

Texas Association of Workforce Boards By-Laws

ARTICLE I

NAME

Section 1. The name of the corporation shall be Workforce Leadership of Texas dba Texas Association of Workforce Boards, a 501 (c)(3) corporation.

ARTICLE II

OFFICES/FACILITIES/PURPOSE

Section 1. The offices of the corporation shall be located in the State of Texas, in the city and county of the current Chair's board office.

Section 2. The corporation may also have offices at such other places, either within or without the State of Texas, as the Board of Directors may from time to time determine or as the corporation may require.

Section 3. The purposes of the corporation are:

- (a) to bring together representatives of all Texas local workforce boards in order to:
 - (i) provide a unified voice for a quality workforce system in Texas; and
 - (ii) provide a forum for discussing public workforce policy; and
- (b) to conduct other activities, not in contravention of the Texas Non-Profit Corporation Act, Sec 501 (c)(3) of the Internal Revenue Code, Article II of these Bylaws or Article Six of the Articles of Incorporation of the Corporation.

ARTICLE III

FUNCTIONS, POWERS, DUTIES, AND LIMITATIONS

Section 1. The functions, powers, duties and limitations of the corporation are:

- a) to take any and all legal, necessary and proper actions to effectuate the purposes stated in Article II, Section 3 herein;
- b) to hire or engage appropriate staff, employees, contract workers or professionals to effectuate the corporation's purposes;
- c) to carry out other functions, powers, and duties, which shall include but not be limited to those stated in the corporation's Statement of Work.

ARTICLE IV

MEMBERSHIP

- Section 1.** The corporation shall have one class of voting members, defined as Area Members, which shall mean and equate to each local workforce area which is current in its dues to the corporation. The Corporation Board of Directors may establish other classes of non-voting members for persons or corporations which can, through payment of a membership fee, be entitled to services, as defined and approved by the Board of Directors.
- (a) Area Members are entitled to one local workforce board member (Member Representative Director) and one board executive staff (Member Representative Executive).
 - (b) Annual dues shall be set no more than one time per year by the vote of two-thirds of the Area Members of the corporation present in person or represented by proxy at the Annual meeting, the agenda of which shall include the subject of annual dues for discussion.
 - (c) Annual dues shall be payable to the corporation no later than September 30 of each calendar year. Revenues from dues shall be forwarded to the Treasurer to pay for business expenses incurred by the corporation.
- Section 2.** The membership of any Member shall automatically be terminated without action by the Board of Directors if such Area Member shall fail to pay dues to the corporation. Upon the termination of membership for any cause, all the privileges, rights and interest of the Member shall cease, ipso facto.
- Section 3.** The corporation shall keep a record of the full name of the Area Member and its representatives and their current contact information.

ARTICLE V

BOARD OF DIRECTORS

- Section 1.** The management and control of the affairs, activities and property of the corporation shall be vested in the Board of Directors, which may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws prohibited.
- Section 2.** The number of directors, which shall constitute the whole Board, shall be equal to the total number of member representative directors and member representative executives.
- Section 3.** Each Area Member, which is current in its organization dues, will have one vote. Except as otherwise provided below, the Area Member representative entitled to

vote is the Member Representative Director or his or her designee. The Member Representative Executive may serve as the Member Representative Director's designee.

