

Asheville Community Theatre



35 EAST WALNUT STREET ASHEVILLE NORTH CAROLINA 28801

BYLAWS OF ASHEVILLE COMMUNITY THEATRE, INC.

Incorporated under the laws of the State of North Carolina

Revised, August 2022
Asheville, North Carolina

ASHEVILLE COMMUNITY THEATRE, INC. BYLAWS

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**BYLAWS OF
ASHEVILLE COMMUNITY THEATRE, INC.**

*Incorporated under the laws of the State of North Carolina
Revised, August 2022*

ARTICLE 1. Name, Location, and Offices

1.1 Name.

The name of this corporation shall be "ASHEVILLE COMMUNITY THEATRE, INC."

1.2 Registered and Principal Office and Registered Agent.

The corporation shall maintain a registered office in the State of North Carolina and shall have a registered agent whose office address is identical with the address of such registered office, in accordance with the requirements of the North Carolina Nonprofit Corporation Act.

ARTICLE 2. Purposes and Governing Instruments

2.1 Nonprofit Corporation.

The corporation shall be organized and operated as a nonprofit corporation under the provisions of the North Carolina Nonprofit Corporation Act.

2.2 Charitable Purposes.

As set forth in the articles of incorporation, the corporation shall be a nonprofit corporation organized pursuant to the North Carolina Nonprofit Corporation Act. It shall be organized, and always thereafter operated, exclusively for charitable, educational, and scientific uses and purposes within the meaning of section 501(c)(3) of the Internal Revenue Code. In furtherance of such purposes, the corporation shall have full power and authority:

- (a) To present theatrical works reflective of the entire community by providing diverse forms of entertainment, enrichment, and education.
- (b) To construct, operate and maintain in the City of Asheville a theatre for the presentation of diverse theatrical production.
- (c) To provide the community with facilities and a mechanism for the development of dramatic talent by conducting classes and training facilities of the dramatic arts, and by offering to everyone in the community the opportunity to take part in diverse theatrical productions as actors, producers,

directors, technicians, or by performing any and all other collaborations pertaining to the presentation of theatrical productions.

- (d) By providing diverse and theatrical education and productions as a community theatre, Asheville Community Theatre (ACT) promotes understanding of individual differences to eliminate all forms of intolerance and to help build a more diverse and just community within its operations. ACT acknowledges diversity, equity and inclusion are vital to the Asheville community living in unity, and it is ACT's goal to involve the entirety of the Asheville community as actors, crew, staff, board members, volunteers, and patrons. ACT and its Board of Directors are committed to incorporating the values of diversity, equity, and inclusion (DEI) in the governance and operations of this corporation. The values will be codified in a DEI policy adopted by the Board.
- (e) To perform all other acts necessary or incidental to the above and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, as determined by the Board of Directors, to carry out the purposes of the corporation, as set forth in the articles of incorporation and these bylaws, including the exercise of all other power and authority enjoyed by corporations generally by virtue of the provisions of the North Carolina Nonprofit Corporation Act (within and subject to the limitations of section 501(c)(3) of the Internal Revenue Code).

The corporation shall serve only such purposes and functions and shall engage only in such activities as are compatible with the purposes set forth in this provision and the articles of incorporation and as are exclusively charitable and are entitled to charitable status under section 501(c)(3) of the Internal Revenue Code.

2.3 Governing Instruments.

The corporation shall be governed by its articles of incorporation and these bylaws.

