

# QUILTS OF VALOR FOUNDATION BYLAWS

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## BY-LAWS OF QUILTS OF VALOR FOUNDATION

### Article I

#### **Name**

Section 1.01. Name. The name of this corporation shall be Quilts of Valor Foundation, hereinafter referred to as "the Corporation" or "the Foundation."

## Article II

### **Purpose**

Section 2.01. **Purpose**. The purposes for which the Corporation is established are as stated in its Articles of Incorporation, to wit:

The Corporation is organized and shall be operated exclusively for religious, charitable, scientific, or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or a corresponding section of any future federal tax code (the "Code"). This Corporation is organized with the primary purpose of providing military servicemembers and veterans who have been touched by war with a handmade Quilt of Valor (QOV).

No part of the Corporation's earnings shall inure to the benefit of any member or officer nor shall any substantial part of its activities consist in carrying on propaganda or otherwise attempting to influence legislation, nor shall the Board of Directors of the Corporation participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

## Article III

### Offices

Section 3.01. Registered Office. The Corporation is registered in Delaware and maintains a resident registered agent.

Section 3.02. Other Offices. The Corporation may also have offices at such other places as the Board of Directors of the Corporation may from time to time appoint or the business of the Corporation may require.

## Article IV

### Board of Directors

Section 4.01. Definition. The business and affairs of the Corporation shall be governed and controlled by the Board of Directors, hereinafter sometimes referred to as "the Board." The number of members of the Board shall be as determined from time to time by the Board of Directors but shall never be fewer than 3. The members of the Board shall constitute the membership of the Corporation as the term "Membership" is set forth in Item Fifth of the Certificate of Incorporation and Section 215 of the Delaware General Corporation Law. A Director shall be a member of the Corporation for only so long as such Director serves as a Director under these Bylaws.

Section 4.02. Honorary or Advisory Board. The Board of Directors may at its discretion create an Honorary or Advisory Board. The Board of Directors will also define the charter and duties of this Board, its powers, responsibilities, and composition.

## Article V

### Membership of the Board

Section 5.01. Voting Members. The Board shall consist of at least three people. The exact number of members shall be determined from time to time by the Board.

Section 5.02. Election of the Board of Directors.

(a) At the first meeting of the Board, the Board as constituted hereunder shall elect their successors. Any Board member may nominate such person or persons considered qualified for services as a member of the Board. Any person so nominated shall be approved by a quorum, as defined in Section 7.04, of the Board.

(b) If a vacancy shall occur due to the resignation or inability of a member to perform his/her duties, the position shall be filled by an individual nominated by any member of the Board and approved by a  $\frac{2}{3}$  majority vote of the Board present and voting. Such individual shall serve for the remaining term of the member that is being replaced.

Section 5.03. Term. Members of the Board shall serve terms of two years each with an option to extend the term with a quorum, as defined in Section 7.04, of the Board vote of support. Members of the first Board shall be designated as provided herein to provide that the terms of all members do not expire within the same calendar year.

Section 5.04. Board of Directors. Nothing in these Bylaws shall be construed to prevent any member of the Board from succeeding him or herself.

Section 5.05. All members of the Board must be members of the Quilts of Valor Foundation. All persons elected to the Board, who are not already members of the Foundation, must immediately join the Foundation upon their election. This membership must be kept active during the Board member's term on the Board.

Section 5.06. Resignations, Absences and Termination. Resignation from the Board must be in writing (either via mail or electronic means) and received by the President or the Secretary. Board members may be excused from attendance at Board meetings upon notification to the President at least one hour prior to the scheduled meeting. Board members shall be terminated from the Board due to excess absences if they have more than two unexcused absences from Board meetings in a calendar year.

A Board member may be removed without cause by a three-fourths vote of the remaining Board members when in their judgment it is in the best interest of the Foundation. Such vote may take place in either a regular or special Board meeting. Except in extraordinary circumstances (such as financial mismanagement or violation of law) this vote will only take place after the process for termination of Volunteers, Paid Staff or Board Members as set forth in the QOVF Procedures Manual section 6 have been completed.

## Article VI

### Duties and Powers

Section 6.01. General Powers. The Board may exercise all such powers of the Corporation and do all such lawful acts and things as are not prohibited by statute, or by the Articles of Incorporation or by these Bylaws, directed or required to be exercised and done by the members. Without limiting the generality of the foregoing, the powers of the Board shall include the power to authorize increases in the Corporation's indebtedness and to mortgage and pledge its assets.

