

**AMENDED AND RESTATED  
BYLAWS OF WORKSOURCE MONTGOMERY, INC.**

**ARTICLE I - NAME**

The name of this organization is and shall continue to be WorkSource Montgomery, Inc. (hereinafter referred to as the "Corporation"). From its formation on September 23, 2013, until September 11, 2015, the Corporation's name was The Montgomery County Workforce Investment Board, Inc.

**ARTICLE II - PREAMBLE**

The Montgomery County Workforce Investment Board (the "WIB") was established as an unincorporated association pursuant to the Agreement between the WIB and the County Executive of Montgomery County, Maryland (the "County"), as described in the WIB-LEO Agreement of May 2007, in connection with and to fulfill the requirements of the federal Workforce Investment Act of 1998 (P.L. 105-220). The name of the WIB was changed to Workforce Development Board (the "WDB") and the mission was expanded to include implementation of programs authorized by the Workforce Innovation and Opportunity Act, effective as of July 1, 2015 (the "WIOA"), as implemented by Policy Issuances 2015-01 and 2017-01 of the Governor's Workforce Development Board (as amended or superseded from time to time, the "GWDB Policy"). The WDB has operated with a board of directors appointed by the County Executive in accordance with the GWDB Policy (the "County-Appointed Directors") and has been responsible for performing the functions specified in the GWDB Policy, including holding quarterly public meetings, developing and implementing workforce improvement strategies and preparing plans and reports with respect to the foregoing local workforce development board.

Per WIOA Sec 107(d) Local Workforce Development Board functions shall include but are not limited to the following:

- i. Local Plan;
- ii. Workforce Research and Regional Labor Market (LMI) Analysis;
- iii. Convening Stakeholders and Leveraging Resources and Expertise in the Local Area
- iv. Implementation of Career Pathways Strategy
- v. Employer Engagement
- vi. Technology to Maximize the Accessibility and Effectiveness of the Local Workforce System;
- vii. Program Oversight;
- viii. Negotiation of Local Performance Accountability Measures;
- ix. Selection of Operators and Providers;
- x. Accessibility for Individuals with Disabilities (acquiring or modifying equipment, providing qualified readers or interpreters and changing tests or policies);
- xi. Leveraging Resources and Capacity;
- xii. Proven and Best Practices;
- xiii. Budget and Administration.

The Corporation was formed and has existed as a Maryland nonstock, nonprofit corporation for the purpose of assisting the WDB in expanding the public workforce development system in the County, as set forth in the Articles of Incorporation of the Corporation. The operation of the Corporation is governed by its Articles of Incorporation and by its Bylaws, adopted on September 23, 2013, which provide for governance of the Corporation by its Board of Directors.

The overlap of responsibilities and authority between the County-Appointed Directors and the Corporation's Board of Directors has led to unnecessary inefficiencies and confusion. The County-Appointed Directors and the Corporation's Board of Directors have determined that the operations of the WDB and the Corporation should be **united** by the reorganization of the governance structure in the manner set forth in these Amended and Restated Bylaws. These Amended and Restated Bylaws make other changes to address several matters that may not have been adequately covered by the prior Bylaws.

### **ARTICLE III – NONPROFIT STATUS**

SECTION 1: The Corporation is dedicated to and is organized and operated exclusively for charitable, civic and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") (reference herein to sections or provisions of the Code shall be deemed to include and refer to, to the extent applicable, any similar sections or provisions of any subsequent Federal tax laws). The Corporation shall receive contributions, grants and fees, and shall apply its funds for civic, charitable and/or educational purposes, as set forth in its Articles of Incorporation. In carrying out its corporate purposes, the Corporation shall have all the powers allowed corporations by the Maryland General Corporation Law, which applies to both stock and nonstock corporations, unless a specific provision or the context of a provision clearly provides or suggests otherwise; provided, however, that the Corporation shall not have or exercise any power inconsistent with or prohibited by its Articles of Incorporation or inconsistent with Section 501(c)(3) of the Code.