2.4 Dissolution Procedures.

Authorization for the dissolution of the Corporation shall be affected in the following manner:

- (a) The Board of Directors shall adopt a resolution recommending that the Corporation be dissolved and directing the question of such dissolution be submitted to a vote at a meeting, either special or regular, of the Board of Directors. Written notices stating the purpose of such meeting shall be sent to each Director entitled to vote no less than 10 days prior to the meeting. At the meeting that meets the requirements of a quorum, the resolution shall be adopted upon receiving at least two-thirds of the votes of the Board of Directors present. The resolution shall also identify how any remaining assets should be distributed, and to specify other non-profit(s) that will receive these

assets, as long as such nonprofits are organized, financially stable, and operated exclusively for the purpose of theatrical and/or artistic endeavors. Such nonprofit(s) shall, at the time of dissolution, qualify as an exempt organization(s) under Section 501(c)(3) of the Internal Revenue Code (or corresponding provision of any future United States Internal Revenue Law). If there are no other nonprofits that meet this criterion, the Board of Directors may choose to distribute assets to other nonprofit group(s) as deemed appropriate.

- (b) Upon adoption of the resolution, the Corporation shall cease to conduct its affairs, except as may be necessary to notify creditors, collect assets, and apply and distribute them. The dissolution shall operate in accordance with Article 14 of the North Carolina Nonprofit Corporation Act. After all debts are paid and obligations to grantors, outside entities and/or other restricted donors are met, assets should be distributed as detailed in the resolution approved by the Board of Directors.

ARTICLE 3. Annual Meeting

3.1 Annual Meeting.

An annual meeting of the Board of Directors shall be held each year (usually in August) following the conclusion of that season's productions and prior to the commencement of the new fiscal year on September 1. Notice of the annual meeting, together with the agenda, nominations to the Board of Directors, notification of any bylaw changes or other significant business to come before the Board of Directors, shall be given to each Board of Director member in writing no less than ten (10) days prior to the annual meeting.

ARTICLE 4. Board of Directors

4.1 Authority and Responsibility of the Board of Directors.

- (a) The governing body of the corporation shall be the Board of Directors. The Board of Directors shall have supervision, control and direction of the management, affairs, and property of the corporation. The Board of Directors shall determine its policies or changes therein and shall actively implement its purposes and objectives and supervise the disbursement of its funds. The Board of Directors may adopt such rules and regulations for the conduct of its business and the business of the corporation as deemed advisable and may, in the execution of the powers granted, delegate certain of its authority and responsibility to the Executive Committee, as defined in Article Six of these bylaws. Under no circumstances, however, shall any actions be taken which are inconsistent with the articles of incorporation, these bylaws, and the North Carolina Nonprofit Corporation Act.

- (b) The Board of Directors shall not permit any part of the net earnings or capital of the corporation to be paid out to any director, officer, or other private person or individual other than in payment of the fair value of goods or services provided by such person.
- (c) The Board of Directors may appoint, as advisors, persons whose advice, assistance and support may be deemed helpful in determining policies and formulating programs for carrying out the purposes and functions of the corporation.
- (d) The Board of Directors is authorized to employ such person or persons, including but not limited to attorneys, trustees, agents, and assistants, as in its judgment are necessary or desirable for the administration and management of the corporation, and to pay reasonable compensation for the services performed and expenses incurred by any such person or persons.

4.2 Composition of the Board of Directors.

The Board of Directors shall consist of a minimum of eleven (11) and maximum of fifteen (15) Directors, who shall be elected at the annual meeting of the Board of Directors.

Each President of the Board of Directors, upon completion of their term as President, shall, if not still completing a 3-year term as a duly elected Director of the Board, sit ex officio as an advisory member of the Board of Directors, without vote, until the next annual meeting or, at the option of the Officers, until the end of the President's term. If the Past President, as Ex Officio, is still completing a term of office, then the Past President may vote on any matters brought before the Board of Directors or meetings of the Executive Committee.

The Managing Director and the Artistic Director of the corporation shall sit on the Board of Directors as ex officio members without vote. The Board of Directors may opt to have a closed meeting of the Board of Directors only, and the ex officio staff would be excused from that meeting but will be informed immediately following (or as soon as feasible) any business conducted in their absence. Examples of the need for a closed meeting include, but are not limited to, discussion of performance appraisals, salaries of staff, issues stemming from audits, etc.

