



# Constitution & Bylaws

AMENDED 12/12/2024

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The guidelines and regulations of the private, not-for-profit, and for-profit business known as Community and Family Services, Inc. The business serves clients in several counties of East-Central Indiana.

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Revised 12/13/2024.



## **ARTICLE I. LEGAL NAME, PURPOSE, LEGAL STATUS, AND FUNCTION**

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### **Section A. Name.**

The name of this organization shall be Community and Family Services, Inc. "CFS, Inc." shall be understood to designate the same.

### **Section B. Purpose**

To help identify and eliminate the causes of poverty in midst of plenty primarily within the six basic county area of Adams, Blackford, Huntington, Jay, Randolph, and Wells Counties, Indiana by making available the opportunity for education and training as provided for the Public Law 88-452 as adopted by an act of Congress August 20th, 1964, and any subsequent legislation.

### **Section C. Legal Status**

To comply with and execute all legal requirements for non-profit corporation in the State of Indiana, the tax-exempt requirements of the United States Revenue Code, and the federal Hatch Act. To qualify for eligibility for funds to maintain a program under the Economic Opportunity Function as provided by the above-mentioned Law 88-452, and to function in compliance with Indiana Code Title 23, Article 17, Chapter's 1-30.

### **Section D. Function**

**Item 1:** To provide for planning and development of programs that intervene at critical points in the causes of poverty and that will enable families and individuals to become more self-sufficient.

**Item 2:** To provide for coordination of community efforts that work to resolve the problems of poverty.

**Item 3:** To provide continuing research related to the problems of poverty.

## **ARTICLE II. BOARD MEMBERSHIP AND COMPOSITION**

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### **Section A. Representative Body**

The representative body of CFS, Inc. shall be the Board of Directors (hereinafter referred to as the "Board," as constituted in accordance with CFS, Inc.'s Articles of Incorporation and these Bylaws).

### **Section B. Board Composition**

Subject to the provisions of Section F of this Article, the Board shall be comprised of a minimum of fifteen (15) Director. Members shall be drawn from residents of the service area of CFS, Inc. and shall consist of the following:

- a) One third democratically selected representative of the low-income community.
- b) One-third local elected officials (or their representatives).
- c) One-third local business/community leaders.

### **Section C. Residence Requirement**

Each Director must be a resident and/or work in one of CFS, Inc.'s service area Counties.

### **Section D. Representatives of the Constituency**

Representatives of the Constituency shall be considered for Board membership in accordance with democratic selection procedures that are adequate to ensure that they represent the target audience in the area(s) served by CFS, Inc.

Representatives of the Constituency may petition for adequate representation.



### Process for Petitioning for Adequate Representation

CFS, Inc. has the responsibility to provide a process by which a Constituency may file a petition for adequate representation. If a Constituency believes that the current board representatives for persons in the low-income community is not effectively working on their behalf, they have the two right to file a petition for adequate representation with the Board President of CFS, Inc.

The following is required to file the petition:

- a. Solicit fifty (50) names, with contact information and signatures, of individuals who are members of the low-income community, or a representative of individuals in the low-income community within CFS, Inc. service areas of: Adams, Blackford, Huntington, Jay, Randolph, and Wells Counties.
- b. Draft a formal letter and mail it to the Board President of CFS, Inc. expressing the need for a review of the current board representation for persons who are members of the low-income community.
- c. Once the required documents have been received. The Board shall conduct a fair hearing within thirty (30) days concerning the representation of the Board. The governing or appropriate funding source office shall be informed of the petition within ten (10) days of receipt of the petition.
- d. If the Executive Board finds in favor of the petition, then the area affected shall be instructed to realign its representation reflective of the Board's decision.

For purposes of these by-laws, the terms "Constituency" and "low-income person" shall have the same meaning and shall be defined as those persons at or below 125% of the Federal Poverty Level or equivalent.

**Item 1.** To assist the Board in choosing Directors who represent the Constituency, the Board can elect to follow a democratic and/or micro-democratic process.

