



# **NON-PROFIT BYLAWS OF PANHANDLE REGIONAL ADVISORY COUNCIL**

## **PREAMBLE**

The following Bylaws shall be subject to, and governed by, the Non-Profit Organization Act of Texas and the Articles of Incorporation of Panhandle Regional Advisory Council. In the event of a direct conflict between the herein contained provisions of these Bylaws and the mandatory provisions of the Non-Profit Corporation Act of Texas, said Non-Profit Corporation Act shall be the prevailing controlling law. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of Corporation/Organization, it shall then be these Bylaws which shall be controlling.

## **ARTICLE 1 – NAME/Definition**

The legal name of the Non-Profit Organization shall be known as Panhandle Regional Advisory Council – Trauma Services Area “A” and shall herein be referred to as the "Organization."

Definition:

A Regional Advisory Council (RAC) is an organization of local citizens representing all health care entities within a specified Trauma Service Area. Additionally, the RAC represents consumers and works with other entities involved with emergency/trauma/disaster care systems such as fire, law enforcement, rehabilitation, etc. These health care entities include designated trauma facilities, physicians, nurses, EMS providers, first responders and other individuals interested in trauma care. A RAC is a formal organization chartered by the Bureau of Emergency Management to develop and implement a regional emergency medical services/trauma/disaster system plan and to oversee system networking.

Trauma Service Area "A" (TSA-A) includes, but is not limited to, the following counties as designated by the state:

Armstrong	Hall	Parmer
Briscoe	Hansford	Potter
Carson	Hartley	Randall
Childress	Hemphill	Roberts
Collingsworth	Hutchinson	Sherman
Dallam	Lipscomb	Swisher
Deaf Smith	Moore	Wheeler
Donley	Ochiltree	
Gray	Oldham	

## **ARTICLE 2 – PURPOSE**

The general purposes for which this Corporation/Organization has been established are as follows:

The purpose for which the Non-Profit Corporation is formed is set forth in the attached Articles of Incorporation.

The Corporation/Organization is established within the meaning of IRS Publication 557 Section 501(c)(3) Organization of the Internal Revenue Code of 1986, as amended (the "Code") or the corresponding section of any future federal tax code and shall be operated exclusively for a regional advisory council (RAC) is an organization of local citizens representing all health care entities within a specified trauma service area. additionally, the RAC represents consumers and works with other entities involved with emergency/trauma/disaster care systems such as fire, law enforcement, rehabilitation, etc. these health care entities include designated trauma facilities, physicians, nurses, ems providers, first responders and other individuals interested in trauma care. A RAC is a formal organization chartered by the bureau of emergency management to develop and implement a regional emergency medical services/trauma/disaster system plan and to oversee system networking.

In addition, this Corporation/Organization shall develop a system plan based on standard guidelines for comprehensive system development. The System plan is subject to review by the bureau.

The Corporation/Organization shall hold and may exercise all such powers as may be conferred upon any nonprofit organization by the laws of the State of Texas and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Corporation/Organization. At no time and in no event shall the Corporation/Organization participate in any activities which have not been permitted to be carried out by a Corporation/Organization exempt under Section 501(c) of the Internal Revenue Code of 1986 (the "Code").

Philosophy:

Provide support for comprehensive continuum of quality healthcare for all victims of trauma and consumers of emergency health care in TSA-A. Provide trauma prevention activities and education to professionals and to the public within TSA-A. Work to prevent injuries/illness through public awareness and education. Provide coordination of disaster preparedness and response activities among regional hospitals and EMS services.

Mission: To get the right patient to the right care in the right time.

Vision:

- Provide support for a comprehensive continuum of quality healthcare for all citizens and visitors in TSA-A. Assist state, regional, and local agencies to provide coordination of disaster preparedness and response activities among regional hospitals and EMS services.
- Support healthcare professional education within TSA-A.
- Work to prevent injuries through public awareness and education.

### **ARTICLE 3 – OFFICES**

The principal office of the Corporation/Organization shall be located at 16800 IH 27, Canyon, Texas 79105

The Corporation/Organization may have other such offices as the Board of Directors may determine or deem necessary, or as the affairs of the Corporation/Organization may find a need for from time to time.

### **ARTICLE 4 – DEDICATION OF ASSETS**

The properties and assets of the Corporation/Organization are irrevocably dedicated to and for non-profit purposes only. No part of the net earnings, properties, or assets of this Corporation/Organization, on dissolution or otherwise, shall inure to the benefit of any person or any member, director, or officer of this Corporation/Organization. On liquidation or dissolution, all remaining properties and assets of the Corporation/Organization shall be distributed and paid over to an organization dedicated to non-profit purposes which has established its tax-exempt status pursuant to Section 501(c) of the Code.