4.3 Classification and Term of Office.

Each Director appointed shall take office at the close of the annual meeting and shall continue in office for a three (3) year term. Each Director may serve a maximum of two full three (3) year terms. A Director elected to complete an unexpired term may serve one additional full three (3) year term. In no event shall a director serve more than 6 consecutive years made up of full and/or partial terms. This does not prohibit service on a committee(s). Directors may be classified in respect of the time for which they hold office, with their class being

the year they complete their 3-year term. At each annual meeting of the Board of Directors, the successors to the Directors of the group whose term expires in that year shall be elected to hold office for the term of three (3) years. A Director whose second consecutive term of office expires shall not be eligible for re-election or appointment to the Board of Directors of the corporation until the next succeeding year.

4.4 Nomination and Manner of Election.

Nominations for the Board are proposed at the Annual Meeting, or at any time during the year when a vacancy occurs and the Board decides to fill that vacancy. A slate of nominations for new Directors will be prepared and presented to the Board by the Board Development Committee at a meeting preceding the Annual Meeting. The slate of nominations will be voted on at the Annual Meeting and will be elected by a majority vote of the Board of Directors present. Similarly, if there is a vacancy during the year, the Board Development Committee will propose nominees to replace the vacated Director and will be elected by a majority vote of the Board of Directors present.

The Vice President of the Board will serve as Chair of the Board Development Committee and at least two other Board Directors shall serve on the Board Development Committee, optimally with a representative from each class. The Board Development Committee will address all vacancy needs of the Board of Directors at the Annual Meeting and throughout the year.

4.5 Removal.

Any Director may be removed, either for or without cause, by a $\frac{2}{3}$ majority vote by the remaining Board of Directors. Any director may resign from the Board at any time by giving written notice to the President or Secretary of the Board of Directors.

4.6 Removal for Non-Attendance.

If any Director shall be absent from three (3) regularly called meetings of the Board within one year (September 1st - August 31st), then such Director may, by majority vote of the remaining Directors, be discharged for non-attendance as above provided. The Secretary of the corporation shall keep records of attendance and bring to the attention of the Board Development Committee any violation of this section for the discretionary review of the Board at its next regularly scheduled meeting. After two (2) absences from regularly called meetings, the Board Development Committee may reach out to the Director to ascertain special circumstances and/or to remind the Director of the requirement for Board attendance.

4.7 Vacancies.

Any vacancy in the Board of Directors arising at any time and from any cause may be filled for the unexpired term by a majority vote of the remaining Directors. This is not required if the number of remaining Directors is at a minimum of

eleven (11) Directors and no more than fifteen (15) Directors. Vacancies that occur within a term are filled by election by the Board of Directors as outlined in Section 4.4 of these bylaws. In no event shall a Director serve more than six (6) consecutive years made up of full and/or partial terms.

ARTICLE 5. Meetings of the Board of Directors

5.1 Regular Meetings; Notice.

All regular meeting of the Board of Directors shall be held in the City of Asheville, North Carolina. The Board of Directors shall meet regularly at a time and place to be selected by the Board of Directors for properly transacting the business of the corporation. Notice of the date, time, place, or purpose of each such meeting must be provided by an executive officer with a minimum of ten (10) days before such meeting.

5.2 Special Meetings; Notice.

Special meetings of the Board of Directors may be called at any time by anyone (1) executive officer or by any five (5) of the directors in office at that time. Notice of the date, time, place, and purpose of any special meeting of the Board of Directors shall be given to the Board at least three (3) days before such meeting.

5.3 Waiver.

Any Director may waive notice of any meeting either before or after the meeting (i.e., electing not to challenge notice not having been provided as required). Attendance or participation by a director at a meeting shall constitute waiver of notice of such meeting, unless the director, at the beginning of the meeting (or promptly upon arrival), objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

5.4 Quorum.

A majority of the voting members of the Board of Directors shall constitute a quorum for the transaction of business, as it pertains to Robert's Rules of Order Newly Revised.