SECTION 2: As limited by Section 501(c)(3) of the Code, it is expressly not the purpose of the Corporation, and the Corporation is not empowered, to participate or intervene in (including the publication or distributing of statements) any political campaign on behalf of, or in opposition to, any candidate for public office, nor to devote more than an insubstantial part of its activities to carrying on propaganda. The Corporation may only act to influence legislation to the extent permitted by the provisions of the Code for organizations exempt from Federal income taxes pursuant to Section 501(c)(3) of the Code.

SECTION 3: No part of the net earnings of the Corporation shall inure to the benefit of any individual, and the Corporation shall not carry on any activities denied to a corporation described in Section 501(c) of the Code, including activities to the extent prohibited by Section 501(m) of the Code.

### **ARTICLE IV – FUNCTIONS, RESPONSIBILITIES AND POWERS OF THE CORPORATION**

Among its responsibilities, the Corporation shall be responsible to perform the following:

- (i) To conduct and carry on its work exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Code;
- (ii) To implement the WIOA;
- (iii) To promote and implement workforce investment systems and workforce investment activities beyond those required under the WIOA;
- (iv) To develop and implement integrated workforce development strategies and systems;

- (v) To help businesses succeed through workforce services which result in increases in the employment, retention and earnings of employees in the County, increases the occupational skills and quality of the workforce and reduces welfare dependency;
- (vi) To solicit and accept, aid, support and assistance, grants, donations and gifts by contributions or otherwise, by governmental entities, other corporations and entities of all nature, individuals, community chests, funds and foundations and enter into contracts or memoranda of understanding with any and all such entities, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation;
- (vii) To do any and all lawful activities which may be necessary, useful or desirable for the furtherance, accomplishment, fostering or attainment of the foregoing purposes, either directly or indirectly and either alone or in conjunction or cooperation with others, whether such others be persons or organizations of any kind or nature, such as corporations, firms, associations, trusts, institutions, foundations or government bureaus, departments or agencies;
- (viii) To direct disbursement of funds for workforce investment activities;
- (ix) To employ staff;
- (x) To coordinate workforce investment activities in the County with economic development strategies and develop other employer linkages with such activities;
- (xi) To enable the County-Appointed Directors to perform the functions specified in the GWDB Policy; and
- (xii) To promote in the County the participation of private sector employers and ensure the effective provision of connecting, brokering and coaching activities, through intermediaries such as one-stop operators or through other organizations, and to assist such employers in meeting hiring needs.

## **ARTICLE V – BOARD OF DIRECTORS**

SECTION 1: Power of Board. The activities, responsibilities and affairs of the Corporation shall be managed and governed by its Board of Directors (the “Board”), comprised as set forth in this Article V.

(a) The GWB Policy requires the County to have a local workforce development board appointed by the County Executive, which shall be responsible for fulfilling the particular functions specified in the GWB Policy. All of the County-Appointed Directors shall automatically be members of the Board. Notwithstanding any other provision of these Bylaws to the contrary, any action that the GWB Policy requires to be taken or approved by a local workforce development board must be approved with sole authority by a majority of the County-Appointed Directors at a meeting at which a quorum of the County-Appointed Directors is present. The GWDB Policy and U.S. Department of Labor Training and Guidance Letter WIOA No. 27-14 (“TEGLI 27-14”). Any meeting that is held pursuant to this Section to consider approval by County-Appointed Directors

of any matter that the GWDB Policy requires to be approved by a local workforce development board must comply with provisions of the Maryland Open Meetings Act

(b) The united Board shall include additional members (such additional members of the Board being hereafter referred to as the "Elected Directors"). Elected Directors will comply with TEGL 27-14 with respect to local workforce development board matters Sole Authority on LWDB matters must remain with LWDB (Appointed) members. There shall be at least ten (10) Elected Directors, who should reflect the diversity of the County. The Directors may, by majority vote of Elected Directors, from time to time increase or decrease (but not below ten (10) or greater than one more than the number of Appointed Directors) the number of Elected Directors as they determine to be appropriate, provided, however, any such increase or decrease may be effected only at either the annual meeting or a meeting called for that purpose, with notice of such meeting stating that the purpose or one of the purposes of the meeting is the change in the number of Elected Directors; and provided, further, that the decrease in the number of Elected Directors may not cause any Elected Director to cease serving as an Elected Director unless removal is approved in accordance with Section 4(a) of this Article V.

