serve as a Board member. Past PGCCS employees are not eligible to participate on the Board within twelve (12) months of their employment termination date.

**Section 4:** The term of each director of the corporation will be three years. Directors are eligible for re-election through the Board nomination committee. All directors will be on a rotation basis so terms are not due at one time. The term of Policy Council member Board seat will be one year.

**Section 5: Resignations.** Any member of the board may resign from office at any time by delivering his or her resignation in writing to the corporation, and the acceptance of the resignation will not be necessary to make it effective. Directors applying for PGCCS employment must resign from the Board and are not eligible for election back on the Board for twelve (12) months from said employment selection decision.

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**Section 6: Removal of a Member of the Board of Directors.** The board of directors will have sole authority to remove a member of the board. Any member of the board may be removed, with cause, by a majority of the board then in office in one of three ways:

1. at a special meeting called by the board for that purpose
2. at any board meeting at which that removal is included in an agenda sent to members of the board with at least 7 days advance notice.
3. by written ballot (by mail or by e-mail) by the board without a formal meeting

Such cause may include (but is not limited to) breach of his/her fiduciary obligation to the corporation, violation of these bylaws, or serious misconduct in that individual's capacity as a member of the board or of the organization or conduct prejudicial to the interests of the corporation.

**Section 7: Board Attendance:** Any member absent from three meetings in succession or four meetings in any twelve-month period may be terminated by director's majority vote.

**Section 8: Vacancies:** If a vacancy occurs in the elected membership of the Board of Directors for any reason, the remaining directors will elect a successor to hold office for the unexpired portion of the term.

**Section 9:** No compensation will be paid to any member of the board of directors for services performed as a member of the board or for the organization. Expenses for official corporation business may be reimbursed.

### **ARTICLE IV: MEETINGS OF THE BOARD OF DIRECTORS**

**Section 1:** An annual meeting of the board of directors will be held in **September** of each year for the purpose of electing officers and directors, appointing members to committees, and transact such other business as may properly come before it. In addition to its annual meeting, the board of directors will hold regular meetings at least five times each calendar year at such place as may be designated in the notice of the meeting.

**Section 2:** Special meetings of the board of directors may be called at any time by the president of the corporation or in his/her absence by the vice president or upon receipt of a request therefore signed by a majority or more directors.

**Section 3:** Notice of regular, special, and annual meeting will be mailed at least seven days prior to the day such meeting is to be held.

**Section 4:** At all meetings of the board of directors, each director present will be entitled to cast one vote on any motion coming before the meeting. The President will only vote in the case of a tie. The presence of a majority of the membership will constitute a quorum at any meeting.

**Section 5:** At a meeting at which there is a quorum present, a simple majority affirmative vote of the directors present is required to pass a motion before the board. Board members participating in a telephone and/or conference call will be counted as present to establish a quorum.

**Section 6:** Proxy voting will not be permitted.

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**Section 7:** Robert's Rules of Order will be the authority for all questions of procedure at any meeting of the corporation when it is in the best interest of the Board and/or agency.

**Section 8:** The following information may be shared: Monthly financial statements, including credit card expenditures; Monthly program information summaries; Program enrollment reports, including attendance reports for children whose care is partially subsidized by another public agency; Monthly reports of meals and snacks provided through programs of the Department of Agriculture; Financial audits; Annual self-assessment, including any findings related to such assessment; Communitywide strategic planning and needs assessment of the Head Start agency; Communication and guidance from the Secretary; and Program information reports.

### **ARTICLE V: OFFICERS**

**Section 1:** The officers of this corporation will be a president, vice president, secretary and treasurer, and such other officers with duties as the board prescribes.

**Section 2:** The officers of the corporation will be elected annually by the members of the board of directors at its annual meeting. Each officer will serve one year terms. Each officer may serve no more than two consecutive terms.

**Section 3:** A vacancy in any office may be filled by a majority vote of the board of directors for the unexpired portion of the term.

**Section 4: Duties of the President:** The president of this corporation, when present, will preside at all meetings of the members and the Executive Committee. He/she will call special and standing committee meetings, appoint special committees and work closely with the chief executive officer (CEO).

**Section 5: Duties of the Vice President:** It will be the duty of the vice president to act in the absence of the president and to perform such other duties as may be assigned by the president or board. In the absence of the president, the execution of any instrument will have the same force and effect as if it were executed on behalf of the corporation president.

**Section 6: Duties of the Secretary:** The secretary will be responsible for working closely with central office to ensure minutes are complete, certification of membership, and roll call.

**Section 7: Duties of the Treasurer:** The treasurer will be responsible for reviewing the monthly financial reports for compliance and act as chair of the Finance Committee.