- Section 4.** Each Area Member shall annually designate a local workforce area board member as its voting member to the Corporation, and shall at the same time designate any alternate voting representative. Such designation(s) shall occur at the beginning of each fiscal year, but no later than September 30, or, in the case of new Area Members, within 60 days of becoming an Area Member. Only Area Member entities that have paid their membership fee for the current fiscal year, or who have submitted a formal letter of intent to the Association to pay their membership fee within one (1) month after the beginning of the fiscal year and are not in arrears for prior years' membership fees are entitled to designate a voting representative and alternate voting representative.
- Section 5.** If any vacancies occur in the Board of Directors caused by death, resignation, retirement, disqualification or removal from office of any director or otherwise, or any directorship is created by any increase in the authorized number of directors, an Area Member may choose a successor or successors, or fill the newly created directorship, and the directors so chosen shall hold office for the unexpired term of their predecessors or, if there be no predecessor, until their successors shall be duly elected and qualified, unless sooner displaced.
- Section 6.** Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if prior to such action, a written consent thereto is signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board or committee.
- Section 7.** The Board of Directors of the corporation may hold meetings, both regular and special, either within or outside the State of Texas.
- Section 8.** Action taken by a mail or electronic ballot in which a majority of Board members indicate their agreement in writing or decided on a telephone conference call, shall constitute a valid action of the Board if reported at the next regular meeting or via meeting minutes or ballot summary.
- Section 9.** Regular meetings of the Board of Directors shall be held at least one (1) time per year at such time, and such place, as the Chair (or his/her designee) shall direct. The Board of Directors may hold additional meetings as it determines necessary.
- Section 10.** Special meetings of the Board of Directors may be called by the Chair (or his/her designee) with a minimum of (3) days notice to each director, delivered either personally, by mail; by facsimile or by email; special meetings shall be called by

the Chair or Vice Chair in like manner and on like notice upon the written request of seven (7) directors.

Section 11. At all meetings of the Board of Directors, a majority of the number of directors fixed by these Bylaws shall constitute a quorum for the transaction of business. The act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or these Bylaws. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 12. The Board of Directors shall keep regular minutes of its proceedings. The minutes shall be placed in the minute book of the corporation.

Section 13. Directors shall not receive any stated fee for their services as such, but, by resolution of the Board, a fixed reasonable sum or expenses of attendance, if any, or both, may be allowed for attendance at each annual or special meeting of the Board. The Board of Directors shall have the power, in its discretion, to contract for and to pay to Directors rendering unusual or exceptional services to the corporation special compensation appropriate to the value of such services.

ARTICLE VI

EXECUTIVE DIRECTOR'S COUNCIL

Section 1. All Member Representative Executives of the corporation shall constitute the Executive Director's Council (the Council).

Section 2. The purpose of the Council shall be to provide a forum for the Member Representative Executives to:

- (a) Discuss administrative issues in the implementation of workforce services,
- (b) Represent the Corporation and the views of its members to agencies and agency personnel in the State of Texas, and
- (c) Plan and implement educational activities to support the development of board and staff members throughout the State of Texas.

Section 3. The officers of the Council shall be elected by a vote of a majority of the Member Representative Executives present in person or represented by proxy at a meeting called for such purpose and shall be a President, a Vice President and a Secretary. The officers of the Council shall be elected for such terms not exceeding one (1) year.

Section 4. The Council shall hold regular meetings at such place as the President of the Council shall direct and at such times as the members of the Council determine necessary. The President of the Council shall call the meetings of the Council.

Written notice of the regular meetings stating the place, day and hour of the meeting shall be sent to each member of the Council not less than ten (10) days before the date of such meeting.

Section 5. The President of the Council shall report any recommendations by the Council for action at each regular meeting of the corporation.

ARTICLE VII

MEETINGS

Section 1. Regular meetings of the Members shall be held at least two (2) times per year at such time and such place, as the Chair (or his/her designee) shall direct. One of the regular meetings shall be designated by the Chair as the annual meeting of the Members of the Corporation. Special meetings of the Members may be called by the Chair or the Vice-Chair or by written request of seven (7) directors.

Section 2. Meetings may be held through a variety of methods, including physical meetings, conference calls, or electronically; provided, all attendees may hear, be heard and participate in all discussions carried on at the meeting.

Section 3. Written notice of the regular meetings (including the regular meeting which shall be designated by the Chair as the annual meeting) stating the place, day and hour of the meeting shall be sent to each Member at such meeting not less than ten (10) days before the date of such meeting. Written notice of a special meeting of the Members stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called shall be sent to each Member at such meeting not less than ten (10) nor more than sixty (60) days before the date of such meeting. Only the purpose or purposes for the special meeting contained in the written notice of the special meeting may be transacted at such meeting.

Section 4. The Chair (or his/her designee) shall develop and distribute an agenda for each regular meeting (including the annual meeting) to each Member not less than ten (10) days before the date of such meeting.