### **Article 5 – Membership**

Section 1: General Membership Qualifications

1. General Membership voting members are limited to healthcare entities in the TSA-A area as follows:

- i. A representative for each due paying participating hospital, EMS Service, or Freestanding Emergency Medical Care Facility.

B. Any other individual interested in membership that is not outlined above may participate as nonvoting members, for example:

- Consumers
- Law enforcement representatives
- Rehabilitation representatives
- Family support personnel (pastoral care, social services, etc.)
- Fire personnel
- Public Health representatives
- Local/Regional Emergency Planning Groups
- Other interested individuals/Entity
- Out of State/Region Providers may participate without voting privileges or eligibility for funds.
- A designated physician involved in patient care for each participating community.
- A First Responder Organization.

C. The Board of Directors reserves the right to grant membership to individuals or organizations requesting said membership. The Board of Directors shall examine the application and the reasons for request for membership of said entity in the TSA-A RAC. Membership can be granted by a majority vote of the Board of Directors. Membership may be revoked for non-participation (See Article VI).

D. Special qualifications for hospitals

1. Eligibility for trauma related funding and voting status for hospitals will be dependent on a commitment to trauma care as demonstrated by trauma facility designation or involvement in the designation process as described in 157.125 of the Trauma Rules.

Section 2: Resignation and Renewal of Membership:

A member who resigns in good standing as defined below and meets all other membership qualifications may reapply for membership.

Section 3: Voting Status

- A. Each due paying member organization shall have only **one** vote for General Membership representation, through its designated representative, designation is to be made to the Secretary by each member organization as noted on sign in sheet for each meeting. Board members may vote for their member organization only if they are the designated representative. Any member unable to be present for a meeting may name an alternate voting member for that facility as long as the alternate is an Employee/Member of the Organization. Voting shall be by ballot, or by electronic vote of voting members. Issues will be presented for membership vote or ratification during general membership meetings, followed by a 2 week comment period and online survey, with voting completed at the end of the comment period. Due to deadlines related to grant budgets and contracts, the 2 week comment period may be waived at the discretion of at least 2 of the Board of Directors Officers. The approval vote will occur either at the General Membership meeting or completion of vote based on required submission dates.
- B. A quorum for conducting business in the general meetings shall be 30% of the voting delegates.

Appointed voting delegates of the General Membership shall vote on the following:

1. Election of Officers and at-large Board members
2. Bylaws Revisions
3. Ratification of Executive Board Action
4. Ratification of Budget
5. Ratification of RAC Emergency Healthcare Plan revisions
6. Ratification of Recommended Regional Protocols/-Standards of Care

- C. Proxy voting is not allowed.

## **ARTICLE 6 – Participation**

**Section 1:** Participation in the RAC, for purposes of eligibility for the State funding, shall include the following minimum annual requirements (reported by State fiscal year- September 1 – August 31):

- A. Attendance at 50% of the General Membership meetings, one meeting in person and one meeting via webinar. Participation will be granted to only one organization per individual attending- there will be no participation credit by proxy.

- B. An EMS Administrator of Record of one or more services as recognized by Texas DSHS, is allowed to represent all EMS agencies for which they are the Administrator of Record for.
- C. Membership on a minimum of one Standing Committee, with attendance/participation in at least 50% of the meetings. Minimum requirements, of one meeting in person and one meeting via webinar.
- D. Sponsorship or participation in two injury prevention activities, region-wide or local community. Member Organizations are responsible for reporting these activities to the RAC Office via online quarterly reporting. The following is the definition of injury prevention as defined by the CDC (programs and policies that prevent unintentional and violence- related injuries and that minimize the consequences of injuries when they occur.)
- E. EMS Services must be in compliance with the Texas Health and Safety Code.
  - 1. Expiration, revocation or suspension of a Provider License would render the service ineligible for RAC membership, as well as other funding sources managed by or passed through the RAC for that fiscal year.
- F. Electronic submission of EMS essential data set/trauma registry participation as required by the Texas DSHS
- G. Participation in the RAC Performance Improvement activities as follows:
  - 1. Hospitals must submit quarterly data tool as defined by the RAC Hospital Care Committee. Report must be received in the RAC office no later than the deadline, 6 weeks after the reporting period.
  - 2. EMS providers must submit data as defined by the RAC Prehospital Committee. Report must be received in the RAC office no later than the deadline, 6 weeks after the reporting period.

