

**BY-LAWS**

OF THE

***Stanly County Partnership for Children, Inc.***

**ARTICLE I**

**Corporation Name and Seal**

The name of the Corporation is  
***Stanly County Partnership for Children, Inc.***  
(the "Corporation").

The seal of the Corporation will be circular in form, which shall bear the legend "Corporate Seal of Stanly County Partnership for Children," and words indicating that the Corporation was incorporated in North Carolina.

**ARTICLE II**

**Purposes of the Corporation**

The Corporation is organized and shall be operated exclusively for charitable and educational purposes within the meaning of sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States Revenue Laws (the "Code"), and shall create and implement a comprehensive, outcome-focused plan to enrich the lives of children to kindergarten and their families in **Stanly County, North Carolina** through high-quality early childhood education, health care, and related services by bringing together families, communities, churches, businesses, non-profit organizations, foundations, and the state and local governments to pursue innovative, collaborative strategies that make better use of existing resources and build on the experience and expertise of communities and existing institutions.

### ARTICLE III

#### Members

The Corporation shall have no members.

### ARTICLE IV

#### Offices and Registered Agent

1. Offices. The Corporation shall continuously maintain in North Carolina a registered office at such place as may be designated by the Board of Directors. The principal office of the Corporation and such other offices as it may establish shall be located at such place(s) either within or without North Carolina, as may be designated by the Board of Directors.

2. Agent. The Corporation continuously shall maintain within North Carolina a registered agent.

3. Changes. Any change in the registered office or registered agent of the Corporation shall be accomplished in compliance with the North Carolina Non-Profit Corporation Act of 1994.

### ARTICLE V

#### Board of Directors for the Corporation

1. General Powers and Duties. The property, business, and affairs of the Corporation shall be managed, controlled, and directed by a Board of Directors. The Board of Directors shall have, and may exercise, any and all powers provided in the Articles of Incorporation or the North Carolina Non-Profit Corporation Act that are necessary or convenient to carry out the purposes of the Corporation and which support and foster the purposes of the Corporation as established in these By-Laws.

2. **Composition.** The Board of Directors shall consist of at least **21** Directors, but no more than **33** Directors, selected by the Board of Directors. Twenty-one individuals are seated on the Board of Directors by virtue of their positions as mandated by the North Carolina Partnership for Children. The mandated positions include:

- a) County Commissioner or designee (1);
- b) County Manager or designee (1);
- c) Director of the Department of Social Services or designee (1);
- d) Executive Director or other officer of a local organization responsible for community mental health, ex officio, or his/her designee (1); *(revised 10-06-03)*
- e) Director of the local Health Department or designee (1);
- f) Superintendent of Public Schools or designee (1);
- g) President of the local Community College or designee (1);
- h) Director of the local Public Library or designee (1);
- i) Director of the local Cooperative Extension Agency or designee (1);
- j) Business leaders (2);
- k) Parents receiving Smart Start services (2);
- l) Representative of the local Head Start Program (1);
- m) Child care provider from a center-based child care facility (1);
- n) Child care provider from a family child care home facility (1);
- o) Representative of a Child Care Resource and Referral Agency (may not be a Partnership employee) or other nonprofit organization related to child care (1);
- p) Representative of the faith community (1);
- q) Representative of the local Interagency Coordinating Council (ICC) or the parent of a child with a disability (1);
- r) Representative of a local Foundation or other non-profit organization representing the community (1);
- s) Representative of a municipal government (1);

The Board of Directors may also include at-large positions, but not limited to representatives of the business community, community groups, childcare organizations, community leadership, volunteer service agencies, and non-English speaking populations.

3. **Residency Requirement.** Change in legislation by the 2003 NC General Assembly removed the requirement for local board members to live in the county they represent. *(revised 10-06-03)*

4. **Designees**. In accordance with the policy of the North Carolina Partnership for Children, each of the nine mandated Directors of a public agency referenced above may appoint a designee to attend Board meetings in the Director's absence. Mandated Board members appointing a designee must do so in writing. The written statement should be addressed to the Chair and include: a statement as to why the mandated member must appoint a designee, name and contact information of the designee, and brief information about the designee and interest in serving in the place of the mandated Board member. Designees shall have the full authority of the person they represent in all matters that come before the Board of Directors.