- a. Micro-Democratic Process. The Board may designate one or more community organizations comprised of and representing low-income individuals in the service area to nominate a representative to serve on the board.
- b. Democratic Process. To assist the Board in choosing Directors who represent the Constituency in the area served by CFS, Inc., neighborhood, or community organizations in CFS, Inc.'s service area will be encouraged to hold a meeting of low-income persons. CFS, Inc. shall officially announce the date, time, and place at least two weeks prior to the meeting. At this meeting, the Board may accept nominees for any open or vacant Director's seat(s) among the county's low-income people. Any vacancies may be filled in the following manner:
  - a. Following nominations, each Constituent at the meeting may register and receive a paper ballot upon which he/she can cast a vote(s) for only the nominated candidates.
  - b. Winning candidates will be determined by majority vote. Counting of the ballots will be done at the meeting in open sight. The appropriate minutes of this meeting's results shall be kept and entered CFS, Inc.'s record.
  - c. The nominees will be submitted to the Board for their subsequent approval.
  - d. Nominees provided via the process described above must also meet the qualifications set forth in Section F below.



### Section E. Qualifications for Board Members

Under I.C. 23-17-7.3, the Indiana Not-for-Profit Act of 1991, there are no members of this organization other than as designated in I.C. 12-14-23-6.

**Item 1. Minimum Criteria.** Each candidate for Board membership must have familiarity with the concerns of people in need in the geographic area which the candidate would represent. In no instance shall a candidate for Board membership be an employee of CFS, Inc.

**Item 2. Statement of Disclosure.** Each Director shall complete and sign a Statement of Disclosure on a yearly basis, on each February of their term, in which the Director shall disclose all current or potential conflicts of interest. The Statement of Disclosure shall be kept in file and updated annually in accordance with Organizational Standard 5.6.

### Section F. Terms

**Item 1. Seating Director.** Any duly elected nominee shall officially become a member of the Board as of the first regular meeting of the Board at which he or she is present, so long as the said meeting occurs after the Chair receives notice of the nominee's appointment. In all instances the Board must have approved the nominee's appointment by a majority vote prior to said nominee becoming a director.

**Item 2. Terms for Successor Directors.** The term of each Director elected or appointed shall be three years. Board members may serve two (2) consecutive three (3) year terms. After completion of two (2) consecutive three (3) year terms, the Director must take a ninety-day sabbatical. After completion of the sabbatical, the Director may be nominated to serve as a Director pursuant to Section H.

### Section G. Resignation and Removal

**Item 1. Resignation.** A Director shall be removed from the Board if absent without good cause from three (3) board meetings. 'Good cause' includes illness, observance of a religious holiday, or serious personal emergencies.

- a. In addition to providing Notice as required above, any Director who was nominated by an elected official shall notify said public official of his/her resignation.

**Item 2. Automatic Removal.** A Director shall be removed from the Board, without any vote, in the following situations:

- a. A Director ceases to reside or work in the county or geographic area in which the Director is required by these Bylaws to reside or work. Any such Director shall provide notice to the Board President of the change in residence or workplace location as soon as practicable, and in any event, no later than the date of the next regular Board meeting.
- b. A Director is absent without good cause from three (3) board meetings. In determining what constitutes "good cause" for failure to attend a meeting, the totality of the circumstances will be considered. The following is a list of absence reasons that the Board believes may constitute "good cause." However, this is not intended to be an all-inclusive list.
  - (1) The Director has a communicable disease or illness.
  - (2) Observance of a religious holiday.
  - (3) Death of a family member.
  - (4) Serious family member or personal emergency where failure to attend the meeting is unavoidable.
  - (5) Failure to inform the Board President or Governance Committee Chair of an absence in advance of the meeting.



The removal of any Director under the provisions of this item shall become effective at the date of the next regular Board meeting following the event triggering the removal. In the case of an Elected Official representative being removed under the provisions (a) or (b) of this Item, the Secretary of the Board shall, within thirty (30) days of the effective date of the removal, notify the Director's appointing authority of the removal and its basis.

**Item 3. Removal for Cause.** Any Director may be removed by the Board for cause.

- a. "Cause" for removal shall exist whenever the Board determines, in good faith, that a Director has acted, or is acting in a manner inconsistent with the best interest of CFS, Inc. Such actions include, but are not limited to, conviction of a felony, conduct that may cause public loss of confidence in CFS, Inc., receiving private benefit from CFS, Inc., receiving an "Excess Benefit Transaction" as described in I.R.C. § 4958 from CFS, Inc., unprofessional conduct, lack of active participation and engagement at meetings, or any other action deemed "cause" by two thirds (2/3) vote of the Board.
- b. The Governance Committee must review cause for the removal of a director and make a formal recommendation of removal to the Board President.
- c. The Board President may initiate proceedings to remove any Director for cause (following the recommendation of the Governance Committee) at any regular or special meetings of the Board.
- d. Any Director may initiate proceedings to remove another Director for cause at any meeting of the Board, provided that such initiating Director has provided written notice of the intent to seek removal to the Board President and the Governance Committee Chair and to the Director whose removal is sought at least five (5) days prior to such meeting. Such notice shall recite in detail the reasons upon which the Director's removal is sought.