5.5 Vote Required for Action.

Except as otherwise provided in the articles of incorporation, these bylaws or by law, the act of a majority of the directors present at a meeting at which a quorum is present at the time shall be the act of the Board of Directors.

5.6 Remote Participation in Meetings.

Directors may participate in and hold a meeting without being in person, for example via audio and/or video conferencing, telephone, or through similar communications equipment, so long as all persons participating in the meeting

can simultaneously hear each other during the meeting. Participation in such a meeting by this means shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

5.8 Action by Directors Without a Meeting.

Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting, such as voting via email, if one or more of the executive officers so requests and is able to obtain responses from a majority of the voting members of the Board of Directors then in office. Such consent shall have the same force and effect as a vote at a meeting duly called and shall be noted in the corporate records. To the extent such action includes the conducting of special business requiring a vote, the Board of Directors will endeavor to respond as quickly as possible but no later than three (3) days following the proposal. Upon agreement to the special business by a majority of the Board of Directors, the matter shall be considered approved regardless of whether other Directors' votes remain outstanding. The corporate records shall be updated to reflect the voting and result.

5.9 Adjournments.

A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

5.10 Voting Rights.

Each Director having a right to vote at a meeting of the Board of Directors shall be entitled to one vote and may vote such share in person, virtually in the event of a virtual meeting, by email in the event action is taken without a meeting, or by proxy. A proxy, to be voted at a meeting, must be evidenced by an instrument in writing provided by such Director and bearing a date not more than six (6) months prior to the date of the meeting and must be shared with the President or Secretary for examination prior to the commencement of the meeting. The Secretary shall ensure that the proxy and any vote cast thereby is recorded in the corporate records.

5.11 Order of Business.

The President will prescribe the order of business for the meetings of the Board of Directors.

ARTICLE 6. Officers

6.1 Number and Qualifications

The executive officers of the corporation shall consist of a President, Vice-President, Secretary, Treasurer, and one Member-At-Large. The Board of Directors of the corporation shall from time to time create and establish the duties of such other officers or assistant officers as it deems necessary for the efficient management of the corporation; but the corporation shall not be required to have at any time any officers other than those stated in this section. Any two (2) or more offices may be held by the same person except the offices of President and Secretary, and no individual may act in more than one capacity where action of two or more officers is required. It is recommended that officers should have served on the Board of Directors for at least one (1) year, which may include a previous term(s) on the Board, prior to holding an executive position. All officers should be a member of the Board of Directors.

6.2 Election and Term of Office

The executive officers of the corporation shall be elected annually by the Board of Directors of the corporation. Prior to the annual meeting, the Board Development Committee will recommend a slate of officers. At the Board of Directors' annual meeting, and after the election of new Directors, the slate is proposed and nominations from the floor may be made. The newly constituted Board shall elect the executive officers for the coming year. Such officers shall serve until the next annual meeting following their election, and thereafter until their successors have been elected and have qualified, or until their earlier death, resignation, removal, retirement, or disqualification. Any other officers or assistant officers appointed by the Board of Directors of the corporation under Section 6.1 or 6.3 of these bylaws shall serve at the will of the Board of Directors of the corporation until their successors have been elected and have qualified, or until their earlier death, resignation, removal, retirement, or disqualification.

6.3 Other Officers and Agents

The Board of Directors may appoint from time-to-time other officers, including but not limited to Assistant Treasurers or Assistant Secretaries, as it may deem necessary or desirable, each of whom shall hold office at the pleasure of the Board, and shall have such authority and perform such duties as the Board of Directors may from time to time determine.