- H. Submission of all required financial/expenditure reports to the RAC office as required per the contract by the date set by the RAC staff.
- I. Participation in state/RAC annual needs/resource assessments.
- J. Payment of applicable RAC fees and dues in amounts proposed by the Board of Directors, Voted on and approved by the General Membership who are present during the annual September General Membership meeting. Payment will be required prior to the end of the First quarter, each fiscal year.
- K. TETAF dues will be assessed equally among designated hospitals and those seeking designation on an annual basis. These dues will be determined annually by TETAF.
- L. Members will be notified by e-mail with return read receipt or certified mail with return receipt of failure to submit required reports and given a two-week period to correct deficiencies.

## **ARTICLE 7 – BOARD OF DIRECTORS**

### **Section 1:** General Powers and Responsibilities

- A. The Corporation/Organization shall be governed by a Board of Directors (the "Board"), which shall have all the rights, powers, privileges and limitations of liability of directors of a non-profit corporation organized under the Non-Profit Corporation Act of Texas. The Board shall establish policies and directives governing business and programs of the Corporation/Organization and shall delegate to the Executive Director and Corporation/Organization staff, subject to the provisions of these Bylaws, authority and responsibility to see that the policies and directives are appropriately followed.

### **Section 2:** Number and Qualifications

- A. The Board shall have up to 15, but no fewer than 10, Board members. The number of Board members may be increased beyond 15 members or decreased to less than 10 members by the affirmative vote of a simple majority of the then serving Board of Directors. A Board member should be affiliated with a healthcare entity or other interested individuals as defined in

Section 1. B. and that operates within TSA-A boundaries. Board Members must be a resident of the State of Texas.

B. In addition to the regular membership of the Board, representative of such other organizations or individuals as the Board may deem advisable to elect shall be Ex-Officio Board Members, which will have the same rights and obligations, including voting power, as the other directors.

Section 3: Board Compensation

A. The Board shall receive no compensation other than for reasonable expenses incurred while attending RAC business. However, provided the compensation structure complies with Sections relating to "Contracts Involving Board Members and/or Officers" as stipulated under these Bylaws, nothing in these Bylaws shall be construed to preclude any Board member from serving the Corporation/Organization in any other capacity and receiving compensation for services rendered.

Section 4: Board Elections

A. The General Membership shall present nomination for new and renewing Board members nominations at the September general membership meeting; electronic voting will begin in November. Nominations for board positions will be accepted from the floor of the scheduled September General Membership meeting and will continue to be accepted in writing to the Board Secretary and Executive Director for two weeks following the September General Membership meeting. Applications for Board nominees must be completed and submitted to the Secretary and Executive Director. Nominee information provided on the application will be provided to the General Membership along with the ballots and online voting will begin at the end of the two-week nomination period. Online voting will continue until the December General Membership meeting and will close 48 hours prior to the December General Membership meeting. An individual can only be nominated for one position. Each member organization can have multiple representatives nominated for each board position.

Section 5: Term of Board

A. Elections to the Board shall be for a term of 2 year(s), except in the case of the Vice Chair which is for 4 years. At the completion of the first two years the Vice Chair will automatically assume the role of Chair and a new Vice Chair will be elected. This is to



maintain a state of knowledge and awareness of Corporation/Organization business at the board level with outgoing chairs.

Section 6: Vacancies

- A. A vacancy on the Board of Directors may exist at the occurrence of the following conditions:
  - 1. The death, resignation, or removal of any director;
  - 2. The declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, found by final order or judgment of any court to have breached a duty pursuant to the Corporation Code and/or Act of the law dealing with the standards of conduct for a director, or has missed 3 consecutive meetings of the Board of Directors, or a total of 4 meetings of the Board during any one calendar year;
  - 3. An increase in the authorized number of directors; or
  - 4. The failure of the directors, at any annual or other meeting of directors at which director(s) are to be elected, to elect the full authorized number of directors.
- B. The Board of Directors, by way of a majority vote of the directors currently in office, may remove any director with cause at any regular or special meeting, provided that the director to be removed has been notified in writing in the manner set forth in Article 5. L. above –
- C. Any vacancy of a Board seat will be filled by a vote of simple majority of the General Membership at the next General Membership meeting following the vacancy.
- D. A Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section 7: Resignation

- A. Each Board member shall have the right to resign at any time upon written notice thereof to the Chair of the Board, Secretary of the Board, or the Executive Director. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.
- B. Except as provided in this paragraph, any board member may resign effective upon giving written notice to the chair of the Board, the president of Corporation/Organization, the secretary of Corporation/Organization, or the Board of Directors, unless the

notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. Unless the Attorney General of Texas is first notified, no director may resign when the Corporation/Organization would then be left without a duly elected director in charge of its affairs.