(c) The immediate past Chair shall be, ex-officio, a member of the Board with voting rights consistent with those of Elected Directors and shall serve in such capacity until the next Chair is elected. From the date hereof until the next Chair is elected the immediate past Chair of WBD shall also be ex-officio voting member of the Board. Other individuals approved by the Board may be elected non-voting members of the Board, with the right to attend Board meetings and participate in Board discussions but on a non-voting basis. Any non-voting Director shall serve in such capacity for a term of one (1) year and may be elected to subsequent one (1) year terms in the discretion of the Board.

## SECTION 2: Term.

(a) Each member of the Board will serve a three (3)-year term and shall be limited to two (2) consecutive full three (3)-year terms; provided, however, that time during which a Director is serving in the capacity of immediate past Chair shall not be taken into consideration in applying the two (2) consecutive term limitation. Any partial term that results from filling a vacancy pursuant to Section 5 shall not be counted in applying the two (2) term limitation. Time served as a Director prior to the date of approval of these Bylaws shall also not be counted in applying the two (2) term limitation. Any one (1) or two (2)-year initial term pursuant to paragraph (b) of this Section 2 shall be deemed to be a full three (3)-year term in applying the two (2) term limitation,

(b) Notwithstanding the foregoing, to phase in the three (3)-year staggered Board structure, the initial term of certain Directors, including certain County-Appointed Directors, will be only one (1) year or two (2) years after the adoption of these restated Bylaws, as specified in the Board resolution approving these restated Bylaws.

## SECTION 3: Selection of Directors.

(a) At least thirty (30) days prior to the date of the annual meeting of the Board, the Governance Committee shall recommend individuals whom it has determined would be appropriate to serve as Directors after the expiration of the term of those Directors whose term is to expire at the annual meeting and shall also identify other individuals who may be considered as alternates if the individuals so recommended are not approved by the County Executive or Directors, as applicable. Individuals recommended by the Governance Committee may include

individuals who are currently serving as Directors if the Governance Committee determines that their continued service in such capacity would be in the Corporation's best interest. An individual's current status as a County-Appointed Director shall not preclude him or her from being recommended for an Elected Director position, or vice-versa, as the Governance Committee determines to be appropriate. If an individual who served as a County-Appointed Director is elected to be an Elected Director, or if an individual who served as an Elected Director is appointed as a County-Appointed Director, that individual shall commence a new term as of the date of election/appointment.

(b) The Governance Committee shall present to the County Executive its recommendations for those individuals who shall serve as County-Appointed Directors to replace those individuals whose term is to expire at the annual meeting. The individuals who are recommended by the Governance Committee must satisfy the criteria for board membership specified in Section 1 of Article III of the GWDB Policy (or any successor provision), with it being recognized that a single individual may be appointed to represent more than one of the specified categories. If approved by the County Executive, each such individual shall commence serving on the Board as a County-Appointed Director upon expiration of the prior County-Appointed Director's term of office at the annual meeting. If any individual who is recommended by the Governance Committee is not approved by the County Executive, the Governance Committee may recommend an alternate individual for consideration. The final decision as to who shall be appointed as County-Appointed Directors shall remain with the County Executive.