5. **Conflict of Interest**. In accordance with the policy of the North Carolina Partnership for Children all Directors shall avoid conflicts of interest and the appearance of impropriety. Should instances arise when conflict may be perceived, any individual who may benefit directly or indirectly from the Corporation's disbursement of funds shall abstain from participating in any decision or deliberations by the Board regarding the disbursement of funds.

6. **Election and Term**. Except for the nine mandated Directors of a public agency, Directors of the Board shall be elected by the Board of Directors at the annual meeting or May, whichever is later. Nominations for Directors shall be presented by the Board Chair to the Board of Directors for approval. At the first regularly scheduled election of Directors, one-third of the Directors shall be elected for a one-year term; one-third shall be elected for a two-year term; and one-third shall be elected for a three-year term. The Board of Directors shall designate the positions to which these initial terms apply. All subsequent terms of office shall be for three-year terms. The nine mandated Directors of a public agency and their terms shall not expire. All other Directors may serve a maximum of four consecutive three-year terms, after which they must go off the Board for one year before being elected to serve again.

Each officer shall hold office from the beginning of his term until his death, resignation, retirement, removal or disqualification or until his successor has been elected. Terms of office shall begin on the first day of July and end on the last day of June next ensuing, or until a

successor is elected. A member of the Board must serve on the Board for at least one year to be eligible for an officer position. Officer terms are one year.

7. **Compensation**. Members of the Board may be reimbursed for reasonable travel and subsistence expenses incurred while conducting corporation business, with approval of the Chair.

8. **Vacancies**. Any officer of the Board may be removed from office, without cause, upon two-thirds vote of the Board at any regular or special meeting called for that purpose. Any officer of the Board proposed to be removed shall be entitled to at least five days notice in writing, by mail, of the meeting of the Board at which such removal is to be voted upon and shall be entitled to appear and be heard by the Board at such meeting.

A Director may resign at any time by giving notice in writing to the Chair. In the event of a vacancy, nominations shall be presented by the Chair to recommend a replacement to the Board who shall elect the new Director. The new Director shall complete the term of the resigned or vacated Director and may be eligible to serve four full terms.

9. **Board Attendance Requirement**. Directors or designees are encouraged to make a reasonable effort to attend all meetings. Faithful attendance at all meetings of the Board and conscientious performance of the duties required of members of the Board shall be considered a prerequisite of the continuing membership on the Board. Except for the nine mandated Directors of a public agency, the Chair may remove from office any Director who has two consecutive unexcused absences or three during a fiscal year.

10. **Officers of the Board and Election of Officers**.

(a) **Chair**. The Chair shall have succeeded into the position from the Chair-Elect position and serve a one-year term beginning in July. The Chair shall preside at all Board meetings, appoint committee members and chairs to standing committees or any ad hoc committees needed, serve as Chair of the Executive Committee, work in conjunction with the Board in selection of an Executive Director, be responsible for assessing the performance of the Executive Director and report to the Board, and perform all duties

directed by the Board, or all duties incidental to the office of Chair.

**Note:** The North Carolina Partnership for Children requires that no Board Chair have a conflict of interest related to the Smart Start funds. This conflict includes both working directly with a program that receives Smart Start funds, or working for an agency or organization that receives Smart Start funds. Furthermore, the North Carolina Partnership for Children requires that the local Board Chair attend training within three months from the beginning of his term of office.

(b) **Chair-Elect/Vice Chair**. The Chair-Elect/Vice Chair shall preside at all meetings of the Board when the Chair is absent. The Chair-Elect/Vice Chair shall be elected in May by the Board of Directors and take office in July to serve a one-year term. The Chair-Elect/Vice Chair may succeed into the office of Chair the next July ensuing.

(c) **Secretary**. The Secretary shall preside at all meetings of the Board when the Chair and Chair-Elect are absent. The Secretary shall be elected in May by the Board of Directors and take office in July to serve a one-year term.