### **ARTICLE VI: COMMITTEES**

**Section 1:** The board of directors may designate one or more ad hoc committees, each of which will consist of at least one committee chair and two or more committee members. Committee members may be members of the board of directors, policy council, staff, or other interested individuals. Committees may adopt such rules for the conduct of business as are appropriate and as are not inconsistent with these bylaws, the articles of incorporation, or state law.

**Section 2:** The board of directors will have the following standing committees:

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### **Executive Committee:**

This committee consists of the President, Vice-President, Secretary and Treasurer and will be chaired by the President of the corporation. This committee will meet and/or act in the event of an emergency requiring action before the meeting of the Board of Directors, or if the membership cannot be called together quickly enough to address the issue at hand. This committee will also act as the agency Grievance Committee and act on other personnel issues as the CEO may present. This committee will act as an advisory group to the CEO and will have full authority of the corporation during the intervals between meetings of the board. Meetings of the Executive Committee will be held at the call of the President or CEO.

### **Finance Committee:**

This committee will consist of two (2) board members, three (3) policy council members, CEO, deputy CEO, fiscal director, and two (2) employee focus committee members. This committee will be chaired by the treasurer of the board. The duties of this committee will be to oversee and monitor the fiscal operations of the organization, develop budgets, review audit findings, and make recommendations to the full board of directors. Meetings will be held as deemed appropriate to carry out the above functions.

### **Nominating Committee:**

The Nominating Committee will consist of a minimum of three (3) members including the Secretary. The Chair of this committee will be the Secretary. The purpose of this committee will be to nominate citizens of the community as members of the Board of Directors, as officers of this corporation, and ensure the board membership is representative of the communities served and needed classifications. The committee will meet in May to determine board nominations for the Annual Meeting. Other meetings will be held as necessary.

### **Planning Committee:**

This committee will consist of 2 board members (one being the president), 3 policy council members, community representatives, and staff. The president will Chair this committee. Functions include (a) establish goals and objectives of the agency (b) determine process and timelines for the community assessment and self-assessment (c) ensure strategic planning process is implemented appropriately and (d) prepare budget for grant submission. Meetings will be held as determined to meet the agency planning process and grant refunding timeline.

## **ARTICLE VII: CHIEF EXECUTIVE OFFICER**

**Section 1:** The board of directors will employ a CEO. Employment of the CEO requires the concurrence of the parent policy council of Head Start as outlined in the Shared Decision Making Plan.

**Section 2:** When differences occur on the selection of the CEO position or the performance of the CEO, procedures will be followed as outlined in the Impasse Resolution.

**Section 3:** The CEO will be responsible for carrying out the directives and policies of the board and will serve as director of the Head Start and Early Head Start programs and administer other programs and business of the Corporation.

**Section 4:** The CEO will ensure that all activities of the Corporation are conducted in accordance with all Federal, State, and local laws and regulations, specifically including Head Start and Early Head Start regulations, and policies of the board.

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**Section 5:** The CEO makes recommendations to the board for changes in board policies and the educational and other programs of the Corporation.

**Section 6:** The CEO attends and participates in all meetings of the board, except when excused by the board, and will be an ex-officio member on all its committees.

**Section 7:** The CEO informs and advises the board about programs, practices, and problems of the Corporation, and keeps the board informed of the activities operating under the Board's authority, including submitting to the board recommendations regarding all matters requiring board action.

**Section 8:** The CEO assumes responsibility for the overall financial planning of the Corporation and for preparation of the annual budget, and submits it to the board for review and approval.

**Section 9:** The CEO is responsible for the overall personnel management of the Corporation, and recommends to the Board the appointment, dismissal, and compensation of all employees of the Corporation.

**Section 10:** The CEO will act on behalf of the board of directors and has the authority to execute contracts and agreements, and address other legal matters as determined and approved by the board of directors.

### **ARTICLE VIII: BOARD FUNCTIONS**

The board has general oversight responsibility for the functions and operations of all programs of the Corporation. Some of these duties consist of;

1. To represent the Corporation to the public in a manner that promotes both interest and support;
2. Annual evaluation process of the CEO;
3. Act as the agency Grievance Committee for the Corporation;
4. Implement Shared Decision Making System with Head Start Parent Policy Council;
5. Assume legal and fiscal responsibilities for administering and overseeing all programs under its authority, including the safeguarding of Federal funds;
6. Adopt practices that assure active, independent, and informed governance of the Corporation, including the resolution of internal disputes and the facilitation of meaningful consultation and collaboration about decisions of the Board of Directors and Policy Council, and fully participate in the development, planning, and evaluation of the Head Start program;
7. Ensure compliance with applicable Federal, State, and local laws and regulations;
8. Establish procedures and criteria for recruitment, selection, and enrollment of children;