(c) The Governance Committee shall present to the Elected Directors its recommendations for those individuals who shall serve as Elected Directors after the annual meeting to replace those individuals whose term is to expire at the annual meeting. In selecting the individuals to be so recommended as Elected Directors, the Governance Committee shall consider individuals with workforce development expertise and experience, skill sets in relevant subject matters, fundraising ability so that gaps in Board competency and diversity are reduced. Elected Directors shall be elected by majority vote of the Elected Directors then in office at a meeting at which more than fifty percent (50%) of all Elected Directors are present, with notice of such meeting having been provided at least ten (10) days in advance of the meeting date and with such notice to identify the individuals who are recommended by the Governance Committee, and alternates, if any. If approved in advance by the Executive Committee, an Elected Director may vote by mail for the election of new Elected Directors instead of attending the meeting at which the election is held. If so approved by the Elected Directors, each such individual shall commence serving on the Board as an Elected Director upon expiration of the prior Elected Director's term of office at the annual meeting. If any individual who is recommended by the Governance Committee is not elected by the Elected Directors, the Governance Committee may recommend an alternate individual for consideration. The final decision as to who shall be elected as Elected Directors shall remain with the members of the Board then serving as Elected Directors.

#### SECTION 4: Removal; Resignation.

(a) The County Executive may remove any County-Appointed Director, with or without cause. The Directors may remove any Elected Director, with or without cause, but only at a meeting called for that purpose, and the notice of the meeting must state that the purpose or one of the purposes of the meeting is the removal of the specified Director. Removal shall require the affirmative vote of a majority of all Directors at a meeting at which a quorum is present. The Director(s) subject to removal may not vote and shall not be counted in determining the existence of a quorum, on this matter.

(b) Any Director may resign by notice to the Chair, Vice Chair or Secretary, with resignation to become effective at the time notice is given unless the notice specifies that it will not become effective until a specified later date.

SECTION 5: Vacancies. If there shall occur a vacancy on the Board, including a vacancy resulting from the removal of a Director or an increase in the number of Directors, the Governance Committee shall recommend an individual to fill such vacancy. If the vacancy is for a County-Appointed Director, the replacement Director shall be approved by the County Executive; for all other Directors, the replacement shall be elected by the Elected Directors.

SECTION 6: Meetings. The annual meeting of the Board shall be held during the month of June each year. At each annual meeting, Elected Directors shall be elected in accordance with Section 3(c) of this Article V, officers shall be elected in accordance with Section 2 of Article VI and the annual budget shall be approved, and the Board may take such other actions as it deems appropriate. The Board may provide by resolution the time and place for the holding of regular meetings without any notice other than such resolution. Special meetings shall be held at such time and place, as may be provided in the notice of the meeting and approved by the Chair, the Vice Chair or at least twenty-five percent (25%) of the members of the Board. All meetings shall be held in the County and, if no place is designated in the notice of a meeting, it shall be held at the principal office of the Corporation.

SECTION 7: Notice of Meetings. Notice of annual and special meetings of the Board shall be given in compliance with the laws of Maryland and shall be given to each Director not less than ten (10) days before the meeting, by delivering the same to the Director in person or to the Director's residence or business address (or such other place as the Director may have directed in writing) by mail, messenger, email or other means of written communication. Any such notice shall set forth the time and place of the meeting. Notwithstanding the foregoing, for any meeting that is held to consider approval by County-Appointed Directors pursuant to Section 1(a) of this Article V of any matter that the GWIB Policy requires to be approved by a local workforce development board, notice of the meeting must be given reasonably in advance in form and content as required by the Maryland Open Meetings Act. Meetings concerning LWDB matters are subject to Maryland's Open Meetings Act (OMA), Maryland's Public Information Act (MPIA), and the Sunshine Provision of WIOA

SECTION 8: Waiver of Notice. A Director may waive any notice required by law, the Articles of Incorporation or these Bylaws before or after the date and time stated in the notice, and such waiver shall be equivalent to the giving of such notice. Except as provided in the next sentence of this section, the waiver shall be in writing, signed by the Director entitled to the notice and filed with the minutes or corporate records. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting unless the Director at the beginning of the meeting or promptly upon the Director's arrival objects to the holding of the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Meetings concerning LWDB matters are subject to Maryland's Open Meetings Act (OMA), Maryland's Public Information Act (MPIA), and the Sunshine Provision of WIOA. This section does not permit waiver of notice to public as required by Maryland's Open Meeting Act.

SECTION 9: Quorum; Voting.

(a) Directors entitled to cast more than one-half (1/2) of the votes shall constitute a quorum for the transaction of business at a meeting of the Board.