(d) **Treasurer**. The Treasurer shall preside at all meetings of the Board when the Chair, Chair-Elect, and Secretary are absent. The Treasurer shall be elected in May by the Board of Directors and take office in July to serve a one-year term.

11. **Committee Structure**. The Chair, with input and assistance from the Executive Director, shall appoint committee members to all committees, unless otherwise stated in these By-Laws. The Chair shall review committee membership each year, and make new appointments as necessary. The Chair shall appoint each committee chair to serve for that year. Each member of a committee holds office until his successor is elected, or until he resigns or is removed from the committee. A member of a committee may succeed himself. The Chair, committee chair, or Executive Director may invite additional individuals with expertise in a particular area to meet with, and assist the committee. Such advisors shall not vote or be counted in determining a quorum, and may be excluded from any closed session of the committee.

(a) **Executive Committee.** The Executive Committee shall consist of the Board Chair, Chair-Elect/Vice Chair, Secretary, Treasurer, a past Board Chair, and three Directors of the Board of Directors appointed by the Chair and approved by the Board of Directors. The Executive Committee shall have and may exercise all the authority of the Board in matters pertaining to the basic management of the Corporation between meetings of the Board except as limited by N.C.G.S. Section 55A-23.

The Executive Committee will work in conjunction with any appointed Selection committee and the Chair when selecting an Executive Director.

(b) **Other Board Committees.** The Chair and/or Board of Directors may from time to time establish any standing committees, special committees, sub-committees, or workgroups as deemed necessary to assist the Board of Directors in carrying out the work of the Corporation. The Chair shall appoint members to these committees, and the Chair shall designate Chairs for each committee. Standing committees will include, but are not limited to the Executive Committee and Finance Committee. Committees serve in an advisory capacity to the Board. The Executive Committee serves both in an advisory capacity and as stated in 11. (a).

(c) **General Committee Guidelines.** Committees, except the Executive Committee, act within the authority as delegated by the Board. Committees recommend action on matters to the Board and have no final approval authority, with the exception of the Executive Committee. Committee membership and participation may include both Board Directors, and non-board participants. Non-board participants shall have all rights and privileges of Board Directors, except a vote at Board meetings. Non-board participants shall have voting rights within the committee process only.

All standing committees, special committees, and sub-committees shall abide by all regulations listed in these By-Laws. A quorum for committee meetings shall be defined as one-third (1/3) or 33% of the committee's membership.

## ARTICLE VI

### Officers of the Corporation

1. **Officers**. The officers of the Corporation shall consist of Chair, Vice Chair, Secretary, Treasurer, and any other officers that the Board of Directors may designate. Individuals to serve in these capacities shall be designated by the Board of Directors and given powers and duties consistent with these By-Laws. Any two or more offices may be held by the same person except the offices of Chair and Secretary; however, no officer shall execute, acknowledge, or verify any instrument in more than one capacity if such instrument is required by law, by the Articles of Incorporation, or by the By-Laws to be executed, acknowledged, or verified by two or more officers.

2. **Duties of the Officers**.

(a) **Chair**. The Chair of the Board of Directors shall also serve as Chair of the Corporation. The Chair shall have and exercise general charge and supervision of the affairs of the Corporation and shall perform such other duties and have such powers as the Board of Directors may assign.

(b) **Executive Director**. If authorized by the Board of Directors, the Chair may hire an Executive Director to manage the day-to-day affairs of the Corporation, and may delegate to such Executive Director such authority as is appropriate to carry out such responsibilities. The Executive Director may be, but is not required to be a Director of the Corporation.

(c) **Vice Chair**. The Chair-Elect/Vice Chair of the Board of Directors shall also serve as vice chair of the Corporation, and shall perform such duties as the Board may delegate.