#### Section H. Vacancies

Whenever any Director position becomes vacant, the Board shall take prompt action to fill the vacancy within 90 days unless a temporary 120-day vacancy allowance is granted by Indiana Housing & Community Development Authority. Any Director who is appointed to fill a vacancy may serve full term, as set forth herein.

Vacancies shall occur when:

- (1) A Director has been notified of his/her official removal by majority vote of the Board for cause.
- (2) A Director notifies the Board of his/her resignation.
- (3) An Elected Official Director, thus representative of such, leaves office.

**Item 1. Elected Official Vacancy.** In the event of any Elected Official vacancy, the Board, by its Governance Committee, shall recruit candidates for filling the vacancy according to the criteria set forth in these Bylaws, and shall recommend a candidate to the Board, which then shall vote to accept or reject the candidate.

**Item 2. Private Sector Vacancy.** In the event of any Private Sector Director vacancy, the Board, by its Governance Committee, solicit and interview candidates for filling the vacancy according to the criteria set forth in these Bylaws, and shall recommend a candidate to the Board, which then shall vote to accept or reject the candidate.

**Item 3. Community Sector Vacancy.** Community Sector vacancies shall be filled in accordance with the procedures outlined in Article II, Section D.



### Section I. Conflict of Interest

No Director shall have any relationship, bias, or other interest in CFS, Inc. or its business that might hinder that Director's ability to serve in the best interests of CFS, Inc.

**Item 1.** A Director shall have no personal or professional financial interest, direct or indirect, in any contract made by or with CFS, Inc., unless such interest has been fully disclosed to the Board, and the Board determines that the contract is in the best interests of CFS, Inc.

**Item 2.** If it becomes known that a Director has any financial interest in a potential or existing contract or business relationship with CFS, Inc., such interest shall be disclosed to the Board at the first available opportunity. If after full discussion the Board determines that the Director's interest is inconsistent with continued service on the Board, the Director shall be asked to resign. If the Director does not resign, the Director's conflict of interest shall constitute cause for the Director's removal.

**Item 3.** A Director shall be disqualified from voting on or participating in any discussion related to any contract, business, or other matter in which the Director has a financial interest.

**Item 4.** A Director shall have no personal or professional relationship with any employee of CFS, Inc. unless that relationship is fully disclosed to the Board and approved by the Executive Committee, or the Board at large. A professional relationship is one in which there is an exchange of money or other consideration for a service or product.

**Item 5.** All Directors shall have equal rights, privileges, and obligations in their capacities as Directors.

**Item 6.** No person who in the previous twelve (12) months has served in any capacity on the CFS, Inc. Board may apply for or serve in any staff capacity for CFS, Inc.

**Item 7.** Each Director shall complete and sign a conflict-of-interest form within the past two years, disclosing all current or potential conflicts of interest. The Statement of Disclosure shall be kept on file and updated annually in accordance with Organizational Standard 5.6.

### Section J. Nepotism

No staff member or their relative as defined in the Nepotism Statement of the governing or appropriate funding source shall serve as a Director of the Board.

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### Section K. Distribution

Each board member shall receive a copy of the bylaws within two years of their appointment and whenever amendments are made.

### Section L. Orientation Program

A structured orientation program shall be provided to new board members within six months of their appointment, covering their roles, responsibilities, and organizational policies.

### Section M. Board Training

Board members shall receive training on their duties and responsibilities at least once every two years.

## **ARTICLE III. BOARD POWERS & RESPONSIBILITIES**

### Section A. Board Powers

All corporate powers shall be exercised by or under the authority of, and the business and affairs of CFS, Inc. managed, by the Board. The Board shall have all general powers permitted by governing law and shall exercise such power as necessary to conduct the lawful purposes CFS, Inc.





