

DORCHESTER CENTER FOR THE ARTS, INC.
BY-LAWS

ARTICLE I - Name

The name of the corporation is "Dorchester Center for the Arts, Inc." (hereafter referred to as "the Corporation").

ARTICLE II - Purpose

The Corporation is organized exclusively for charitable purposes under section 501(c)(3) of the Internal Revenue Code to promote cultural activities in Dorchester County, Maryland, by organizing, operating, receiving, and disbursing funds to support the arts and other cultural needs.

ARTICLE III - Membership

Section 1

Membership is open to all individuals without discrimination. A completed application form is required for membership. Each adult member has one vote in general membership meetings.

Section 2

The Board of Directors may grant honorary memberships for dedicated or special services. In lieu of annual membership fees, the Board may award regular membership for services performed or merchandise loaned or furnished to the Corporation.

Section 3

Membership termination by the Board of Directors may occur due to non-payment of dues or other causes as defined by Board policy.

Section 4

Members shall have voting rights on specified issues where there has been significant interest shown by the membership. The Executive Board retains the right to overturn membership votes on issues of sustainability, financial integrity, and budget if necessary for the progress and welfare of the Corporation.

ARTICLE IV - Annual Membership Meetings

Section 1

The annual meeting is held in the fourth quarter of the fiscal year on a date set by the Board.

Section 2

The agenda includes elections, by-laws amendments, financial health and fiscal policy discussion, and other pertinent matters.

Section 3

A 14-day advance notice is required for the annual meeting. Delivery by email or postal mail is acceptable.

Section 4

Special meetings of the membership may be called by the President or the Executive Committee with a 7-day notice.

Section 5

A quorum consists of 15 members in good standing.

Section 6

Voting by proxy is allowed if the proxy is verified. Voting by email is also permitted for members on specified issues.

Section 7

Virtual member meetings are explicitly allowed.

ARTICLE V - Dues

Section 1

Dues and membership categories are reviewed and adjusted annually by the Board based on recommendations from the Finance Committee.

Section 2

Dues are owed by the membership anniversary date. Continued membership is contingent upon being up to date on membership dues.

ARTICLE VI - Board of Directors

Section 1 - Composition

The Board consists of 3 to 11 elected members, including one ex officio member: a representative from the Superintendent of the Dorchester County Public Schools. Other ex-officio members may be added at the Board's discretion and by unanimous vote of the Board members.

Section 2 - Terms of Service and Conduct for Officers and Directors

- **Term Limits:** Officers and Directors serve three-year terms, with a limit of two consecutive terms. After a one-year absence, they may be re-elected.
 - Board vacancies are filled for the remainder of the term by Board appointment.
- **Conduct:** Officers and Directors must adhere to the Code of Conduct and the Corporation's policies.

Section 3 - Responsibilities

The Board oversees the Corporation's management per the by-laws and policies manual.

Section 4 - Meetings

The Board meets at least ten times per year; regular and special meetings are scheduled as needed. The meeting is called by the Board President with five (5) days' notice to Board members. Virtual participation in meetings is permitted for all members, and the Board may decide to hold meetings entirely virtually as necessary. Electronic voting is allowed for Board meetings. All electronic votes must be verified and secured to ensure the integrity and confidentiality of the voting process.

Section 5 - Resignation

Directors may resign by delivering their written resignation to the Organization at its principal office or to the President. Such resignation shall be effective upon a vote of the Board at its next regular meeting. Missing three consecutive meetings is grounds

to request a Board member's resignation. Attendance at meetings will be captured by the Secretary in the Board minutes.

Section 6 - Removal

Any member of the Board of Directors may be removed with or without cause, at any time, by unanimous vote of the members of the Board of Directors if in their judgment the best interest of the Corporation would be served by this action. Each member of the Board of Directors must receive written notice of the proposed removal at least ten (10) days in advance of the proposed action. An officer who has been removed as a member of the Board of Directors shall automatically be removed from office.

Section 7

The creation of paid positions and compensation requires Board approval.

Section 8 - Emeritus Members

Past directors exhibiting outstanding dedication and service to the organization, with no plans to be members again, may be awarded emeritus status. This status is for those who have had 20 years of active participation, service, and/or support.

ARTICLE VII - Officers

Section 1 Officers (President, Vice President, Secretary, Treasurer) are elected every three years by the membership, with a one-year break after two consecutive terms.