(b) A Director who has a conflict of interest with respect to a proposed action may not vote. Any Director who is present at a meeting when corporate action is taken shall be counted in determining the presence of a quorum and shall be deemed to have assented to the action taken unless the Director either (i) prior to the voting on such matter objects to the holding of the vote or (ii) votes against, or abstains from voting on, the proposed action.

(c) As provided in Section 1(a) of this Article V, sole authority on LWBD matters must remain with LWDB (Appointed) members.

SECTION 10: Voting. Each member of the Board shall be entitled to one vote during any duly called meeting of the Board at which such member is present and at which a quorum is present. Proxy voting shall not be allowed. Except as otherwise provided in these Bylaws, any action presented to the Board for approval shall be approved if a majority of the votes cast at a meeting at which a quorum is present are in favor of such action.

SECTION 11: Conflicts. The Board has approved a Conflict of Interest Policy (Policy Number: 2016-04). The Conflict of Interest Policy may be revised and amended from time to time if approved by a majority of the members of the Board present at a meeting at which a quorum is present. Each Director shall comply fully with such policy, as it may be amended and in effect from time to time.

SECTION 12: Attendance by Telephone. Any Director may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all Directors participating in the meeting can hear each other at the same time. Participation in a meeting by such means shall constitute presence at such meeting.

SECTION 13: Informal Action by Directors. Any action required or permitted to be taken at any meeting of the Board or the County-Appointed Directors may be taken without a meeting if a unanimous written consent which sets forth the action is (i) signed by each member of the Board or County-Appointed Directors, as applicable, and (ii) filed with the minutes of proceedings thereof. Unanimous written consent does not obviate the requisite need for LWDB appointed members to meet under the OMA.

SECTION 14: Delegates. Any Director who will not attend a meeting may, by written notice to the Chair, Vice Chair or Secretary, designate another individual to attend the meeting in his or her place. Any individual so designated may attend the meeting in the capacity of an observer but shall have no right to vote or participate in Board discussions and shall not be counted in determining the presence of a quorum.

SECTION 15: Executive Session. A majority of the Directors (other than non-voting Directors) present at a meeting at which a quorum is present may, in their discretion, determine that any meeting, or portion thereof, shall be held in executive session. Upon any such determination, all persons other than voting Directors shall be excluded from the meeting. Notwithstanding the foregoing, any meeting that is held to consider approval by County-Appointed Directors pursuant to Section 1(a) of this Article V of any matter that the GWDB Policy requires to be approved by a local workforce development board may not be held in executive session unless the subject

matter thereof comes within one of the statutory exceptions to open meetings provided by the Maryland Open Meetings Act

SECTION 16: Minutes. Minutes of each Board meeting shall be kept by the Secretary and distributed to all Board members.

SECTION 17: Duty. Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. Absent a breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any action shall be presumed to be in the best interests of the Corporation. In performing his or her duties, each Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data. A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

SECTION 18: Compensation. An individual shall receive no compensation for serving as a Director but may be reimbursed for out-of-pocket expenses incurred consistent with Board approved policies.

## **ARTICLE VI- OFFICERS**

SECTION 1: Specified Officers. The Board shall elect from among its membership a Chair, a Vice Chair, a Treasurer, a Secretary and, in the discretion of the Board, such other officers as may be deemed necessary or advisable to carry on the business of the Corporation. The Chair must be a County-Appointed Director who is a representative of the business community. Any two (2) or more offices may be held by the same person, with the exception of Chair and Vice Chair.

SECTION 2: Election; Term; Resignation. Officers shall be elected by a majority of all Directors present at a meeting at which a quorum of all Directors is present. The Chair must also be approved by a majority of the County-Appointed Directors at a meeting at which a majority of the County-Appointed Directors is present. Each officer shall hold office, unless removed, for a term of one (1) year, except that the Treasurer shall serve for a term of two (2) years. An individual may serve in the same office for no more than two (2) consecutive terms, except that an individual may serve as Treasurer for up to three (3) consecutive terms. Any officer may resign at any time upon written notice to the Board, with resignation to become effective at the time notice is given unless the notice specifies that it will not become effective until a specified later date. No acceptance of a resignation shall be necessary to make it effective.