### Section B. Board Responsibilities

In addition to the above general corporate powers, the Board shall have the responsibilities outlined in Indiana Code 12-14-23 et. seq, and the following responsibilities:

**Item 1.** To hire the Executive Director.

**Item 2.** Conduct annual performance appraisal, with the assistance of the Human Resources Director, of the Executive Director and establish written goals and/or expectations.

**Item 3.** Review and establish compensation of the Executive Director annually.

**Item 4.** Determination, subject to the governing or appropriate funding source. Regulations, and policies, of major personnel, fiscal, program policies, and organization.

**Item 5.** Determination of overall program plans and priorities of CFS, Inc., including provisions for evaluating progress against performance.

**Item 6.** Final approval of all program proposals and budgets.

**Item 7.** Enforcement of compliance with all conditions of each funding source.

**Item 8.** Determination, subject to the governing or appropriate funding source regulations and policies, of rules of procedure of the governing board or governing officials.

**Item 9.** Selection of the officers and executive committee (if any) of the governing board or governing officials.

**Item 10.** To oversee the extent and quality of the participation of low-income constituency.

## **ARTICLE IV. BOARD MEETINGS, VOTING, AND QUORUM**

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### Section A. Regular Meetings

The Board meets at least once a month, no less than ten (10) board meetings per calendar year. A quorum constitutes a regular meeting to include abstention votes.

**Item 1.** The Board shall meet at least ten times per year, with a quorum consisting of 51% of non-vacant seats, in accordance with CSBG requirements.

**Item 2.** Directors should be notified of any regular or called meeting not later than five (5) days before the time designated for the meeting to be arranged.

**Item 3.** The board shall be provided with the agenda of the forthcoming meeting no later than two (2) days in advance of the time designated for the meeting to be held.

**Item 4.** The President may reschedule a regular meeting in the event of exigent circumstances such as inclement weather or a disruption in business operations.



### Section B. Special Meetings

A special meeting may be called for the prompt transmittal of urgent business upon the occurrence of the following:

**Item 1.** The President of the Executive Board of Directors may call a meeting of the Board of Directors as needed in what is deemed an emergency.

**Item 2.** Directors shall be notified of a special meeting at least two (2) days before the time designated for the meeting to be arranged. The notice shall state the time, place, date, and purpose of the meeting.

### Section C. Annual Meeting

The annual meeting of the Board shall be held in December of each year at such a time as shall be specified in the notice of such a meeting. A written notice which states the time, place, and date shall be provided at least fifteen (15) days prior to the annual meeting.

### Section D. Quorum

A quorum of the Executive Board shall consist of 51% of the non-vacant seats after the due notification set forth in subsection (e) below. A majority vote of those present shall rule.

### Section E. Action Without a Meeting

Action required to be taken at a meeting of the Board may be taken without a meeting if the action is taken by a majority of currently serving Directors.

**Item 1.** Any such action must be evidenced by electronic voting that (a) describes the action to be taken, (b) signed by many sitting Directors, and (c) is included in the minutes or filed with the corporate records reflecting the action taken. "Electronic voting" is defined as a response from an individual Director regarding an action item which is provided via email, providing either assent or dissent regarding the item requiring action.

**Item 2.** Such action taken without a meeting has affected the date of the electronic response vote which results in a majority either in assent or dissent and may be described as such in any document. Such votes must be recorded in the minutes of the subsequent regularly scheduled board meeting. Notice must also be provided electronically to all board members regarding the outcome of the electronic vote.

### Section F. Voting

Except as otherwise provided in these Bylaws, each Director shall have the right to participate and to cast one vote on each matter which properly comes before the Board.

**Item 1. Voting in Absentee.** A board member may submit his/her vote electronically for any meeting he/she may not be in attendance to the Board President for that meeting.

**Item 2. Electronic Voting.** "Electronic voting" is defined as a response from an individual Director regarding an action item which is provided via email, providing either assent or dissent regarding the item requiring action.



## **ARTICLE V. BOARD OFFICERS**

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### Section A. Number, Qualifications and Term of Office

There shall be four (4) officers of the Board, consisting of a President, Vice-President, Secretary, and Treasurer. The officials shall be filled with membership of the Board.

**Item 1.** Each Board officer shall serve for a term of two (2) years running from annual meeting to annual meeting.

**Item 2.** No person may hold more than one (1) Board office at the same time.

**Item 3.** No more than two (2) Board officers shall be from any one sector (public, private or community).

**Item 4.** A Board officer may hold a particular office for no more than two (2) consecutive two-year terms.

**Item 5.** After serving two (2) consecutive two-year terms an individual may nominate at the discretion of the Governance Committee to serve as a director.