Section 6.02. Informal Action by the Board. Notwithstanding anything to the contrary contained in these Bylaws, any action which may be taken at a meeting of the members of the Board, if any, may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the members of the Board, as the case may be, and shall be filed with the Secretary of the Board.

Section 6.03 Specific Duties. Duties specifically required of the Board of Directors include but are not limited to the following:

- Establishing the Foundation's Mission Statement
- Appointing Executive Directors
- Establishing policies and procedures
- Approving annual budgets and major expenditures
- Approving major contracts
- Maintaining financial stability of the organization
- Protecting tax exempt status
- Acting as the owner of Quilts of Valor Foundation
- Periodically evaluating the Foundation to ensure the Foundation stays focused on its mission
- Periodically reviewing and revising *the Policies & Procedures Manual*
- Meeting regularly and keeping records in accordance with the Foundation Bylaws
- Providing guidance and direction to the Executive Director and the Executive Staff.
- Registering and maintaining registration for the Foundation in all states that require registration for legal fundraising
- Raising funds for the Foundation via applications for grants and by seeking support from and cooperation with national foundations and corporations
- Setting the example of professional behavior at all times

## Article VII

### Meetings

Section 7.01. Annual Meeting. The annual meeting of the Board shall be held on a date determined by the Board. Officers shall be elected at this meeting and shall take office following adjournment.

Section 7.02. Special Meetings. Special meetings of the Board may be held at the call of the Chairman of the Board.

Section 7.03. Notice of Meeting. Notice shall be given to each member of the Board at his/her usual place of business and/or residence at least two weeks in advance of each annual or regular meeting. Notice of any special meeting shall be given as set forth herein at least two weeks in advance of such special meeting whenever practicable.

Section 7.04 Quorum. A Quorum will be required for extending Board terms, changing by-laws, and all other actions of the Board. A Board member may vote by proxy if he or she cannot attend a meeting. They can vote by proxy by 1) emailing the Board of their vote and 2) having a Board member who will be present for the vote place their vote. A quorum is defined as half plus one.



## Article VIII

### Officers

Section 8.01. Chairman of the Board: Powers and Duties. The Chairman shall have such powers and duties as the Board may prescribe. He or she shall have general charge and supervision of the business of the Corporation and shall exercise or perform all the powers and duties usually incident to the office of Chairman. The Chairman shall from time to time make or cause to be made such reports of the affairs of the Corporation as the Board may require.

Section 8.02. Vice Chairman: Powers and Duties. The Vice Chairman shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of the Chairman; and if there be more than one Vice Chairman, their seniority in performing such duties and exercising such power shall be determined by the Board or, in default of such determination, by the order in which they were first elected. Each Vice Chairman also shall have such powers and perform such duties as may be assigned to him/her by the Board.

Section 8.03. Secretary: Powers and Duties. The Secretary shall be a member of the Board of Directors and shall attend all sessions of the Board and all meetings of the members and act as clerk thereof, and record all the votes and minutes thereof in books to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board, and shall perform such other duties as may be prescribed by the Board or by the Chairman. The Secretary, or another person directed by the board, shall keep in safe custody the corporate seal of the Corporation, and may affix the same to any document requiring it and attest the same.

Section 8.04. Treasurer: Powers and Duties. The Treasurer shall be the chief financial officer and shall cause full and accurate accounts of receipts and disbursements to be kept in books belonging to the Corporation and shall see to the deposit of all moneys and other valuable assets in the name and to the credit of the Corporation in such depository or depositories as may be designated by the Board, subject to disbursement or disposition upon orders signed in such manner as the Board shall prescribe. The Treasurer shall render to the Chairman, at the regular meetings of the Board or whenever the Chairman or the Board may require it, an account of all his/her transactions as Treasurer and of the results of operations and financial condition of the Corporation. If required by the Board, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as may be satisfactory to the Board for the faithful discharge of the duties of his or her office, and for the restoration to the Corporation, in case of the Treasurer's death, resignation, retirement, or removal from office, of all books, records, money, and other property of whatever kind in his or her possession or under his/her control belonging to the Corporation.