Section 5. Fifty-one percent (51%) of the Members qualified to vote present in person or represented by proxy (including, if necessary, the Chair) shall constitute a quorum at all meetings of the Members for the transaction of business except as may be otherwise provided by law, the Articles of Incorporation or these Bylaws. When a quorum is present at any meeting of the Members qualified to vote, the vote of a majority of the Members present in person or represented by proxy shall decide any

question properly brought before such meeting, unless a greater number is required by law, the Articles of Incorporation or these Bylaws. The proxy designation shall be made in writing to any officer of the corporation and signed by the Member making the designation if so specified in the notice of the meeting.

Section 6. The Chair shall preside at all meetings of the Members of the Corporation. In the absence of the Chair, the Vice Chair shall preside at all such meetings. In the absence of both the Chair and the Vice Chair, a temporary Chair chosen by the Chair or, if the chair does not choose, by a vote of a majority of the Members present in person or represented by proxy at such meeting shall preside.

ARTICLE VIII

NOTICES

Section 1. Whenever, under the provision of the laws of the statutes or of the Articles of Incorporation or of these Bylaws, notice is required to be given to any person, it shall not be construed to require personal notice, but such notice may be given in writing, by mail or telegram, facsimile or email, addressed to such person at such address as appears on the books of the corporation, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail, properly addressed, with postage thereon paid.

Section 2. Whenever any notice is required to be given under the provisions of the statutes or of the Articles of Incorporation or of these Bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE IX

OFFICERS

Section 1. The officers of the corporation shall be elected by a vote of a majority of the Board of Directors present in person or represented by proxy at the annual meeting and shall be a Chair, a Vice-Chair, a Secretary and a Treasurer. The officers shall be elected for such terms not exceeding two (2) years.

Section 2. The Board of Directors may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such term and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 3. The term of office of each of the offices of the Corporation shall be for two (2) years from September 1 through August 31, and officers remain in office until the election of their successors, or death, removal, or resignation. Officers may be re-

elected for an additional term, but may not serve more than two consecutive terms in any office unless otherwise approved by a majority vote of the Board of Directors. Any officers may be removed at any time by a vote of two-thirds of the votes entitled to be cast by the Members present in person or represented by proxy at a meeting for such purpose at which a quorum is present. If the office of any officer becomes vacant for any reason, the Chair may fill the vacancy.

Section 4. No later than three (3) months before the annual meeting, the Chair shall appoint a nominating committee to solicit nominations for officers from among its Members. The nominating committee shall solicit nominations from all Members of the Corporation. The Chair shall select the Chair of the Nominating Committee. Each nominating committee shall include an equal number of members of the Member Representative Directors and Member Representative Executives. At each annual meeting of Members, the Members Representative Directors and Member Representative Executives may vote on the names submitted by the nominating committee as well as any nominations made at the annual meeting.

Section 5. The Chair shall be a business representative serving as a member of a local workforce board. The Chair shall:

- (i) Preside at all meetings of the Board of Directors and the Members,
- (ii) Set the time and place of all meetings,
- (iii) Develop and distribute the agendas for such meetings,
- (iv) Appoint committee members, and
- (v) Certify the quorum of each meeting.

The Chair shall have the power to call special meetings of the Directors and the Members, make and sign deeds, mortgages, contracts and agreements in the name of and on behalf of the corporation (not to exceed twelve (12) months in duration nor \$25,000 in value without resolution of the Board of Directors), and shall generally do and perform all acts incident to the office of Chair, all of which shall be subject to the direction and review of the Board of Directors. In addition to the powers and duties of this section, the Chair shall perform such other duties, as the Board of Directors shall prescribe.

Section 6. The Vice-Chair shall be a business representative serving as a member of a local workforce board. The Vice Chair shall, in the absence or disability of the Chair, perform the duties and exercise the powers of the Chair. A Vice Chair shall also generally assist the Chair and exercise such other powers and perform such other duties as are delegated to him or her by the Chair and as the Board of Directors shall prescribe.