SECTION 3: Removal of Officers. The Board may remove any officer at any time, with or without cause.

SECTION 4: Duties of Chair and Vice Chair. The Chair shall have general oversight authority over the Corporation, be charged with the duty of supervision of the business of the Corporation, shall preside at all meetings of the Board and shall perform such other duties as the Board shall assign from time to time. The Vice Chair shall, at the request of, or in the absence of, the Chair preside at meetings of the Board and, when requested to do so by the Board, shall perform all of the functions of the Chair during the absence or incapacity of the latter.

SECTION 5: Treasurer. The Treasurer shall have the custody of the corporate funds and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and credit of the Corporation in such depositories as shall be designated by the Board or Executive Committee, as applicable. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board or Executive Committee, as applicable, and shall render to the Chair and Directors, at the annual meetings, or whenever they may require, an account of all transactions as Treasurer and of the financial condition of the Corporation.

SECTION 6: Secretary. The Secretary shall make or cause to be made minutes of all meetings of the Executive Committee and the Board. The Secretary shall be responsible for the timely mailing and delivery of all notices of meetings of the Board, and, generally, will perform all duties incident to the office of the secretary of a corporation and such duties as may be required by law, the Articles of Incorporation or these Bylaws.

SECTION 7: Duties of Other Officers. The other officers of the Corporation shall have such authority and perform such duties as may be prescribed by the Board or by officers authorized by the Board to appoint them to their respective offices. To the extent that such duties are not so stated, such officers shall have such authority and perform the duties which generally pertain to their respective offices, subject to the control of the Chair, the Vice Chair or the Board.

SECTION 8: Authority to Speak on Behalf of Corporation. The Chair and the Chief Executive Officer of the Corporation shall be the only persons authorized to speak to parties outside of the Corporation, including but not limited to the media, for and on behalf of the Corporation, unless otherwise specifically so authorized by the Board.

## **ARTICLE VII – CHIEF EXECUTIVE OFFICER**

SECTION 1: The Corporation may employ a Chief Executive Officer, who shall be hired by and serve at the pleasure of the Board. Notwithstanding any other provision in these Bylaws to the contrary, the Corporation may compensate the Chief Executive Officer, and in the event that the Chief Executive Officer also holds office as an officer of the Corporation, he or she shall not be barred from receiving compensation in the position of Chief Executive Officer. The Governance Committee shall evaluate the performance of the Chief Executive Officer annually and make recommendations to the Executive Committee for adjustment of his or her compensation. The Executive Committee shall consider such recommendations and make its own recommendation to the Board, which shall then determine in executive session whether to adjust the Chief Executive Officer's compensation.

SECTION 2: The Chief Executive Officer shall serve as chief operating officer and have responsibility for the day-to-day operations and affairs of the Corporation, including supervision of all staff. He or she shall, in the execution of approved corporate plans and programs, represent and assist the Chair and the Board in carrying out the purpose and objectives of the Corporation.

SECTION 3: The Chief Executive Officer shall be ex officio, a non-voting member of the Board, the Executive Committee and all committees.

## **ARTICLE VIII – COMMITTEES**

**All standing Committees are required to comply with TEGl 27-14**

## SECTION 1: Executive Committee.

(a) The Board shall appoint an Executive Committee which shall include the Chair, Vice Chair, Treasurer, Secretary, the chairperson of the Governance Committee, the Immediate Past Chair and a seventh Director selected by the Board to ensure there is an odd number of voting members. The Chief Executive Officer shall attend and participate in meetings of the Executive Committee as a non-voting member. The Chair shall serve as the chairperson of the Executive Committee.