6.4 Removal

Each executive officer shall, to the extent permitted by law, be subject to removal by the Board of Directors with or without cause by a $\frac{2}{3}$ majority vote from the remaining Board of Directors. Similarly, by a $\frac{2}{3}$ vote of the remaining Board of Directors, the Board may remove an officer from their executive office but may choose to keep the former officer as a Director of the Board (i.e., he or she will remain on the Board but not hold office).

6.5 Vacancies

In the event any office of the corporation may become vacant, the Board of Directors shall elect one of the members of the Board of Directors to fill such vacancy. If necessary, the Board of Directors may then fill any vacancy on the Board of Directors in the manner provided in section 4.7 above.

6.6 President

The President shall be the Chief Executive Officer of the corporation and shall have general supervision over the business of the corporation. The President shall see that all orders and resolutions of the Board of Directors are carried into effect. The President, when present, shall preside at all meetings of the Board of Directors and shall act as Chair for the purpose of calling to order all meetings of the Board. The President may represent the corporation on behalf of the Board and may appoint committees for specific purposes. The President shall be a regular member of the Executive Committee and either member or non-voting ex officio member of all other committees of the Board of Directors. The President shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe.

6.7 Vice President

The Vice President shall, in the absence of or during the incapacity of the President, perform the duties and powers of the president, subject to the control of the Board of Directors. It is not presumed that the Vice-President will assume the office of President should it become vacant. If the President is unable to serve their full term for whatever reason, the Vice President will stand in as President on an interim basis until the Board of Directors votes on its new President. The Vice President will serve as Chair of the Board Development Committee. The Vice President shall be a regular member of the Executive Committee and either member or non-voting ex officio member of all other committees of the Board of Directors.

6.8 Secretary

The secretary shall attend all meetings of the Board of Directors and record in writing, or cause to be recorded, all votes, actions, and the minutes of all proceedings in books to be kept for that purpose. If the Secretary is unable to attend a meeting, the Secretary will appoint someone prior to the meeting to complete the duties of the Secretary. The Secretary shall maintain and authenticate the records of the corporation. The Secretary will keep a listing of address, email, phone, and other contact information for every Board of Director. The Secretary will sign documents as required to conduct daily or financial business of the corporation or the bylaws and all other particulars as may be required by law. The Secretary shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe.

6.9 Treasurer

The Treasurer shall have the general care and custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements of the corporation or shall have such accounts maintained. The Treasurer has the authority to have checks and other payments issued upon the accounts of the corporation. The Treasurer shall authorize disbursement of funds of the corporation as approved by the Board of Directors and shall have prepared the financial statements each month or at other intervals when necessary. If required by the Board of Directors, the Treasurer shall give the corporation, at the expense of the corporation, a bond (in such form, in such sum, and with such surety or sureties as shall be satisfactory to the Board) for the faithful performance of the duties of their office and for the restoration to the corporation, in case of their death, resignation, retirement, or removal from office of all books, papers, vouchers, money and other property of whatever kind in their possession or control belonging to the corporation. The Treasurer shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe.

Nothing in this section shall be deemed to limit or abridge the power of the Board of Directors to draw checks on the bank account or accounts of the corporation, or to endorse, sign, make or draw checks, drafts, notes, or bills of exchange.

6.10 Member-At-Large

The Member At Large shall serve as an officer of the Board of Directors. The Member-At-Large's duties and responsibilities are not fixed and may vary according to the needs of the corporation and/or the direction of other officers of the Board of Directors.

ARTICLE 7. Committees

7.1 Executive Committee.

- (a) There shall be an Executive Committee of the Board of Directors consisting of the President, Vice President, Secretary, Treasurer, and a Member-At-Large, as described and elected in Section 6.
- (b) The Past-President sits as the ex officio member for at least one year but does not carry voting power unless the Past-President still an active member of the Board of Directors (i.e., still serving a 3-year term). In addition, The Managing Director and the Artistic Director of the Corporation, shall sit on the Executive Committee as ex officio members without vote. The Executive Committee may opt to have a closed meeting, and the ex officio staff would be excused from that meeting but will be informed immediately following (or as soon as feasible) any business conducted in their absence. Except for the ex officio members, all

members of the Executive Committee must be members of the Board of Directors.