Section 8: Removal

- A. A Board member may be removed, with cause, at any duly constituted meeting of the Board, by a majority vote of the then-serving Board members.

Section 9: Meetings

- A. The Board's regular meetings may be held at such time and place as shall be determined by the Board. The Regular Board meetings, executive committee meetings, or any special meetings of the board or general membership may be called by the chair, upon written or telephone notice to all members. Notice of special meetings shall be given to the members at least 72 hours in advance. Special meetings may be held via conference call or faxed correspondence or e-mail. Regular Board members may call a special meeting of the Board with 72 hours written notice provided to each member of the Board. The notice shall be served upon each Board member via hand delivery, regular mail, email, or fax. The person(s) authorized to call such special meetings of the Board may also establish the place the meeting is to be conducted, so long as it is a reasonable place to hold any special meeting of the Board.

Section 10: Minutes

- A. The Secretary shall be responsible for the recording of all minutes of each and every meeting of the Board in which business shall be transacted in such order as the Board may determine from time to time. However, in the event that the Secretary is unavailable, the Chair of the Board shall appoint an individual to act as Secretary at the meeting. The Secretary, or the individual appointed to act as Secretary, shall prepare the minutes of the meetings, which shall be delivered to the Corporation/Organization to be placed in the minute books. A copy of the minutes shall be delivered to each Board member via either regular mail, hand delivered, emailed, posted to the RAC

website or faxed within 20 business days after the close of each Board meeting.

Section 11: Action by Written Consent

- A. Any action required by law to be taken at a meeting of the Board, or any action that may be taken at a meeting of the Board, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all Board members. The number of directors in office must constitute a quorum for an action taken by unanimous written consent. Such consent shall be placed in the minute book of the Corporation/Organization and shall have the same force and effect as a unanimous vote of the Board taken at an actual meeting. The Board members' written consent may be executed in multiple counterparts or copies, each of which shall be deemed an original for all purposes. In addition, facsimile signatures and electronic signatures or other electronic "consent click" acknowledgments shall be effective as original signatures.

Section 12: Quorum

- A. At each meeting of the Board of Directors or Board Committees, the presence of a Majority of persons shall constitute a quorum for the transaction of business. If at any time the Board consists of an even number of members and a vote results in a tie, then the vote of the Chair of the Board shall be the deciding vote. The act of the majority of the Board members serving on the Board or Board Committees and present at a meeting in which there is a quorum shall be the act of the Board or Board Committees, unless otherwise provided by the Articles of Incorporation, these Bylaws, or a law specifically requiring otherwise. If a quorum is not present at a meeting, the Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present. However, a Board member shall be considered present at any meeting of the Board or Board Committees if during the meeting he or she is present via telephone or web conferencing with the other Board members participating in the meeting.

Section 13: Voting

- A. Each Board member shall only have one vote.

Section 14: Proxy

- A. Proxy voting is not allowed.

Section 15: Board Member Attendance

- A. An elected Board Member who is absent from 3 consecutive regular meetings of the Board during a fiscal year shall be encouraged to reevaluate with the Chair of the Board his/her commitment to the Corporation/Organization. The Board may deem a Board member who has missed 4 consecutive meetings without such a reevaluation with the Chair to have resigned from the Board.

**ARTICLE 8 – REQUIRED BOARD POSITIONS**

Section 1: Officers and Duties

- A. The Board shall be elected by the General Membership and shall include a Chair of the Board, a Vice Chair of the Board, a Secretary, a Treasurer, and such other officers as the Board may designate by resolution. Additionally, the board will have two EMS representatives, two hospital representatives and two at large representatives that are members of the RAC General Membership. A board member can only hold one office at any time. In addition to the duties in accordance with this Article, officers shall conduct all other duties typically pertaining to their offices and other such duties which may be required by law, Articles of Incorporation, or by these bylaws, subject to control of the Board of Directors, and they shall perform any other such additional duties which the Board of Directors may assign to them at their discretion.
- B. The officers shall serve the needs of the Board, subject to all the rights, if any, of any officer who may be under a contract of employment. Therefore, without any bias or predisposition to the rights of any officer that may be under any contract of employment, any officer may be removed with or without cause by the Board. All officers have the right to resign at any time by providing notice in writing to the Chair of the Board, President, and/or Secretary of the Corporation/Organization, without bias or predisposition to all rights, if any, of the Corporation/Organization under any contract to which said officer is a part thereof. All resignations shall become effective upon the date on which the written notice of resignation is received or at any time later as may be specified within the resignation; and unless otherwise indicated within the written notice, a stated acceptance of the resignation shall not be required to make the resignation effective.