(b) The Executive Committee shall have and may exercise all the powers of the Board when the Board is not in session and shall meet at such time and upon such cause as the Executive Committee shall prescribe. Notwithstanding the foregoing, the Executive Committee shall not take any of the following actions without the approval of the Board:

- (i) approve any action delegated to the County-Appointed Directors or required to be approved by the County-Appointed Directors;
- (ii) fill any vacancy on the Board;
- (iii) amend the Bylaws or the Articles of Incorporation;
- (iv) amend any resolution of the Board;
- (v) create any standing committee;
- (vi) approve any self-dealing transaction;
- (vii) hire, fire or materially change the terms of employment of the Chief Executive Officer;
- (viii) cause the Corporation to incur any indebtedness;
- (ix) take any action inconsistent with any Board policy or any action approved by the Board; or
- (x) take any other action for which the Board has restricted the authority of the Executive Committee.

## SECTION 2: Other Committees.

(a) In addition to the Executive Committee, the Corporation shall have the following standing committees:

- (i) Quality Assurance and Operations Committee (includes oversight of WIOA program compliance and youth programs);
- (ii) Finance and Audit Committee; and
- (iii) Governance Committee (includes Board Development and Human Resources).

(b) The Board or Executive Committee may appoint additional committees, on an ad hoc basis, to focus on specific industry sectors or to deal with specific matters that may arise from time to time.

(c) Each committee shall have three or more members. The duties, powers and authority of each committee shall be as specified by the Board and the Executive Committee, and each committee shall follow any applicable strategic plan or directives from the Board or Executive Committee. The Treasurer shall be the chairperson of the Finance and Audit Committee and the Vice Chair shall be the chairperson of the Operations Committee. The Executive Committee shall appoint the chairperson of each other committee. If the Board deems it to be appropriate and in the best interests of the Corporation, any committee other than the Executive Committee may include, in addition to Directors whom the Board appoints to the committee, individuals who are not Directors but who are active in businesses and workforce-related activities in the County, who shall serve as non-voting committee members.

(d) Only the Executive Committee may exercise the authority of the Board, as limited in this Article.

SECTION 3: Committee Meetings. Each standing committee shall schedule at least four (4) regular meetings each year. The provisions of these Bylaws governing meetings, notice and waiver of notice, and quorum and voting requirements of the Board shall apply to all committees and their members as well.

## **ARTICLE IX – ARTICLES OF INCORPORATION**

All references in these Bylaws to the Articles of Incorporation shall be deemed to refer to the Articles of Incorporation of the Corporation as amended and in effect from time to time. In the event of any conflict between the provisions of the Articles of Incorporation and these Bylaws, the provisions of the Articles of Incorporation shall control.

## **ARTICLE X – NET REVENUES AND DISSOLUTION**

The net revenues of the Corporation shall be devoted exclusively to civic, charitable and educational purposes. Subject to the requirements of law, in the event of the dissolution of the Corporation, the Board shall designate, as recipient of the Corporation's property remaining after paying or making provision for payment of all liabilities of the Corporation, any organization or organizations which are exempt from taxation under Section 501(c)(3) of the Code and which, in the sole discretion of the Board, most nearly furthers the purposes for which the Corporation is organized.

## **ARTICLE XI – FISCAL MATTERS: CONTRACTS, LOANS, CHECKS, DEPOSITS AND EMPLOYMENT**

SECTION 1: Contracts. The Board may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or limited to specific instances.

SECTION 2: Loans. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board. Such authority may be general or limited to specific instances.

SECTION 3: Checks, Drafts, Etc. All checks, drafts or other orders of payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation as authorized by vote and resolution of the Board.

SECTION 4: Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time in the name of the Corporation in such banks or other depositories as the Board may designate.

SECTION 5: Financial Dealings Generally. All purchases or expenditures for supplies, equipment or services, for the benefit of the Corporation, whether by contract or not, shall adhere to laws, policies and standards governing purchases and expenditures by a not-for-profit organization, subject in all instances to laws and requirements deemed by the Board, upon the advice of counsel, to be applicable to the Corporation, including the provisions of the WIOA Grant Agreements between the state of Maryland and Montgomery County, dated July 1, 2013, and any amendments or renewals thereof. No Director, officer, employee, servant or agent of the Corporation shall have any interest, financial or otherwise, direct or indirect, in any purchase or sale of goods or services by the Corporation, without timely and full disclosures thereof to the Board.