- (c) The Executive Committee is empowered to act on behalf of the Board of Directors between Board meetings, with such acts being subject to ratification by the Board at its next meeting. However, the designation of any such Executive 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 them by law.
- (d) The Executive Committee is charged with overseeing the regular operation of the corporation, which is led by the ACT staff, under the leadership of the Managing Director and the Artistic Director. The Executive Committee shall provide leadership in matters of the corporation, including programming, personnel matters, organizational structure, safety and security of property, maintenance of building and grounds, public relations matters, and the performance evaluation of the Managing Director and the Artistic Director.

7.2 Board Development Committee.

The Board Development Committee is composed of a minimum of three Directors and chaired by the Vice President. The Board Development Committee shall be responsible for making recommendations to the Board of Directors from time to time as to the size of the Board, identifying and cultivating potential Board members, conducting the nominating process for election to the Board, organizing an annual board orientation, providing board job descriptions, annually reviewing the bylaws, and evaluating Board members. In addition, the Board Development Committee shall address leadership continuity and succession planning within the Board and will recommend the slate of officers for the Board.

7.3 Finance Committee.

The Treasurer will serve as Chair of the Finance Committee. The President and Treasurer will appoint a minimum of two additional Board members to serve on the committee. Additional committee members, who are not Directors, may also be appointed by the Board President and Treasurer, provided they are not employees of the Corporation or related by blood or marriage to employees of the Corporation. The Managing Director shall sit on the Finance Committee as an ex officio member without vote. The Finance Committee will be responsible for financial oversight of the corporations' financial activities and responsibilities. The Finance Committee shall periodically appraise the financial control and accounting systems of the Corporation and recommend to the Board any changes it deems appropriate.

7.4 Facilities Committee.

The Facilities committee is responsible for the oversight of financial and physical issues related to all facilities owned and operated by the Corporation. In collaboration with appropriate staff, the committee will develop, review and revise as necessary all policies of facility management and operation including insurance, security, and emergency procedures. The Chair of the Facilities Committee will be appointed by the President. The committee will include a minimum of two additional board members appointed by the Chair and President. Additional committee members, who are not Directors, may also be appointed by the Board President and Chair, providing they are not employees. The Managing Director shall sit on the Finance Committee as an ex officio member without vote.

7.5 Additional Committees.

The President, Executive Committee, and/or Board of Directors may establish other committees, consisting in whole or in part of persons who are not Directors of the corporation, as it deems necessary or desirable, and discontinue any such committee as it deems necessary. Other committees, preferably consisting of two (2) or more Directors, shall not have or exercise the authority of the Board of Directors in the management of the corporation. Committees should serve a specific purpose and should report to the Board of Directors and may make recommendations for action, but only the Board of Directors can choose to take action after a majority vote by the Board of Directors.

Any member of any committee may be removed by the person or persons authorized to appoint such member, whenever, in their judgment, the best interests of the corporation shall be served by such removal.

The designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director of any responsibility or liability imposed upon them by law.

7.6 Committee Authority.

No committees of the Board (including the Executive Committee) shall be authorized to take the following actions:

- (a) Authorize distributions to or for the benefit of the Directors or officers,
- (b) Approve dissolution, merger or the sale, pledge, or transfer of all or substantially all of the Corporation's assets,
- (c) Elect, appoint, or remove Directors, or fill vacancies on the Board of Directors or on any of the committees elected by the Board, or
- (d) Adopt, amend, or repeal the Articles of Incorporation or Bylaws.

7.7 Term of Appointment.

Each member of a committee shall continue as such until the next annual meeting of the Board of Directors and until their successor is appointed, unless a committee shall be sooner terminated or their mission/objective is completed, or unless such member shall be removed from a committee, or unless such member shall cease to qualify as a member thereof.