- C. Other board positions will include Committee Chairs for existing standing committees that have already received the approval of the General Membership and any committee required by contract. Each committee shall elect a chair from its representing body to represent that committee with a seat on the board. Newly formed committees will require a majority vote from the board to grant additional board seats. Current committees granted a seat on the board include but are not limited to:
1. Trauma/Hospital Care
  2. Regional Preparedness
  3. Perinatal/Maternal
  4. Prehospital
  5. The Stroke/STEMI committee shall include stroke representation and chest pain representation from both NWTBS and BSA Hospital at committee meetings. One representative from each hospital shall be appointed by the Board of Directors to serve as a voting board member.
  6. Mental Health Committee (MHC) Chair shall be appointed by the Executive Board of the Panhandle Regional Advisory Council. The MHC Chair, will be a non-voting member and will report directly to the RAC Board of Directors with updates to the General Membership.
- D. Any and all vacancies in any office because of death, resignation, disqualification, removal, or for any other cause, shall be filled in accordance to the herein prescribed bylaws for regular appointments to such office. The compensation, if any, of the officers shall be fixed or determined by resolution of the Board of Directors.

Section 2: Chair of the Board

- A. It shall be the responsibility of the Chair of the Board, when present, to preside over all meetings of the Board of Directors and Executive Committee. The Chair of the Board is authorized to execute, in the name of the Corporation/Organization, any and all contracts or other documents which may be authorized, either generally or specifically, by the Board to be executed by the Corporation/Organization, except when required by law that the President's signature must be provided.

Section 3: Vice Chair of the Board

- A. In the absence of the Chair of the Board, or in the event of his/her inability or refusal to act, it shall then be the responsibility of the

Vice Chair of the Board to perform all the duties of the Chair of the Board, and in doing so, he/she shall have all authority and powers of and shall be subject to all of the restrictions on the Chair of the Board.

Section 4: Secretary

- A. The Secretary, or his/her designee, shall be the custodian of all records and documents of the Corporation/Organization, which are required to be kept at the principal office of the Corporation/Organization and shall act as secretary at all meetings of the Board of Directors, and shall keep the minutes of all such meetings on file in hard copy or electronic format. S/he shall attend to the giving and serving of all notices of the Corporation/Organization and shall see that the seal of the Corporation/Organization, if any, is affixed to all documents, the execution of which on behalf of the Corporation/Organization under its seal is duly authorized in accordance with the provisions of these bylaws.

Section 5: Treasurer

- A. It shall be the responsibility of the Treasurer to keep and maintain, or cause to be kept and maintained, adequate and accurate accounts of all the properties and business transactions of the Corporation/Organization, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The Treasurer shall be responsible for ensuring the deposit of, or cause to be deposited, all money and other valuables as may be designated by the Board of Directors. Furthermore, the Treasurer shall disburse, or cause to be disbursed, the funds of the Corporation/Organization, as may be ordered by the Board of Directors, and shall render to the Chair of the Board, Executive Director, and directors, whenever they request it, an account of all the Treasurer's transactions as treasurer and of the financial condition of the Corporation/Organization.

Section 6: Executive Director

- A. It shall be the responsibility of the Executive Director, in general, to supervise and conduct all activities and operations of the Corporation/Organization, subject to the control, advice and consent of the Board of Directors. The Executive Director shall keep the Board of Directors completely informed, shall freely

consult with them in relation to all activities of the Corporation/Organization, and shall see that all orders and/or resolutions of the Board are carried out to the effect intended. The Board of Directors may place the Executive Director under a contract of employment where appropriate. The Executive Director shall be empowered to act, speak for, or otherwise represent the Corporation/Organization between meetings of the Board. The Executive Director shall be responsible for the hiring and firing of all personnel and shall be responsible for keeping the Board informed at all times of staff performance and for implementing any personnel policies which may be adopted and implemented by the Board. The Executive Director is responsible for all budget development with approval of the Board of Directors and ratification by General Membership. The Executive Director, at all times, is authorized to contract, receive, deposit, disburse and account for all funds of the Corporation/Organization, to execute in the name of the Corporation/Organization all contracts and other documents authorized either generally or specifically by the Board to be executed by the Corporation/Organization, and to negotiate any and all material business transactions of the Corporation/Organization.