### Section B. Election of Officers

**Item 1.** Those individuals who have been selected or designated to be on the Board shall come together in October and from among their members, a nominating committee shall be appointed.

**Item 2.** Those individuals who have been selected or designated to be on the Board shall come together in November/December and from among their members the officers of the Board shall be elected.

**Item 3.** The term of office shall be January 1 to December 31.

### Section C. Vacancies

Whenever any vacancy occurs among the elected Board officers, such vacancy shall be filled within forty-five (45) days.

### Section D. Board President

The Board President shall be the executive officer of the Board, and it shall be the main objective of the President to oversee the creation and enforcement of all corporate policy. In addition, the President:

**Item 1.** Shall preside at all meetings of the Board and the Executive Committee

**Item 2.** Appoint committees and may appoint the chairpersons of all committees and shall be an ex-officio member of all committees.

**Item 3.** Direct and execute the affairs of the Corporation with the consent of the Board of Directors.

**Item 4.** Should we perform other duties as are incident to this office or as may be prescribed by these Bylaws, or from time to time by the Board or the Executive Committee.



#### Section E. Board Vice-President

The Vice-President shall assist the President in the performance of the President's duties. In addition, the Vice-President shall:

**Item 1.** Perform such duties and assignments as may from time to time be delegated by the President or assigned by the Board or the Executive Committee.

**Item 2.** In the President's absence or incapacitation, temporarily perform all duties of the President as set forth in these Bylaws. If the President's absence or incapacitation is permanent, the Vice-President shall preside until an election is held in accordance with Sections B and C of this Article.

#### Section F. Secretary

The Secretary shall oversee the keeping of a record of all proceedings of the Corporation and Board in official minutes of each meeting. Such minutes shall include a record of the voting on all motions. The secretary shall be responsible for distribution of minutes of the previous meeting to all members before the next meeting and shall have such available to the public on request.

#### Section G. Treasurer

The Treasurer or his/her designee shall have charge and custody of all funds, deeds, titles of ownership and securities of CFS, Inc. and shall see that deposit of such funds in the name of CFS, Inc. is made in such banks or other depositories as shall be selected by the Board or the Executive Committee. In addition, the Treasurer or his/her designee shall:

**Item 1.** Keep or cause to be kept complete and correct records of account and exhibit such records at reasonable times and upon request of any officer, Director or authorized state or federal official.

**Item 2.** Cause to be prepared and then submit the following reports:

- a. A quarterly financial statement to the Board of Directors.
- b. A full financial report on the operations of CFS for the preceding fiscal year at each annual meeting of the Board.
- c. Any reports or returns required by the United States Internal Revenue Service or any other governmental authority.

**Item 3.** Perform all duties incident to the office of Treasurer and such other duties as may be prescribed by these Bylaws or assigned from time to time by the Board or Executive Committee.

### **ARTICLE VI. EXECUTIVE COMMITTEE**

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#### Section A. Number, Term, Qualification

There shall be an Executive Committee consisting of at least the Board officers. The Executive Committee shall, to the extent possible, be constituted in proportion to the composition of the Board.

#### Section B. Powers and Duties

The Executive Committee shall have authority to transact the Board business between meetings of the full Board. All actions of the Executive Committee shall be subject to ratification by the Executive Board. Said committee shall meet at such times during which agency business needs to be transacted and the full board cannot meet.



**Item 1.** The Executive Committee shall have such other duties as may be specified in these Bylaws or by resolution adopted by the Board.

**Item 2.** The Executive Committee shall have primary responsibility for administrative decisions which involve (1) matters of policy, (2) program initiatives, or (3) corporate priorities, provided that any such decision shall be subject to review by the Board.

**Item 3.** The Executive Committee shall have no authority to take any action concerning the amendment of these Bylaws or to employ CFS, Inc.'s Executive Director, without properly documented prior approval of the Board.

**Item 4.** The Executive Committee shall be responsible for the oversight of the agency's personnel policies and procedures.

**Item 5.** Function as an Appeals Board for any complaints of discrimination within the agency against either employees or participants.

**Item 6.** Serve as Personnel Appeals Board to hear and to consider employee grievances.

**Item 7.** Manage the annual performance appraisal process of the Executive Director.

**Item 8.** Perform annual Executive Director compensation and benefits package review and recommendation to the Board.

#### Section C. Resignation and Removal

Resignations and removals of members of the Executive Committee shall be managed according to the procedures outlined in Article II, Section G.