Section 2 The President leads meetings, manages affairs, and appoints committee chairs.

Section 3 The Vice President performs duties as assigned by the President and assumes the role of President in the President's absence.

Section 4 The Secretary is responsible for maintaining records and issuing meeting notifications. Updates to the policy and procedure manual, tracking attendance, and Board member terms are also part of the duties.

Section 5 The Treasurer manages finances and the budget process.

Section 6 Executive Director (ED)

- The ED is the chief executive officer, responsible for daily management under the Board's direction.

- Responsibilities include general administration, program management, staff management, budget and finance oversight, community relations, fundraising, facility management, and regular reporting to the Board.
- The ED participates in Board meetings as an ex officio member.

Removal Procedures

1. **Removal Initiation:** The process to remove the ED can be initiated by a motion from any Board Director.

2. **Grounds for Removal:** The ED can be removed for any reason.

3. **Procedure:**

- **Decision:** A majority of all Board members is needed to remove the ED.
- **Effect:** Removal is effective immediately upon approval.

4. **Confidentiality:** The process must be confidential to protect the integrity of all involved.

ARTICLE VIII - Code of Conduct

The Corporation adopts a code of conduct, including but not limited to:

- Avoiding conflicts of interest and requiring immediate disclosure of such conflicts.
- Maintaining confidentiality of sensitive information.
- Ensuring active participation and ethical conduct in all activities.
- Prohibiting discrimination and harassment and enforcing measures against such behaviors.
- Requiring all board members and staff to act in the best interests of the organization at all times.

ARTICLE IX - Anti-Discrimination, Diversity, and Inclusion Policies

DCA is committed to creating and maintaining a community environment that is free from discrimination, harassment, and retaliation. We believe that all individuals deserve to be treated with respect and dignity and affirm our commitment to providing an inclusive atmosphere for all visitors, staff, volunteers, and partners, regardless of race, color, religion, gender, gender identity or expression, sexual

orientation, national origin, genetics, disability, age, or any other legally protected characteristics.

The Corporation commits to non-discrimination and actively seeks to involve a diverse group of individuals reflective of the community in its operations.

ARTICLE X - Dissolution

In the event of dissolution, assets are distributed in accordance with section 501(c)(3) of the Internal Revenue Code.

ARTICLE XI - Record Keeping

The Corporation shall maintain accurate records that are available for inspection in accordance with legal and operational requirements. The responsibility for overseeing the maintenance and availability of these records falls to the Executive Director and the Board President. The Secretary is responsible for maintaining these records and providing them upon request.

ARTICLE XII - Committees

All committee chairs of the Corporation shall be appointed by the Board of Directors. They shall remain on committees unless action is taken by the Board of Directors to terminate the committee, or if they resign from the committee.

The nature of the committees shall be decided upon by the President and with the approval of the Board of Directors. The committees are subject to change from time to time depending upon the needs of the Corporation.

Executive Committee

- **Membership:** Comprises the President, Vice President, Secretary, Treasurer, and one additional Board member selected by the Board.
- **Role:** Acts with the authority of the Board in urgent or operational matters that cannot wait until the next full Board meeting.
- **Responsibilities:**
 - Make interim decisions on behalf of the Board.
 - Handle urgent issues affecting the Corporation's day-to-day operations.
 - Report all actions taken to the Board at the next regular meeting for ratification.

Finance Committee

- **Membership:** Chaired by the Treasurer and includes at least two other Board members appointed by the Board.
- **Role:** Oversees the financial administration of the Corporation.
- **Responsibilities:**
 - Review and recommend revisions of the annual budget for Board approval.
 - Monitor and report on financial performance to the Board regularly.
 - Oversee the development and observation of the Corporation's financial policies.
 - Review the investment portfolio annually.

Nominating and Diversity and Inclusion Committee

- **Membership:** Chaired by a non-officer Director and includes two other non-officer Directors.
- **Role:** Ensures effective Board composition by managing the process of recruiting and nominating new Board members.
- **Responsibilities:**
 - Identify and recruit qualified candidates for Board membership.
 - Evaluate potential candidates and recommend nominees to the full Board.
 - Oversee the orientation of new Board members and ongoing Board development.
 - Develop strategies to ensure diversity in the Board, staff, and volunteer base.
 - Promote inclusivity in all programs and policies.
 - Monitor and report on progress towards diversity and inclusion goals.