## **ARTICLE 9 – COMMITTEES**

### **Section 1:** Committees of Directors

A. The Board of Directors may, by resolution adopted by a majority of the directors then in office, provided that a quorum is present, designate one or more committees to exercise all or a portion of the authority of the Board, to the extent of the powers specifically delegated in the resolution of the Board or in these bylaws. Each such committee shall consist of two (2) or more directors and may also include persons who are not on the Board but whom the directors believe to be reliable and competent to serve at the specific committee. However, committees exercising any authority of the Board of Directors may not have any non-director members. The Board may designate one or more alternative members of any committee who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the directors then in office, provided that a quorum is present. The Board of Directors may also designate one or more

advisory committees that do not have the authority of the Board. However, no committee, regardless of Board resolution, may:

1. Approve of any action that, pursuant to applicable Law, would also require the affirmative vote of the members of the Board if this were a membership vote.
2. Fill vacancies on, or remove the members of, the Board of Directors or any committee that has the authority of the Board.
3. Fix compensation of the directors serving on the Board or on any committee.
4. Amend or repeal the Articles of Incorporation or bylaws or adopt new bylaws.
5. Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable.
6. Appoint any other committees of the Board of Directors or their members.
7. Approve a plan of merger, consolidation, voluntary dissolution, bankruptcy, or reorganization; or a plan for the sale, lease, or exchange of all or considerably all of the property and assets of the Corporation/Organization otherwise than in the usual and regular course of its business; or revoke any such plan.
8. Approve any self-dealing transaction, except as provided pursuant to law.

B. Unless otherwise authorized by the Board of Directors, no committee shall compel the Corporation/Organization in a contract or agreement or expend Corporation/Organization funds.

Section 2: Meetings and Actions of Committees

A. Meetings and actions of all committees shall be governed by, and held and taken in accordance with, the provisions of Article 5 - Board of Directors of these bylaws concerning meetings and actions of the directors, with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings



of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the Corporation/Organization records. The Board of Directors may adopt rules not consistent with the provisions of these bylaws for the governance of any committee.

- B. If a director relies on information prepared by a committee of the Board on which the director does not serve, the committee must be composed exclusively of any or any combination of (a) directors, (b) directors or employees of the Corporation/Organization whom the director believes to be reliable and competent in the matters presented, or (c) counsel, independent accountants, or other persons as to matters which the director believes to be within that person's professional or expert competence.

Section 3: Executive Committee

- A. Pursuant to Article 7 - Committee of Directors, the Board may appoint an Executive Committee composed of a minimum of 4 directors, one of whom shall be the Chair of the Board of the Board and another shall be either the Vice Chair of the Board, the Secretary, or the Treasurer, to serve on the Executive Committee of the Board. The Executive Committee, unless limited in a resolution of the Board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the Corporation/Organization between meetings of the Board, provided, however, that the Executive Committee shall not have the authority of the Board in reference to those matters enumerated in Article 7 - Committee of Directors.

**ARTICLE 10 - DUTIES**

Section 1: General

- A. A director shall perform all the duties of a director, including, but not limited to, duties as a member of any committee of the Board on which the director may serve, in such a manner as the director deems to be in the best interest of the Corporation/Organization and with such care, including reasonable inquiry, as an ordinary, prudent, and reasonable person in a similar situation may exercise under similar circumstances.
- B. In the performance of the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements,

including financial statements and other financial data, in each case prepared or presented by:

1. One or more officers or employees of the Corporation/Organization whom the director deems to be reliable and competent in the matters presented;
2. Counsel, independent accountants, or other persons, as to the matters which the director deems to be within such person's professional or expert competence; or
3. A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director deems to merit confidence, so long as in any such case the director acts in good faith, after reasonable inquiry when the need may be indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

C. Except as herein provided in Article 9 - Duties, any person who performs the duties of a director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limitation of the following, any actions or omissions which exceed or defeat a public or charitable purpose to which the Corporation/Organization, or assets held by it, are dedicated.

D. Board Omissions & Errors insurance shall be provided to all board members at the RAC's expense.

Section 2: Loans

A. The Corporation/Organization shall not make any loan of money or property to, or guarantee the obligation of, any director or officer, unless approved by the Texas Attorney General; provided, however, that the Corporation/Organization may advance money to a director or officer of the Corporation/Organization or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or director so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

Section 3: Conflict of Interest

A. The purpose of the Conflict of Interest policy is to protect the Corporation/Organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of one of its officers or directors, or that might

otherwise result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable corporations/organizations and is not intended as an exclusive statement of responsibilities.

Section 4: Restriction on Interested Directors

- A. Not more than 0% (percent) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any person currently being compensated by the Corporation/Organization for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director; and (2) any brother, sister, parent, ancestor, descendent, spouse, brother-in-law, sister-in-law, son-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the interested person.

Section 5: Duty to Disclose

- A. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors who are considering the proposed transaction or arrangement.