#### Section D. Vacancies

Any vacancy occurring on the Executive Committee shall be filled in by the Board at any regular meeting, or at any special meeting called for such purpose, until the next annual meeting at which members of the Executive Committee are to be elected.

#### Section E. Quorum

A majority of the members of the Executive Committee shall constitute a quorum for the transaction of any business. The affirmative vote of a majority of members presents when the vote is taken shall constitute an act of the Executive Committee.

### **ARTICLE VII. COMMITTEES**

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#### Section A. Formation of Committees

From time to time, the President may appoint special committees with the approval of the Executive Committee or the Board for such special purposes and projects as may be necessary or appropriate to conduct the goals and objects of CFS, Inc.

If there exist more than two vacancies on the Board, the President of the Board may suspend the activities of any Committee, except the Executive Committee, and distribute to the Board at large the responsibilities formerly assigned to any Committee. If a Committee is formed, it shall have the duties and responsibilities set forth in these Bylaws, as well as others as may be prescribed, from time to time, by the Board or Executive Committee.



**Item 1.** Committee Chairpersons must be members of the Board and shall be appointed by the President.

**Item 2.** Committees may include other interested residents of the community.

**Item 3.** Each committee shall consist of no less than three (3) or more than six (6) members and shall reflect the structure of the Board.

**Item 4.** The final authority for all matters by the committees shall be the Executive Board of Directors. Said committees shall report periodically to the Board concerning activities, conclusions, and recommendations.

#### Section B. Terms

Each member of a Committee shall serve for a term of one year, running from annual meeting to annual meeting. Committee members can serve unlimited consecutive terms with the approval of the President.

#### Section C. Voting

Most of the Committee membership shall constitute a quorum for the transaction of any business. The affirmative vote of a majority of members presents when the vote is taken shall constitute action by the Committee.

#### Section D. Resignation and Removal

Resignations and removals of members of Committees shall be managed according to the procedures outlined in Article II, Section G.

#### Section E. Governance Committee

During or immediately following the annual meeting of the Board, the President may appoint a Governance Committee consisting of at least three (3) members of the Board.

**Item 1.** The Governance Committee shall assist the Board in the election of officers by preparing a slate of nominations for officers, which state must be sent to all Directors at least fifteen (15) days prior to the annual meeting. The Committee shall also prepare ballots for the election.

**Item 2.** The Governance Committee shall also assist the Board in the appointment and/or election and onboarding of new Board members.

**Item 3.** The Governance Committee shall lead the board in regularly reviewing and updating the board's statement of its roles and areas of responsibility, and what is expected of individual board members.

**Item 4.** The Governance Committee shall lead in assessing current and anticipated needs related to board composition, determining the knowledge, attributes, skills, abilities, influence, and access to resources the board will need to consider accomplishing future work of the board.

**Item 5.** The Governance Committee, in cooperation with the board chair, shall contact each board member to assess his or her continuing interest in board membership and term of service and work with each board member to identify the appropriate role he or she might assume on behalf of the organization.

**Item 6.** The Governance Committee shall initiate an annual assessment of the board's performance. Proposes, as appropriate, changes in board structure and operations.

**Item 7.** The Governance Committee shall monitor and present revisions and/or updates to the by-laws for approval by the Board of Directors.



**Item 8.** The Governance Committee shall perform periodic reviews of the Personnel Policies and Procedures and make appropriate recommendations to the Board.

**Item 9.** The Governance Committee shall, with recommendation from staff, approve the appointment of the Equal Opportunity Officer by the Executive Director.

#### Section F. Finance Committee

During or immediately following the annual meeting of the Board, the President may appoint a Finance Committee consisting of at least three (3) members of the Board. The Treasurer of the Board shall be the Chair of the Finance Committee.

**Item 1.** The Finance Committee shall oversee the fiscal operations of CFS, Inc., including the Audit Report and any internal monitoring reviews.

**Item 2.** The Finance Committee shall also review the accounting practices and record keeping of the fiscal department and make recommendations to the Board with respect to the fiscal department when necessary to ensure that safe and acceptable practices and record keeping are always employed.

**Item 3.** The Finance Committee shall review the agency-wide budget and examine all expenditures in comparison with budget allocations.

