

BOARD POLICY MANUAL

Cleburne Friends of the Cultural Arts

**Board of Directors
Adopted May 3, 2011**

This Revision May 3, 2011

Board Policy Manual Cleburne Friends of the Cultural Arts

Policy I: OFFICES

Section 1.01 Principal Office

The principal office of the Cleburne Friends of the Cultural Arts ("CFCA") in the State of Texas shall be located in the City of Cleburne, County of Johnson. The CFCA may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the CFCA may require from time to time.

Section 1.02 Registered Office and Registered Agent

The CFCA shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office may be, but need not be, identical with the principal office of the CFCA in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

Section 1.03 Current Registered Office and Agent

- (A) The current registered office of CFCA is: 603 N. Main, Cleburne, Texas 76033-3807
- (B) The current Registered Agent of CFCA is:
 - Alden Nellis
 - 603 N. Main
 - Cleburne, TX 76033-3807
 - Phone 817-641-9646, Cell 817-556-2265
 - Email cpupro@sbcglobal.net

Policy II. PURPOSES

Section 2.01 Mission and Method

- (A) **Mission:** to build a strong cultural arts community in Cleburne and Johnson County.
- (B) **Method:** form an umbrella association of cultural and arts groups with the goals of coordinating and facilitating communications and scheduling between member groups; supporting each other's activities; providing a broad base for seeking funding; and working with other organizations to attract tourists.

Section 2.02 Organizational Purposes

The CFCA is organized exclusively for charitable, literary and educational purposes as defined in Section 501(c)(3) of the Internal Revenue Code. The CFCA is established as a permanent

organization with the purpose of seeking to enrich the local community by promoting public interest and appreciation of the cultural arts, to provide facilities, operate programs, and to perform services that promote public interest and appreciation of the cultural arts. The CFCA may engage in any activities which further its purposes.

No part of the net earnings of the CFCA shall inure to the benefit of any Director of the CFCA, officer of the CFCA, or any private individual (except that reasonable compensation may be paid to a private individual for services rendered to or for the CFCA affecting one or more of its purposes), and no Director or officer of the CFCA, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the CFCA. No substantial part of the activities of the CFCA shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the CFCA shall not participate in, or intervene in (including the publication or distribution of statements) any political campaigning on behalf of any candidate for public office.

The CFCA shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended and the regulations promulgated there under as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code and Regulations, as they now exist or as they may hereafter be amended.

Upon dissolution of the CFCA or the winding up of its affairs, the assets of the CFCA shall be distributed exclusively to charitable organizations which would then qualify under the provisions of Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

Section 2:03 Exclusions

(A) Political organizations are not included under the CFCA umbrella.

(B) Religious organizations are not included under the CFCA umbrella.

Policy III. MEMBERS

Section 3.01 General Members

General Members, simply referred to as Members, consist of all individuals who are interested in the culture and arts of Cleburne and Johnson County. Membership dues are \$10 per year per person. Each paid member gets one vote on matters presented to the Members. Unless specified otherwise on a specific matter, the member must be present to vote. The Members will meet monthly at the place, date and time posted on the CFCA website and emailed to the current member list at least ten (10) days before said meeting.

Section 3.02 Affiliate Members

Affiliate Members consist of organizations which are actively involved in culture and arts activities in Cleburne and Johnson County.

Affiliate dues are based on the number of members in the organization as of January 1 of the

applicable year as shown in the chart below. If an exact count does not exist, a best estimate is acceptable.

Number of Members	Annual Dues
0-25	\$25.00
26-50	\$50.00
51-75	\$75.00
76-100	\$100.00
More than 100	\$125.00

Affiliate Members will meet with the General Members, but may caucus apart from the Members to consider and vote on matters brought before the Affiliate Members.

Section 5.03 Honorary Members

Honorary Members will consist of individuals who have made outstanding contributions in advancing a strong cultural arts community in Cleburne and Johnson County. The Board of Directors will, on it's own or at the suggestion of any member, place the name of a prospective Honorary Member before the Members.

A majority of the Board Members must concur on the nomination of an Honorary Member in a regular or special called Board meeting or in an electronic or telephone poll.

A majority of Voting Members at a regular or special called meeting is required to elect the prospective Honorary Member.

There are no dues for Honorary Members.

POLICY IV. MEETINGS

Section 4.01 Annual Meeting

An annual meeting of the members shall be held each calendar year on the first Tuesday of December at 7:00 p.m. for the purpose of electing members of the Board of Directors for the upcoming year and for the transaction of other business as may come before the meeting.

Section 4.02 Special Meetings

Special meetings of the members may be called by the President, the Board of Directors or 20% of Members entitled to vote on the matter that is the subject of the meeting.

Section 4.03 Place of Meeting

The designated place of meeting for Members Meetings and Board of Directors Meetings shall be posted on the CFCA website www.cleburnearea.info/cfca.