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9. Review all applications for Head Start funding and amendment to such applications;
10. Establish procedures and guidelines for accessing and collecting accurate and regular information for use by the Board of Directors and the Policy Council about program planning, policies, and Head Start agency operations;
11. Adopt and approve all major policies of the agency for the organization, evaluation, and governance of the Corporation, including but not limited to the annual self-assessment; financial audit; progress in carrying out the programmatic and fiscal provisions in the corporation's Head Start applications, including implementing any corrective actions, as applicable; and personnel policies regarding hiring, evaluation, termination and compensation;
12. Develop procedures for how members of the Policy Council are selected;
13. Approve financial management, accounting, and reporting policies, and compliance with laws and regulations relating to financial statements, including the approval of all major financial expenditures of the agency; annual approval of the operating budget of the agency; selection of independent financial auditors who shall report all critical accounting policies and practices to the Board of Directors; and monitoring the corporation's actions to correct any audit findings and of other action necessary to comply with applicable laws and regulations governing financial statement and accounting practices;
14. Review results from monitoring conducted under section 641A(c) of the Head Start Act, including appropriate follow up activities;
15. Approve personnel policies and procedures, including those regarding the hiring, evaluation, and compensation and termination of the CEO, Head Start Director, Director of Human Resources, Financial Director; and any other person in an equivalent position within the agency;
16. Establish, adopt, and periodically update written standards of conduct that establish standards and formal procedures for disclosing, addressing and resolving any conflicts of interest or appearance of conflicts of interest by Directors, Officers and employees of the corporation, and consultants and agents who provide services or furnish goods to the corporation; and complaints, including investigations, as appropriate; and
17. As practicable and appropriate, establishing advisory committees to oversee key responsibilities related to Head Start program governance and improvement.

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### **ARTICLE IX: STANDARDS OF CONDUCT**

**Section 1:** All members of the board of directors will abide by all current Federal and State regulations and laws regarding financial and organizational conflict of interest, nepotism in employment, acceptance of gifts and gratuities and the prohibition against political party activities. Members will also comply with all Agency confidentiality requirements.

**Section 2:** Any director who knowingly participates in and does not abide by the ~~above~~ standards of conflict and/or conflict of interest will be automatically removed from the board of directors.

### **ARTICLE IIX: CONFLICT OF INTEREST**

**Section 1:** A board member will abstain from voting on any item that results or could result in a direct benefit to the member. Board members will immediately notify the President when a potential conflict of interest arises and at any time during the work of the board when a potential conflict of interest arises. The President will evaluate and determine if membership on the board will continue. If membership does continue, the member with the potential conflict of interest will abstain from voting on any item that created the potential conflict. Board members may not be employed by an entity receiving financial remuneration from the Corporation.

**Section 2:** Board members are prohibited from having a financial conflict of interest with the Head Start agency; Receiving compensation for serving on the Board or providing services to the Head Start agency; and being employed by the Head Start agency.

**Section 3:** Board members must operate as an entity independent of staff employed at the Head Start agency

**Section 4:** Conflict of interest procedures will include:

1. Annual disclosure of business and personal relationships;
2. Disclosures if a real or apparent conflict becomes evident;
3. Steps to be taken if a real or apparent conflict is discovered (including referral to legal counsel, as appropriate);
4. Annual training on what a real or apparent conflict is and how to address it;
5. Notification to ACF in the case of the public body exception.

### **ARTICLE X: AMENDMENTS**

The board of directors may amend these bylaws to include or omit any provision that it could lawfully include or omit at the time the amendment is made. Upon written notice of at least thirty days, any number of amendments or an entire revision of the bylaws may be submitted and voted upon at a single meeting of the board of directors and will be adopted at such meeting upon receiving a two-thirds vote of the members of the board of directors.

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### **ARTICLE XI: DISSOLUTION**

Upon the dissolution of the corporation and after the payment or the provision for payment of all the liabilities of the corporation, the board of directors will dispose of all of the assets of the corporation according to grant funding requirements. Disposition of other board assets of the corporation may be made to organizations that are qualified as tax-exempt under section 501(c)(3) of the Internal Revenue code or other organizations which support the purpose of the corporations mission. Any assets not so disposed of will be disposed of by a court of jurisdiction in the county in which the principal office of the corporation is located.

### **ARTICLE X11: RULES OF ORDER**

All meetings of the members, directors, or committees of this corporation will be conducted in accordance with the Robert's Rules of Order when it is in the best interest of the Board and/or agency, except as otherwise specified in these by-laws.

Approved on the 25<sup>th</sup> day of September, 2008.

*Paul Licano*

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Board of Director Secretary Signature