**Item 4.** The Finance Committee shall immediately report any discrepancies in fiscal operations, reports, or other matters to the President.

**Item 5.** The Finance Committee shall oversee the solicitation and hiring of Auditors. Facilitate a process in which the auditor presents the audit report and 990 directly to the Board.

**Item 6.** The Finance Committee shall monitor monthly financial statements to determine adherence to operating budget.

**Item 7.** The Finance Committee shall set long-range financial goals and work alongside the Administration Team to create funding strategies to achieve them.

**Item 8.** The Finance Committee shall ensure multi-year operating budgets that integrate strategic plan objectives and initiatives are developed by the Administration Team.

**Item 9.** The Finance Committee shall ensure policies and procedures for financial transactions are documented in a manual, reviewed annually, and updated, as necessary.

**Item 10.** The Finance Committee shall develop an investment policy and procedures to detail the objectives of the investment portfolio, guidelines on the asset allocation of the portfolio based on a predetermined level of risk tolerance, authorizations for executing transactions, disposition of earned income, and the solicitation and hiring of investment firms and/or managers.

**Item 11.** The Finance Committee shall submit to the Board in writing formal recommendations for investment opportunities and proposals. The Finance Committee shall not enter into any investment activities and/or agreements without Board approval.



### Section G. Operations Committee

During or immediately following the annual meeting of the Board, the President may appoint an operations Committee consisting of at least three (3) members of the Board.

**Item 1.** The Operations Committee shall be responsible for the development, monitoring, and evaluation of the agency's programs and services.

**Item 2.** The Operations Committee shall review and recommend new program concepts and opportunities to the Board.

**Item 3.** The Operations Committee shall provide oversight of new program development.

**Item 4.** The Operations Committee shall initiate discussions of program priorities for the agency and ensure programs and services align with the agency's mission and strategic plan.

**Item 5.** The Operations Committee shall broadly oversee the agency's physical assets: its land, buildings, and equipment.

**Item 6.** The Operations Committee shall determine the adequacy, condition, and use of existing facilities. This shall be accomplished through regular reviews of facility conditions and staff recommendations.

**Item 7.** The Operations Committee shall evaluate the agency's use of space, and the appropriateness of that space for its mission.

**Item 8.** The Operations Committee shall manage the solicitation and approval of architects for projects involving new buildings and major additions.

**Item 9.** The Operations Committee shall review project siting, bidding methods, and general program planning for major capital building projects.

**Item 10.** The Operations Committee shall communicate with and educate the Board on the agency's physical assets and their condition.

**Item 11.** The Operations Committee shall review and work with the Finance Committee to determine the feasibility of building purchases and/or sale of existing properties.

### Section H. Ad Hoc Committees

Additional special purpose committees, to be known as Ad Hoc Committees, may from time to time, as the need arises, be established on a temporary basis. The President shall appoint these Ad Hoc Committees and charge them with specific duties.





## **ARTICLE VIII. EXECUTIVE DIRECTOR**

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The Board shall hire an Executive Director upon recommendation by the Executive Committee, and the Executive Director shall be the chief executive officer of CFS, Inc. The President's salary and terms of employment shall be reviewed by the Board each September, or as soon thereafter as official action by the Board may be taken. A majority vote of the Executive Board shall be necessary to elect an Executive Director.

**Item 1.** The Executive Director shall be employed by the Board and shall be responsible for and have charge of the administration of all the policies, programs, and activities of CFS, Inc. which have been approved and authorized by the Board or Executive Committee in accordance with these Bylaws.

**Item 2.** The Executive Director shall give a report on the activities of CFS, Inc. at each meeting of the Board and Executive Committee and shall perform such other duties as the Board or Executive Committee may prescribe from time to time.

**Item 3.** In the event of the termination or resignation of the sitting Executive Director, the Board may elect to appoint an Interim Executive Director to serve as chief executive officer of CFS, Inc. on a temporary basis, until a permanent chief executive officer is selected. Such an Interim Executive Director shall have all the rights and responsibilities of the Executive Director unless otherwise limited or expanded by deliberate Board action.

**Item 4.** The Executive Director and any officer or member of the corporation can be removed from the office for good reasons and in compliance with agency policies and procedures as determined by the Board. A two-third vote of the Board shall be necessary for such a removal from office.

**Item 5.** The Executive Director shall be responsible for hiring personnel to administer all programs and they shall be responsible to the Executive Director for the performance of their duties.