Section 7. The Secretary shall be a Member Representative Executive of the corporation. The Secretary shall attend all meetings of the Members and the Board of Directors and ensure that a record of all proceedings of the meetings of the corporation and attendance at such meetings is kept in a book for that purpose. The Secretary shall ensure that the corporation's membership rosters are kept current and available to

all of the Members and assist the Chair in notifying the Members of each meeting and encouraging attendance to such meetings. The Secretary shall perform such other duties as may be prescribed by the Board of Directors or the Chair, under whose supervision he or she shall be. The Secretary shall keep all business records of the corporation. The Secretary shall keep in safe custody the seal of the corporation and, when authorized by the Board of Directors, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his or her signature or by the signature of the Treasurer that may be a facsimile. In general, he or she shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him or her by the Board of Directors or by the Chair.

Section 8. Treasurer.

- a) The Treasurer shall be a Member Representative Executive of the corporation. The Treasurer shall be the financial officer of the corporation, shall have charge and custody of and be responsible for all funds of the corporation and all securities owned by the corporation, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, and shall deposit all such funds and other valuable effects in the name of and to the credit of the corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall notify all Members of membership dues or other assessments and shall collect such dues and assessments. In general, the Treasurer shall perform all duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to him or her by the Board of Directors or by the Chair.
- b) The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Chair and the Board of Directors, when the Board of Directors so requires, an account of all his or her transactions as Treasurer and of the financial condition of the corporation.
- c) If required by the Board of Directors, the Treasurer shall give the Corporation a bond (which shall be renewed every six (6) years) in such sum and with such sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office and for the restoration to the corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the corporation.
- d) The Treasurer shall be responsible for filing state and federal regulatory returns and filings.

ARTICLE X

EXECUTIVE AND STAFF

Section 1. An Executive Director may be employed by the Board of Directors and shall have general direction of and supervision over the day-to-day affairs of the Corporation. The Executive Director shall provide organizational leadership and exercise such authority and perform such duties as prescribed by the Board of Directors, and may make and sign deeds, mortgages, contracts and agreements in the name of and on behalf of the corporation (not to exceed twelve (12) months in duration nor \$25,000 in value without resolution of the Board of Directors).

ARTICLE XI

FINANCE

Section 1. The fiscal year of the corporation shall begin September 1 of each year and end August 31 of such year.

Section 2. The Board shall secure the services of a qualified Auditor to audit the financial management and financial records of the corporation. The Treasurer shall cause the audit to be done as soon as is reasonably possible no less than every three (3) years. The Auditor shall report his or her findings and recommendations to the Board either in writing or in person at the earliest possible regular meeting of the Board after the completion of the audit.

Section 3. A proposed budget shall be presented at the annual meeting of the Board. Copies of the proposed budget shall be sent to each Board Member no less than ten (10) days prior to the date of the annual meeting.

ARTICLE XII

COMMITTEES

Section 1. The Chair (or his/her designee) of the corporation may designate one or more committees, each to have the name, membership, duties and responsibilities designated by the Chair. Such committees shall consist of a chair and other members, none of whom need be Members, except where otherwise directed at the time of the creation of any such committee. The Board of Directors shall approve any procedural rules of such committees. Each committee will consist of not less than three (3) members. Members of the corporation who are not formally appointed to a committee (other than the Executive Committee) may volunteer to join a committee and meet with the appointed committee members to carry out committee business. Each committee will be active for the period of time necessary to meet its objectives.

Section 2. An Executive Committee shall exist, consisting of all of the elected officers of the corporation, the immediate past Chair of the Corporation, and the President of the

Executive Director's Council, standing committee chairpersons, and (3) three other association members, either Member Representative Directors or Member Representative Executives, representing geographically diverse locations within Texas to be selected at the sole discretion of the TAWB Board Chair. The Executive Committee shall serve as the primary point of contact for the TAWB Board of Directors. The Executive Committee shall have and may exercise all of the authority of the Board of Directors in between regular meetings of the Board of Directors in the management of the business and affairs of the corporation, but the designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him or her by law. The Executive Committee shall keep regular minutes of its proceedings and report on its proceedings to the Board of Directors when required. The minutes of the proceedings of the Executive Committee shall be placed in the minute book of the corporation.