(d) **Secretary**. The Board of Directors shall elect a Secretary who shall preside at all meetings of the Board when the Chair and Vice Chair are absent and who, with the assistance of the Corporation's staff, shall be responsible for keeping an accurate record of the proceedings and actions of the Board. The Secretary shall have the custody of the corporate seal and shall maintain a current record of all the persons who are Directors of the Corporation,

showing their respective places of residence, and such book shall be open for inspection as prescribed by law. Subject to the control of the Board of Directors, the Secretary shall in general perform all the duties incident to the office of Secretary, and shall perform such other duties as the Board or the Chair may assign.

(e) **Treasurer.** The Board of Directors shall elect a Treasurer who shall have the custody of all funds, property, and securities of the Corporation, subject to such regulations as the Board of Directors may impose. The Treasurer shall be required to give bond for the faithful performances of his duties in such sum and with such sureties as the Board may require. When necessary or proper, the Treasurer, on behalf of the Corporation, may endorse for collection checks, notes, and other obligations, and shall deposit the proceeds to the credit of the Corporation at such bank or banks as the Board may designate by resolution as depository. The Treasurer shall sign all receipts and vouchers, and together with such other officer or officers, if any, as shall be designated by the Board, the Treasurer shall sign all checks of the Corporation and all bills of exchange issued by the Corporation, except in cases where the signing and execution thereof shall be expressly assigned by the Board or by these By-Laws to some other officer or agent of the Corporation. The Treasurer shall make such payments, as may be necessary or proper to be made on behalf of the Corporation. The Treasurer shall maintain full and accurate books of account reflecting the transactions, assets, and obligations of the Corporation and shall exhibit such books at all reasonable times to any Director on application at the offices of the Corporation. In general, the Treasurer shall perform the entire duties incident to the office of Treasurer, subject to the control of the Board.

(f) **Assistant Secretary.** The Board may elect one or more Assistant Secretaries not from among its members who may assist the Secretary and the Treasurer in the performance of their duties and shall have all legal authority to perform those duties.

3. **Compensation.** The officers of the Corporation may receive reimbursement for reasonable travel and subsistence expenses incurred in authorized business of the Corporation. No further compensation shall be allowed to officers of the Corporation, other than paid to an Executive Director. The Board of Directors shall fix the compensation of the Executive Director.

4. **Removal.** Any Officer of the Corporation may be removed from office upon two-thirds vote of the membership of the Board then in office at any regular or special meeting called for that purpose. Any Officer of the Corporation proposed to be removed shall be entitled to at least five days notice in writing, by mail, of the meeting of the Board of Directors at which such removal is to be voted upon and shall be entitled to appear before and be heard by the Board at such meeting.

## ARTICLE VII

### Meetings

1. **Regular Meetings.** The Board of Directors shall meet at such regular times and dates as designated by the Chair of the Board, by written demand of the majority of Board members, or upon resolution of the Board.

- **Annual Meeting:** The regular meeting in May, or such other time as the Board may fix, shall be known as the annual meeting of the Corporation, and shall be for the purpose of electing Directors, and officers, and for the purpose of transaction of business of the Corporation.
- **Notice of Meetings:** Written notice of the fixed time, date and place of regular Board meetings shall be posted at the entrance of the Stanly County Partnership for Children office and be given by the Chair of the Board to each member of the Board at the beginning of each fiscal year. New schedule changes in meeting day and/or time thereafter must be filed at least seven calendar days before the first meeting to which the change applies.

2. **Place of Meetings.** The meetings of the Board of Directors shall be held at the principal office of the Corporation, or at such other place as the Chair of the Board of Directors may designate.

3. **Special Meetings.** The times, dates, and places of special meetings of the Board may be set at the call of the

Chair, upon written demand of the majority of Board members, or upon resolution of the Board. Notice shall be given by the usual means of communication at least forty-eight hours prior to a special meeting, unless waived in writing by all members.

4. **Attendance**. Attendance by a member at a meeting shall constitute a waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.

If any member of the Board of Directors is absent for two(2) consecutive meetings without good cause or a total of three (3) meetings in a fiscal year, that fact alone may be considered by the Board as reason for requesting their resignation or removal from the Board. In the case of a required position, they would be requested to designate someone who can regularly attend.