Each committee is essential in ensuring that the Dorchester Center for the Arts operates effectively and adheres to its mission. Committees are expected to meet regularly, maintain records of their meetings, and report their activities and recommendations to the Board of Directors regularly.

ARTICLE XIII - Financial Management

Section 1 - Financial Oversight

The Board of Directors is responsible for ensuring sound financial management practices and transparency in accordance with applicable laws and regulations. This responsibility includes overseeing the financial operations of the Corporation and ensuring that funds are managed prudently.

• Responsibilities:

- Approve the annual budget and monitor its implementation.
- Review quarterly financial reports detailing income, expenditures, and forecasts.
- Ensure the maintenance of accurate and complete financial records.
- Approve major expenditures and investments in line with the Corporation's financial policies.

Section 2 - Budgeting Process

The budgeting process is a collaborative effort led by the Executive Director and the Finance Committee, which prepares a comprehensive budget reflecting the Corporation's goals and financial planning.

• Process:

- Develop an annual budget that aligns with strategic goals and programmatic needs.
- Present the proposed budget to the Board for initial approval and to the entire membership for ratification prior to the start of the fiscal year.
- Adjust the budget as necessary in response to significant and unforeseen changes in financial circumstances or operational needs.

Section 3 - Internal Controls

Internal controls are critical to safeguard assets, enhance the accuracy of accounting records, and ensure compliance with financial guidelines.

• Key Controls:

- Segregation of duties to ensure that no single individual controls all aspects of a financial transaction.
- Implementation of authorization and approval limits for expenditures.

- Regular reconciliation of bank accounts and financial statements.
- Secure and restricted access to financial systems and data.

Section 4 - Audit

An independent audit will be conducted every three (3) years by an outside party to assess the Corporation's financial practices and ensure compliance with generally accepted accounting principles (GAAP) and applicable federal, state, and local laws.

Section 5 - Reporting and Transparency

The Corporation is committed to transparency in its financial operations. Regular financial reports will be made available to the Board, and summarized financial information will be provided to the public.

- **Transparency Measures:**

- Publish annual financial statements and the auditor's report on the Corporation's website.
- Provide donors with access to financial reports concerning the use of donated funds.
- Hold annual meetings where financial health and fiscal policies are discussed with stakeholders.

Section 6 - Investment Policy

The Corporation will maintain a conservative investment policy focusing on capital preservation and liquidity to support its charitable activities.

- **Investment Guidelines:**

- Investments shall be managed conservatively with an emphasis on diversification and risk management.
- The Finance and Budget Committee reviews the investment portfolio annually.
- Investment policies and transactions must be approved by the Board of Directors.

Section 7 - Reserve Policy

The Corporation will establish and maintain a reserve fund to ensure financial stability and operational continuity in case of unexpected financial challenges.

- **Reserve Fund Usage:**

- Determine the size of the reserve fund based on periodic risk assessments and financial forecasts.
- Utilize reserve funds only for significant, unforeseen emergencies or new unanticipated program expenses after Board approval.

Section 8 - Unanticipated Expenditures

Procedures for managing expenditures not budgeted for in the annual financial plan.

- **Handling Unexpected Costs:**

- Develop a protocol for requesting and approving expenditure overruns.
- The Treasurer, with the Executive Committee, can approve unplanned expenses up to \$2500.00; larger amounts require full Board approval.

This comprehensive approach to financial management will help ensure the Dorchester Center for the Arts operates efficiently, responsibly, and transparently, upholding the trust placed in it by its supporters and beneficiaries.

ARTICLE XIV - Amendments

Amendments to the By-Laws require a two-thirds majority vote at a meeting of the membership with a quorum after a 14-day notice period.

ARTICLE XV - Miscellaneous

Section 1

The Policies and Procedures Manual shall be separate from the Articles of Incorporation and By-Laws and shall provide the rules and regulations under which the Corporation operates on a day-by-day basis. These may be amended by the Board of Directors, by a majority vote.

Section 2

If any By-Law provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision and the By-Laws shall be construed as if the invalid, illegal or unenforceable provision had not been included in the By-Laws.

Section 3

The headings used in these By-Laws are used for convenience and shall not be considered in construing the terms of the By-Laws.