Section 3. The Executive Committee shall be responsible for the development of an annual operating budget for the corporation. The committee shall present the proposed budget for consideration at the annual meeting of the Board. Copies of the proposed budget shall be sent to each Member no less than ten (10) days prior to the date of the annual meeting.

Section 4. A majority of the members of any such committee shall constitute a quorum and questions shall be decided by a majority vote.

ARTICLE XIII

CONFLICTS OF INTEREST

Section 1. No person who holds any public office for the State of Texas shall be eligible to serve as a Member Representative Director or Member Representative Executive if such relationship might cause him or her to be placed in a conflict of interest.

Section 2. All Area Members, officers, directors, Member Representative Directors and Member Representative Executives shall conduct themselves so as to avoid real or apparent conflicts with the activities, policies, operations and interests of the corporation. No Area Members, officers, directors, Member Representative Directors or Member Representative Executives shall receive a direct financial interest as a result of a contract or agreement to which the corporation may be a party. The term "direct financial interest" means any ownership interest, direct or indirect, held by an officer, Member or any of their immediate family. The term "immediate family" means any person related within the first degree of affinity (marriage) or consanguinity (blood) to the person involved. Each Area Members, officers, directors, Member Representative Directors or Member Representative Executives of the corporation must disclose any real or apparent conflict of interest at or prior to any meeting authorizing or ratifying a contract or transaction to which

the corporation is a party. The interested Area Members, officers, directors, Member Representative Directors or Member Representative Executives of the corporation making such disclosure may be counted in determining whether a quorum is present at such meeting but may not vote on such contract or transaction.

ARTICLE XIV

DISSOLUTION

- Section 1.** The corporation shall be dissolved if the number of Area Members of the corporation falls below sixty-seven percent (67%) of the number of all local workforce boards in the State of Texas.
- Section 2.** Upon dissolution of the corporation, the Chair (or his/her designee) shall distribute the assets of the corporation to the following groups in the following order of priority:
- (a) to the extent permitted by law, to satisfy the corporation's liabilities to creditors, including Area Members who are creditors, whether by payment or establishment of reserves; and
 - (b) to the Area Members of the Corporation, in the proportions such Area Members paid the corporation's dues for the current fiscal year of the corporation.

ARTICLE XV

INDEMNIFICATION AND INSURANCE

- Section 1.** The Corporation shall indemnify any director or officer, or former director or officer, against expenses incurred in connection with the defense of any action, suit, or proceeding in which he or she is made a party by reason of being, or having been, such director or officer, to the maximum extent permitted by law. Such indemnification shall not be deemed exclusive of any other rights to which such director or officer may be entitled, under these Bylaws, any agreement, vote of the Board of Directors, or otherwise.
- Section 2.** The Board of Directors may authorize the purchase of insurance on behalf of any director, officer, employee, or other agent against any liability asserted against or incurred by such person which arises out of his or her status as a director, officer, employee, or agent of the Corporation or out of acts taken in such capacity, whether or not the Corporation would have the power to indemnify the person against liability under law.
- Section 3.** Anything contained in this Article to the contrary notwithstanding; the Corporation shall not indemnify any person if such indemnification would constitute "self-

dealing” as defined in Section 494 of the Internal Revenue Code of 1986, as amended.

ARTICLE XVI

GENERAL PROVISIONS

Section 1. All checks or demand for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

ARTICLE XVII

AMENDMENTS TO BYLAWS

These Bylaws may be altered, amended or repealed by the affirmative vote of two-thirds of the votes entitled to be cast by the Members present in person or represented by proxy at a regular meeting at which a quorum is present; provided that the notice provisions of these Bylaws have complied with and that the proposed amendment(s) have been announced in the agenda of the scheduled meeting not less than ten (10) days before the meeting date at which time a vote is to be taken; and provided further that any such alteration, amendment or substitute Bylaws shall be consistent in all respects with the Articles of Incorporation of the corporation and shall not be in conflict with any applicable federal or state law or regulation.