5. **Notice of Intention to Attend**. Attendance Required. Members of the Board shall be required to notify the Chair of the Board or President of the Corporation of their inability to attend a lawfully scheduled meeting prior to the meeting.

6. **Quorum**. A quorum for Board meetings is defined as one-third (1/3) of current Directors in office (filled positions) as allowed by NC Non-Profit Incorporation Act, G.S. 55-A, section 8-24, and shall be determined at the beginning of a meeting.

7. **Parliamentary Rules**. All meetings shall be conducted in an open, orderly, and fair manner; and Robert's Rules of Order, as revised, shall apply to all deliberations.

8. **Manner of Acting**. Except as otherwise provided by law, the Articles of Incorporation, or these By-Laws, all matters before the Board of Directors shall be decided by at least one-third (1/3) of the members currently in office voting in favor of or opposition to any vote taken at a meeting at which a quorum exists.

Any one or more or all of the Directors or members of a committee may participate in a meeting of the Board of Directors or committee by means of a conference telephone

or similar communications device that allows all persons participating in the meeting to hear each other. Participation in a meeting by means of a conference telephone or similar communications device shall be deemed presence in person at such meeting.

9. **Proxy**. Proxy voting shall not be permitted.

10. **Informal Action by Directors**. Any action required or permitted to be taken at any meeting of the Board of Directors or of a committee of Directors may be taken without a meeting if the text of the resolution or matter agreed upon is sent to all the Directors in office or all of the members of the Committee of Directors and all of the Directors in office or all of the members of the Committee of Directors consent to such action in a writing setting forth the action taken. Such consent in writing shall be filed with the minutes of the proceedings of the Board or the committee and have the same force and effect as a vote of the Board of Directors or of the committee at a meeting, whether done before or after the action so taken.

11. **Compliance with State Requirements**. So long as the Corporation receives funding from the State of North Carolina, it shall conduct its operations, including its meetings, in a manner comparable to Article 33C of Chapter 143 of the North Carolina General Statutes (the Open Meetings Law), and Chapter 132 of the North Carolina General Statutes (the Public Records Law).

## ARTICLE VIII

### **Contracts, Checks, Deposits, and Funds**

1. **Contracts**. The Board of Directors may authorize any officer or officers, agent or agents, or the Executive Director of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation; and such authority may be general or confined to specific instances.

2. **Loans**. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

3. **Checks and Drafts**. All checks, drafts, or other orders for the payment of money, issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents or the Executive Director of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

4. **Funds**. All funds of the Corporation not otherwise employed shall be deposited to the credit of the Corporation such as banks, trust companies, or other depositories as the Board may select, or as may be designated by any officer, officers, agent, or agents of the Corporation to whom the Board may delegate such power.

5. **Acceptance of Gifts**. The Board, or any officer or officers or agent or agents of the Corporation to whom such authority may be delegated by the Board, may accept on behalf of the Corporation any contribution, gift, bequest, or device for the purposes of the Corporation. Personal gifts of greater value than \$25 to Board members or staff are not to be accepted.

6. **Audits**. The Corporation must have an annual financial and compliance audit by the State Auditor under Article 5A of Chapter 147 of the North Carolina General Statutes, pursuant to North Carolina General Statutes 143-B-168.14 (b) and 143-B-168.12 (a)(9), respectively. A copy of the report shall be given to each member of the Board.

7. **Bond**. At the direction of the Board, any officer or employee of the Corporation shall be bonded. The North Carolina Partnership for Children requires that all Board members, the Executive Director, and other employees of the Corporation who receive or process Smart Start funds must be bonded. The Corporation shall pay the expense of procuring any such bond.

8. **Fiscal Accountability Plan**. North Carolina General Statute 143-B-12 (a)(4) requires that the Corporation participate in the standard fiscal accountability plan adopted by the North Carolina Partnership for Children in order to receive State funds.

9. **Monitoring**. The Corporation shall ensure program and fiscal accountability by monitoring all contracts and grants as required by NC Partnership for Children.