Section 8.05. **Board Member: Powers and Duties:** A Board member has the duty to exercise reasonable care when he or she makes a decision for the organization. Reasonable care is what an "ordinarily prudent" person in a similar situation would do. A Board member must never use information gained through his/her position for personal gain and must always act in the best interests of the organization. A Board member must be faithful to the organization's mission. He or she cannot act in a way that is inconsistent with the organization's goals. The Board member is trusted by the public to manage donated funds to fulfill the organization's mission. Additional duties include:

- Making sure that the organization follows the law
- Approving all major contracts
- Attending most Board meetings, thus indicating dedication to the organization

Section 8.06. **Delegation of Officer's Duties.** Any officer may delegate duties to his/her assistant (if any) appointed by the Board; and in case of the absence of any officer or assistant officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board may delegate or authorize the delegation of his/her powers or duties, for the time being, to any person.

The officers of the Corporation shall be elected to between one- and three-year terms by the Board

Section 8.07. **Election of Officers.** Nominations for each office may be made by any member of the Board. Each nominee shall serve in such office upon election by a quorum, as defined in Section 7.04, of the Board members.

Section 8.08. **Executive Director Powers and Duties.** The Executive Director is appointed by the Board of Directors. The functions and responsibilities of the Executive Director are:

- Implementing the goals of the Foundation as set by the Board of Directors.
- Communicating with the Board of Directors regarding activities at all levels within the Foundation.
- Providing direction for the operation of the Foundation to the Executive Staff, State Coordinators, and volunteer members.
- In consultation with the Board of Directors and the Executive Staff, coordinating the delivery of the Foundation's message.
- Monitoring the branding, use of the Foundation's logo, and content of communications.
- Implementing the standards, policies, and procedures of the Foundation.
- Serving as editor of the Foundation's official newsletter.
- Setting the example of professional behavior at all times.

## Article IX

### Records

Section 9.01. Corporate Records. The Corporation shall keep at its registered office or at its principal place of business wherever situated an original or duplicate record of the proceedings of the directors and the original or copy of its Bylaws, including all amendments and alterations there to date, and a register, giving the names and addresses of the members of the Board. The Corporation shall also keep complete and accurate books or records of account with adequate digital and hard copy backups.

Section 9.02. Right of Inspection. Every member of the Board shall, upon written demand under oath stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, one reasonably related to the interest of such person as a member of the Board, books and records of account, and records of the proceedings of the directors, and to make copies or extracts therefrom.

Section 9.03. Execution of Written Instruments. All contracts, deeds, mortgages, obligations, documents, and instruments, whether or not requiring a seal, may be executed by the Chairman and attested by the Secretary or an Assistant Secretary. All checks, notes, drafts, and orders for the payment of money shall be signed by such one or more officers or agents as the Board may from time to time designate.

## Article X

### Miscellaneous Provisions

Section 10.01. Indemnification of the Board and Officers. The Corporation shall, to the fullest extent permitted by law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (and whether brought by or in the right of the Corporation) by reason of the fact that he/she is or was a Board member, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by him/her in connection with such action, suit or proceeding.

Section 10.02 Fiscal Year. The fiscal year of the Corporation shall end on the thirty-first day of December of each year.

## Article XI

### **Amendment of Bylaws**

Section I 1.01. Amendments. These Bylaws may be altered, modified, amended, supplemented, or repealed by a quorum, as defined in Section 7.04, of the members of the Board at any regular or special meeting of the Board, duly convened after notice to the Board members for that purpose, or by unanimous written consent or consents of all of the Board members, without a meeting.

## Article XII

### **Irrevocable Dedication: Dissolution and Reversion**

Section 12.01. Irrevocable Dedication. The Corporation is not organized, nor shall be operated, for a pecuniary gain or profit. The property, assets, profits, and net income of the Corporation are irrevocably dedicated to religious, charitable, scientific, or educational purposes, and no part of the profits or net income shall inure to the benefit of any officer or member thereof.

Section 12.02. Dissolution. Should the Corporation cease to act and be dissolved, its property and assets then remaining shall be paid over to and become the property of one or more charitable organizations designated by the Board, provided, however, that payment shall be made hereunder only to such corporations, trusts, foundations, or other organizations which are organized and operated exclusively for religious, charitable, educational or scientific purposes and which are exempt from Federal income tax under Section 501(a) of the Code as organizations described in Section 501(c)(3) of the Code. In the event that any organization designated as provided herein shall not qualify hereunder, the amount that it would have received upon dissolution shall be paid over to one or more other qualifying organizations.

Article XIII

**Effective Date**

Section 13.01. Effective Date. These Bylaws shall take effect immediately upon their adoption by the Board of Directors.