Section 6: Establishing a Conflict of Interest

- A. After the disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the Board meeting while the potential conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

Section 7: Addressing a Conflict of Interest

- A. In the event that the Board should establish that a proposed transaction or arrangement establishes a conflict of interest, the Board shall then proceed with the following actions:
1. Any interested person may render a request or report at the Board meeting, but upon completion of said request or report the individual shall be excused while the Board discusses the information and/or material presented and then votes on the

transaction or arrangement proposed involving the possible conflict of interest.

2. The Chair of the Board of the Board shall, if deemed necessary and appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the Board shall determine whether the Corporation/Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the best interest of the Corporation/Organization, for its own benefit, and whether it is fair and reasonable. It shall make its decision as to whether to enter into the transaction arrangement in conformity with this determination.

Section 8: Violations of Conflict of Interest Policy

- A. Should the Board have reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, the Board shall then inform the interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose.
- B. If, after hearing the interested person's explanation, and after making further investigation as may be warranted in consideration of the circumstances, the Board determines the interested person intentionally failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 9: Procedures and Records

- A. All minutes of the Board Meetings, when applicable, shall contain the following information:
  1. The names of all the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was

- present, and the Board's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and any votes relating to the transaction or arrangement, the content of the discussions, including any alternatives to the proposed transaction or arrangement, and a record of any vote taken in connection with the proceedings.

**Section 10:** Acknowledgement of Conflict of Interest Policy

- A. Each director, officer, and member of a committee with Board delegated powers shall be required to sign a statement which affirms that such person:
  1. Has received a copy of the conflict of interest policy;
  2. Has read and understands the policy;
  3. Has agreed to comply with the policy; and
  4. Understands that the Corporation/Organization is charitable, and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

**Section 11:** Violation of Loyalty - Self-Dealing Contracts

- A. A self-dealing contract is any contract or transaction (i) between this Corporation/Organization and one or more of its Directors, or between this Corporation/Organization and any corporation, firm, or association in which one or more of the Directors has a material financial interest ("Interested Director"), or (ii) between this Corporation/Organization and a corporation, firm, or association of which one or more of its directors are Directors of this Corporation/Organization. Said self-dealing shall not be void or voidable because such Director(s) of corporation, firm, or association are parties or because said Director(s) are present at the meeting of the Board of Directors or committee which authorizes, approves or ratifies the self-dealing contract, if:
  1. All material facts are fully disclosed to or otherwise known by the members of the Board and the self-dealing contract is approved by the Interested Director in good faith (without including the vote of any membership owned by said interested Director(s));
  2. All material facts are fully disclosed to or otherwise known by the Board of Directors or committee, and the Board of Directors or committee authorizes, approves, or ratifies the self-dealing contract in good faith—without counting the vote

of the interest Director(s)— and the contract is just and reasonable as to the Corporation/Organization at the time it is authorized, approved, or ratified; or

3. As to contracts not approved as provided in above sections (a) and/or (b), the person asserting the validity of the self-dealing contract sustains the burden of proving that the contract was just and reasonable as to the Corporation/Organization at the time it was authorized, approved, or ratified.

B. Interested Director(s) may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof, which authorizes, approves, or ratifies a contract or transaction as provided for and contained in this section.

Section 12: Indemnification

A. To the fullest extent permitted by law, the Corporation/Organization shall indemnify its "agents," as described by law, including its directors, officers, employees and volunteers, and including persons formerly occupying any such position, and their heirs, executors and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," and including any action by or in the right of the Corporation/Organization, by reason of the fact that the person is or was a person as described in the Non-Profit Corporation Act. Such right of indemnification shall not be deemed exclusive of any other right to which such persons may be entitled apart from this Article.

B. To the fullest extent permitted by law, and, except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification in defending any "proceeding" shall be advanced by the Corporation/Organization of an undertaking by or on behalf of that person to repay such amount unless it is ultimately determined that the person is entitled to be indemnified by the Corporation/Organization for those expenses.

C. The Corporation/Organization shall have the power to purchase and maintain insurance on behalf of any agent of the Corporation/Organization, to the fullest extent permitted by law, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

## **ARTICLE 11 – EXECUTION OF CORPORATE INSTRUMENTS**

### **Section 1:** Execution of Corporate Instruments

- A. The Board of Directors may, at its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon the Corporation/Organization.
- B. Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts of the Corporation/Organization, promissory notes, deeds of trust, mortgages, other evidences of indebtedness of the Corporation/Organization, other corporate/organization instruments or documents, memberships in other corporations/organizations, and certificates of shares of stock owned by the Corporation/Organization shall be executed, signed, and/or endorsed by the Executive Director, Chair, Chair-Elect.
- C. All checks and drafts drawn on banks or other depositories on funds to the credit of the Corporation/Organization, or in special accounts of the Corporation/Organization, shall be signed by such person or persons as the Board of Directors shall authorize to do so.