## **ARTICLE IX**

### **Indemnification**

Any person who at any time serves or has served as a member of the Board of Directors or officer of this Corporation, or in such capacity (as officer or director) at the request of the Corporation for any other corporation, whether for profit or nonprofit, shall have the right to be indemnified by the Corporation to the fullest extent permitted by law against (a) reasonable expenses, including attorney's fees actually and necessarily incurred by him or her in connection with any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether or not brought by or on behalf of the Corporation, seeking to hold him or her liable by reason of the fact that he or she is or was acting in such capacity and (b) reasonable payments made by him or her in satisfaction of any judgment, money decree, lien, penalty, or settlement for which he or she may have become liable in any such action, suit, or proceeding.

The Board of Directors shall take all such action as may be necessary and appropriate to authorize the Corporation to pay the indemnification provided by these By-Laws, including without limitation, to the extent necessary, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him or her.

## **ARTICLE X**

### **Relations with Public Bodies**

1. **Grants and Appropriations**. The Corporation contemplates that in the conduct of its affairs it will from time to time receive grants or appropriations from public bodies of North Carolina. Expenditures by the Corporation of such grants or appropriations shall be made only for public purposes and only for the charitable purposes of the Corporation and according to law.

2. **Report to Public Bodies**. Annually within thirty (30) days after the annual audit required by Article VIII, Section 6 has been delivered to each member of the Board, the Chair shall transmit a copy of that annual audit to any public body of the State of North Carolina from which any grant or appropriation has been received during the fiscal year to which such audit applies, together with a report briefly stating the nature of the activities carried on by the Corporation during that fiscal year and stating the Corporation's compliance, to the best of the knowledge of the Chair, with the provisions of this Article.

## **ARTICLE XI**

### **Fiscal Year**

Except as altered by a resolution of the Board of Directors, the fiscal year of the Corporation shall begin on the first day of each July and end on the last day of June next ensuing.

## **ARTICLE XII**

### **Prohibition Against Sharing in Corporate Earnings**

No director, officer, employee or member of a committee of the Corporation, or any other private individual (within the meaning of Section 501 of the Internal Revenue Code or its successor provisions), shall at any time receive any of the net earnings from the activities of the Corporation, but this shall not prevent the payment to any person of such reasonable compensation that the Board of Directors shall fix for services rendered to or for the Corporation in effecting any of its purposes; and no such person shall be entitled to share in the distribution of any corporate assets on the dissolution of the Corporation. All directors of the Corporation shall be deemed expressly to have consented and agreed that upon such dissolution or similar winding-up of the affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation then remaining in the hands of the Board, after satisfaction of the Corporation's liabilities, shall be transferred, conveyed, delivered, and paid over as provided in the Articles of Incorporation. Any such assets not so disposed shall be disposed of by the Clerk of Superior Court of Stanly County, North Carolina,

to such organization or organizations as the Clerk of the Superior Court of Stanly County shall determine which organized, and operated exclusively for such purposes, and at the time qualify as exempt organizations under Section 501(c)(3) of the Code, or to federal, state or local governments to be used exclusively for public purposes. The private property of the officers and Directors of the Corporation shall not be subject to payments of Corporate debts to any extent whatsoever.

## **ARTICLE XIII**

### **General Provisions**

1. **Limit of Use of Property and Funds to Purposes of the Corporation.** No funds or property of the Corporation shall be devoted to or expended for any purpose or objective not stated in the Corporation's Articles of Incorporation, but all the Corporation's funds and properties shall at all times be used exclusively for said corporate purposes. In no event shall any of the funds or property of the Corporation be used for personal benefit, by way of compensation, directly or indirectly, of these directors, with the exception of the Executive Director, who may be paid a salary set by the directors for services actually rendered.

2. **Waiver or Notice.** Whenever any notice is required to be given to any director or other person under the provisions of these By-Laws, the Articles of Incorporation, or any applicable law, a waiver thereof and writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

3. **Amendments.** These By-Laws may be altered, amended, or repealed, or new By-Laws may be adopted, at any meeting of the Board of Directors, by a vote of a majority of the Directors in office, if at least seven days written notice is given of the intention to take such action at such meeting.