**Item 6.** The selection of an Executor Director shall not create any contract rights, and the Board may terminate the Executive Director's employment with or without cause.

## **ARTICLE VIII. LEGAL AND FINANCIAL MATTERS**

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### **Section A. Contracts**

The Executive Director or his/her designee may enter into any contract or execute and deliver any instrument in the name of and on behalf of CFS, Inc. so long as it is in the best interest of CFS, Inc. and the financial obligation to CFS, Inc. does not exceed Twenty-Five Thousand Dollars (\$25,000.00). Contracts resulting in a financial obligation more than this amount require the signature of either the Board President or the Board Treasurer. Such contracts more than Twenty-Five Thousand Dollars (\$25,000) approved in the prescribed manner must be disclosed as a part of the Treasurer's Report written for the month in which the obligation is signed and provided at the next meeting of the full Board of Directors.

No contract requiring the expenditure of funds of CFS, Inc. or rendering the expenditure of funds of CFS, Inc. or rendering CFS, Inc. liable financially for any purpose shall be entered into by any other employee. Such contract shall not be binding upon CFS Inc. without the approval of the Board. CFS, Inc. may not enter into any contract or transaction with a Director or with any organization, association or corporation of which a Director is a member director, officer or employee unless the Board expressly determines that such contract is in the best interests of CFS, Inc. and entering into such contract would not interfere with the discharge of the Director's duties.



### Section B. Checks, Drafts, and Other Evidence of Indebtedness

All disbursements of funds by CFS, Inc. shall be made by check, draft, other written evidence of indebtedness, or appropriately authorized electronic transactions.

**Item 1.** All such instruments in the amount of One Thousand Dollars (\$1,000) or less shall be signed by the Executive Director.

**Item 2.** All such instruments, more than One Thousand Dollars, shall be signed by the Executive Director and countersigned by the Operations Director, or in such other ways as may from time to time be determined by the resolution of the Board.

### Section C. Deposits

All funds received by CFS, Inc. shall be deposited to the credit of CFS, Inc. in such banks, trust companies or other depositories and under such conditions as the Board may designate from time to time; however, all such deposits shall be made in compliance with all Federal and State regulations and other governing law. For making such deposits, any person or person to whom such power is delegated by the Board may endorse, assign, and deliver checks, drafts, or other orders for the payment of money, which is made payable to CFS, Inc.

**Item 1.** The establishment and closing of all bank accounts, trust companies, or other depositories must be presented to and approved by a majority vote of the Board.

**Item 2.** The Executive Director or any other employee of CFS, Inc. may not open or close bank accounts, trust companies, or other depositories without Board approval.

### Section D. Contributions

The Board or the Executive Committee may accept on behalf of CFS, Inc. any contribution, gift, request, or devise from any such person, firm, or corporation for the general purpose of CFS, Inc. or for any special purpose consistent with the purposes and functions of CFS, Inc. Any funds received for a special purpose may be placed in a special deposit or otherwise segregated on the books of CFS, Inc., as determined by the Executive Committee.

### Section E. Fiscal Year

The Fiscal Year shall be defined as the calendar year.

### Section F. Compensation

Executive Board members may be reimbursed through a fund set aside for agency-related expenses; however, regular compensation to members for their service on the board shall not be permitted.

### Section G. Audits

The financial records of CFS, Inc. may be audited as designated by the funding sources or upon request by the Board. The audit report and management letter shall be presented by the auditor to the Board at a board meeting. Copies of each audit and management letter are available to all Board members no later than the next meeting after the auditor's board presentation. These audits shall also be available for inspection by the public.

### Section H. Parliamentary Authority

Robert's Rules of Order, Revised, shall be used as the Parliamentary authority at all Board meetings.

### Section I. Corporate Dissolution

The Executive Board shall follow Indiana law when dissolving the Corporation and disposing of assets.



## **ARTICLE X. AMENDMENTS TO THE CONSTITUTION AND BY-LAWS**

### **Section A. Amendments**

**Item 1.** Amendments to the Constitution and By-Laws may be proposed at any regular or called meeting of the Executive Board and shall be acted upon at the next regular or called meeting.

**Item 2.** A majority of those present supporting the amendment shall constitute passage.

**Item 3.** The bylaws shall be reviewed by an attorney at least once every five years to ensure compliance with applicable laws and regulations.