### **Section 2:** Loans and Contracts

- A. No loans or advances shall be contracted on behalf of the Corporation/Organization and no note or other evidence of indebtedness shall be issued in its name unless and except as the specific transaction is authorized by the Board of Directors. Without the express and specific authorization of the Board, no officer or other agent of the Corporation/Organization may enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation/Organization.

## **ARTICLE 12– RECORDS AND REPORTS**

### **Section 1:** Maintenance and Inspection of Articles and Bylaws

- A. The Corporation/Organization shall keep at its principal office the original or a copy of its Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the directors at all reasonable times during office hours.

Section 3: Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

- A. The Corporation/Organization shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three years from their date of filing, which shall be open to public inspection and copying to the extent required by law.

Section 4: Maintenance and Inspection of Other Corporate Records

- A. The Corporation/Organization shall keep adequate and correct books and records of accounts and written minutes of the proceedings of the Board and committees of the Board. All such records shall be kept at a place or places as designated by the Board and committees of the Board, or in the absence of such designation, at the principal office of the Corporation/Organization. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the Corporation/Organization shall turn over to his or her successor or the Chair of the Board or President, in good order, such corporate/organization monies, books, records, minutes, lists, documents, contracts or other property of the Corporation/Organization as have been in the custody of such officer, employee, or agent during his or her term of office.
- B. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation/Organization and each of its subsidiary corporations/organizations. The inspection may be made in person or by an agent or attorney and shall include the right to copy and make extracts of documents.

Section 5: Preparation of Annual Financial Statements

- A. The Corporation/Organization shall prepare annual financial statements using generally accepted accounting principles. Such statements shall be audited by an independent certified public accountant, in conformity with generally accepted accounting standards. The Corporation/Organization shall make these financial statements available to the Texas Attorney General and members of the public for inspection no later than 30 days after the close of the fiscal year to which the statements relate.



Section 6: Reports

- A. The Board shall ensure an annual report is sent to all directors within 30 days after the end of the fiscal year of the Corporation/Organization, which shall contain the following information:
1. The assets and liabilities, including trust funds, of this corporation at the end of the fiscal year.
  2. The principal changes in assets and liabilities, including trust funds, during the fiscal year.
  3. The expenses or disbursements of the Corporation/Organization for both general and restricted purposes during the fiscal year.
  4. The information required by Non-Profit Corporation Act concerning certain self-dealing transactions involving more than \$50,000 or indemnifications involving more than \$10,000 which took place during the fiscal year.
- B. The report shall be accompanied by any pertinent report from an independent accountant or, if there is no such report, the certificate of an authorized officer of the Corporation/Organization that such statements were prepared without audit from the books and records of the Corporation/Organization.

**ARTICLE 13 – FISCAL YEAR**

Section 1: The fiscal year for this Corporation/Organization shall end on June 30.

**ARTICLE 14 – AMENDMENTS AND REVISIONS**

Section 1: These bylaws may be adopted, amended, or repealed by the vote of a simple majority of the directors then in office. Such action is authorized only at a duly called and held meeting of the Board of Directors for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefore, is given in accordance with these bylaws. If any provision of these bylaws requires the vote of a larger portion of the Board than is otherwise required by law, that provision may not be altered, amended or repealed by that greater vote.

**ARTICLE 15 – CORPORATE/ORGANIZATION SEAL**

Section 1: The Board of Directors may adopt, use, and alter a corporate/organization seal. The seal shall be kept at the principal office of the Corporation/Organization. Failure to affix the seal to any

corporate/organization instrument, however, shall not affect the validity of that instrument.

## **ARTICLE 16 – CONSTRUCTION AND DEFINITIONS**

Section 1: Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Non-Profit Corporation Act as amended from time to time shall govern the construction of these bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a Corporation/Organization as well as a natural person. If any competent court of law shall deem any portion of these bylaws invalid or inoperative, then so far as is reasonable and possible (i) the remainder of these bylaws shall be considered valid and operative, and (ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

### **CERTIFICATE OF BOARD CHAIR**

I, Kate Schaefer, certify that I am the current elected and acting Chair of the Board of Directors for the benefit Corporation/Organization, and the above bylaws are the bylaws of this Corporation/Organization as adopted by the Board of Directors and General Membership, on March 23, 2023, and that they have not been amended or modified since the above.

***EXECUTED*** on the 23rd day of March, 2023 in the County of Randall, in the State of Texas.

---

(Kate Schaefer, Chair)

Revised March 24, 2022 by Majority Vote of General Membership