SECTION 6: Agents, employees, consultants, professional service persons or firms other than officers of this Corporation may from time to time be engaged or employed to assist the Corporation in carrying out its program and purposes. Any such employment must be in accordance with the Corporation's Board-approved procurement policy as then in effect.

## **ARTICLE XII – CORPORATE RECORDS**

True and complete copies of the Articles of Incorporation, Bylaws and records of all meetings of the Board and committees shall be kept at the principal office of the Corporation and shall be open at all reasonable times to inspection by any interested party.

## **ARTICLE XIII – MISCELLANEOUS PROVISIONS**

SECTION 1: Corporate Seal. The corporate seal of the Corporation shall be circular and shall have inscribed thereon, within and around the circumference, "WorkSource Montgomery, Inc." In the center shall be the word "SEAL".

SECTION 2: Liability. The Board is authorized to seek and obtain liability insurance policies for its Directors, officers, employees and volunteers, with legal defense of claims thereunder to be provided in accordance with the terms of the policies of insurance.

SECTION 3: Fiscal Year. The fiscal year of the Corporation shall be as approved by the Board.

SECTION 4: Interpretation. For the purpose of construing these Bylaws, unless the context indicates otherwise, words in the singular number shall be deemed to include words in the plural and vice versa, and words in one gender shall be deemed to include words in other genders.

SECTION 5: Amendments. These Bylaws may be altered, amended, restated or repealed and new Bylaws may be adopted at an annual, regular or special meeting of the Board, provided that notice of the proposed change is given at least ten (10) days prior to the meeting and provided

further that no such action shall be taken if it would (i) in any way adversely affect the Corporation's qualification under Section 501(c)(3) of the Code or (ii) detract from the power and authority of the County-Appointed Directors without approval by a majority of the County-Appointed Directors.

#### **ARTICLE XIV – DIRECTOR AND OFFICER EXCULPATION AND INDEMNIFICATION**

SECTION 1: To the extent permitted by law, no Director or officer of the Corporation will be personally liable for monetary damages for any action taken, or any failure to take any action.

SECTION 2: The Corporation shall indemnify and hold harmless each Director and officer (all of whom are collectively, individually, jointly and severally referred to in this Article as the "Indemnitees") of, from and against any and all actions, suits, proceedings, liabilities, damages, interest, fines, penalties, losses, costs and expenses (including court costs, costs of investigation, reasonable attorneys', paralegals' and experts' fees, printing costs, discovery costs, and court costs at all levels from trial court through all appellate courts) resulting from or relating to his or her capacity, actions or omissions as a Director or officer (as the case may be) or arising from or relating to the business or activities undertaken on behalf of the Corporation, as authorized by the Board, including any demands, claims or lawsuits initiated by third parties (collectively, "Losses"); provided, however, that a Director or officer, as applicable, shall be liable for any act or omission constituting fraud, gross negligence or a violation of applicable law. The Corporation's covenant to pay all Losses shall survive any final judgment rendered in favor of any of the Indemnitees and shall continue in full force and effect and remain valid and enforceable, and none of the Losses shall be merged with or into any final judgment rendered in favor of any of the Indemnitees, the intent of the parties being that the Indemnitees shall be entitled to all Losses if, as and when paid or incurred by the Indemnitees, after any of the Indemnitees having obtained any final judgment rendered in its or their favor and against the Corporation.

SECTION 3: Any repeal or modification of this Article XIV shall not adversely affect any right or protection existing at the time of such repeal or modification to which any Director or officer may be entitled under this Article. The rights conferred by this Article shall continue as to any person who has ceased to be a Director or officer, as applicable, and shall inure to the benefit of the heirs, executors and administrators of such person.

#### **ARTICLE XV – EFFECTIVE DATE**

These restated Bylaws were duly approved by the majority of the Directors present at a duly convened meeting at which a quorum was present and were also approved by a majority of the individuals then serving as County-Appointed Directors. The Bylaws heretofore in effect are hereby replaced and superseded in their entirety.