7.7 Chair.

One member of the Board of Directors shall be appointed by the President as Chair of each committee, unless otherwise stated within these bylaws.

7.8 Vacancies.

Vacancies on any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

7.9 Quorum and Vote.

Unless otherwise provided by the Board of Directors, a majority of the committee shall constitute a quorum, and the act of a majority of members present at a meeting at which a quorum is present shall be the act of the committee.

ARTICLE 8. Notice and Waiver

8.1 Procedure.

Whenever these Bylaws require notice to be given, the notice shall be given in accordance with this Section 8.1. Notice under these bylaws shall be in writing unless oral notice is reasonable under the circumstances. Notice may be communicated in person, by telephone, email, or other form of communication.

8.2 Waiver.

Whenever, under the provisions of these Bylaws, the Articles of Incorporation, or the laws of the State of North Carolina, Members or Directors are entitled to receive any notice, the persons entitled to receive such notice may execute a written waiver of such notice, agreeing they do not object to the improper notice, which such waiver shall be filed with the Secretary and included with the minutes. A person's attendance at or participation in a meeting waives any required notice to them of the meeting unless such person at the beginning of the meeting (or promptly upon their arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

ARTICLE 9. Miscellaneous

9.1 Indemnification.

The corporation shall indemnify its officers and Board of Directors to the maximum extent required or permitted by Part 5 of Article 8 of Chapter 55A of the General Statutes of North Carolina as from time to time amended, and such Officers and Directors shall be deemed to have relied upon this Part.

9.2 Books and Records.

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors. The corporation shall keep at its principal office and/or virtually a record giving the names and addresses of the directors and officers, articles of incorporation, bylaws, Board resolutions, minutes of meetings, records of actions, financial statements, annual reports, and any other information required under North Carolina law.

9.3 Corporate Seal.

The corporate seal shall be in such form as the Board of Directors may from time to time determine.

9.4 Fiscal Year.

The corporation's fiscal year is September 1st through August 31st of the following year. The Board of Directors is authorized to establish the fiscal year of the corporation and to change the same from time to time, as it deems appropriate.

9.5 Construction.

The interpretations of these bylaws as determined by the Board shall be conclusive and binding on all Members and Directors. Whenever the context so requires, the singular shall include the plural, and conversely. If any portion of these bylaws shall be invalid or inoperative, then, so far as is reasonable and possible:

- (a) The remainder of these bylaws shall be considered valid and operative,
- (b) Effect shall be given to the intent manifested by the portion held invalid or inoperative.

9.6 Table of Contents: Headings.

The table of contents and headings are for organization, convenience, and clarity. In interpreting these bylaws, they shall be subordinated in importance to the other written material.

9.7 Relation of Articles of Incorporation.

These bylaws are subject to and governed by the articles of incorporation.

9.8 Electronic Transactions

The Corporation shall have authority to conduct electronic transactions and utilize electronic signatures to the fullest extent provided by applicable law, including by Section 55A-1-70, Section 55A-8-21(a) and Article 40 of Chapter 66 of the North Carolina General Statutes, provided, however, that no electronic transmission shall constitute a signature that is binding upon the Corporation unless such transmission explicitly indicates that it is intended to create a binding and legally enforceable obligation of the Corporation. Action by consent through electronic transactions must be unanimous and be filed with the minutes of proceedings of the Board of Directors or committee.

ARTICLE 10. Amendments

10.1 Power to Amend Bylaws.

These bylaws may be amended when necessary by two-thirds majority of the Board of Directors at a regular meeting or a special meeting of the Board of Directors called for that purpose, provided that the full text of any proposed amendment shall be made available to all Board members at least ten (10) days prior to such meeting.

10.2 Meeting Procedures.

All meetings shall be conducted according to the standards set forth by *Robert's Rules of Order Newly Revised*.