The Board of Directors may designate any place, either within or without the State of Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the CFCA in the State of Texas; but if all of the members shall meet at any time and place, either within or without the State of Texas, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 4.04 Notice of Meeting

Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered, either personally, by facsimile transmission or by mail (USPS or email), to each member, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers calling the meeting. In case of a special meeting or when required by statute or the Bylaws, the purpose or purpose for which a meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at the address as it appears on the records of the CFCA with postage thereon prepaid, or when sent to the current email address of the Member as the address appears on the records of the CFCA.

Section 4.05 Record Dates

The record date for determining which members are entitled to notice of any meeting of members shall be the day before notice is given or, if notice is waived, the day before such waiver of notice. The record date for determining which members are entitled to vote at any meeting of members shall be the day before such meeting. Within two days after notice of any meeting is given as provided under Section 4.04 of the Bylaws, the CFCA shall have prepared a list of all members entitled to notice of such meeting and a list of all members entitled to vote at such meeting but not entitled to notice of such meeting. These lists shall be available for inspection and copying by any voting member, at a reasonable time and at the expense of such member, prior to the meeting; and the lists shall also be available during the meeting.

Section 4.06 Voting

Each member shall be entitled to one (1) vote on any matter to be determined by the Members of the CFCA.

Section 4.07 Manner of Acting

The act of a majority of the Members present at a meeting at which a quorum is present shall be the act of the Members, unless the act of a greater number is required by law, by the Articles of Incorporation or by the Bylaws.

Section 4.08 Quorum

One - tenth (10%) of the members entitled to vote at any meeting shall constitute a quorum at such meeting. In the absence of a quorum of members at the annual meeting as prescribed in Section 4.01, the Board of Directors shall continue "as is" in conducting the affairs of the CFCA.

Section 4.09 Informal Action by Members

Any action required by law to be taken at a meeting of the Members, or any action which may be taken at such of meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by a sufficient number of Members as would be necessary to take that action at a meeting at which all of the Members were present and voted. Each written consent shall be delivered, by hand or certified mail, return receipt requested, to the Secretary or other officer or agent of the CFCA having custody of the CFCA's minute book(s). A written consent signed by less than all of the Members is not effective to take the action unless, within sixty (60) days after the date of the earliest dated consent delivered to the CFCA in the manner required by this Article, a consent or consents signed by the required number of Members is delivered to the CFCA as provided in the Bylaws. For purposes of this Section, a telegram, telex, cablegram, or similar transmission by a Member or a photographic, photo static, facsimile or similar reproduction of a writing signed by a Member shall be regarded as signed by the member.

Policy V. BOARD OF DIRECTORS

Section 5.01 General Powers

The property, business and affairs of the CFCA shall be managed by its Board of Directors and, subject to the restrictions imposed by law, the Articles of Incorporation and the Bylaws, the Board of Directors shall exercise all of the powers of the CFCA. The Board of Directors, with assistance from the officers of the CFCA, shall publish a Board Policy Manual to direct normal operations of the CFCA.

Section 5.02 Election, Number, Tenure and Qualifications

(A) Directors shall be elected by the affirmative vote of a majority of the Members present in person or by proxy at each annual meeting of the members. Each person serving as a Director shall hold office until the earlier to occur of (a) the expiration of the term for which he is appointed and until his successor had been appointed and qualified or (b) his death, resignation, or removal as hereinafter provided. The number of Directors shall never be fewer than five (5) or more than thirty (30). Directors shall serve terms as determined by policy or procedure but not less than one (1) year as set forth in the Board Policy Manual.

(B) The Board of Directors shall initially consist of nine (9) directors, each elected to one (1) of nine (9) places, three (3) each being elected every year as provided in Section 5.02(A).

(C) Directors will be elected to a three (3) year term so that one-third (1/3) of the Board will rotate every year, unless re-elected. Directors are limited to two full terms (6 years). However, they may serve a partial term before being elected to a full term.

(D) Qualifications: Directors shall be a person of good repute, active in the organization, and a member of CFCA.

(E) Exceptions for the first three Boards.

(1) The first nine (9) Directors will all be elected a the earliest possible regular meeting of the Members.

(2) Once elected, the Directors will meet and, by lottery, allocate the remainder of the current year to Places 1, 2, and 3; the remainder of the current year plus the following year to Places 4, 5 and 6; the remainder of the current year plus the following two years to Places 7, 8 and 9.

(All nine of these Directors will be serving a partial three year term and will be eligible to serve two full three-year terms following this partial term service.)

Section 5.03 Regular Meetings

(A) The Board of Directors shall provide for by resolution and set forth in the Board Policy Manual the time and place, either within or without the State of Texas, for the holding of the regular annual meeting(s) of the Board, and may provide by resolution the time and place for the holding of additional regular meetings of the Board, without other notice than such resolution. However, there shall never be less than one annual meeting of the Board of Directors.

(B) Regular Board Meetings will be held prior to and at the same location, preceding the Member meeting on the first Tuesday of each quarter (i.e. January, April, July, October), unless otherwise resolved by the Board of Directors.

Section 5.04 Annual Meetings

The first regular Board meeting each year will be the Annual Meeting unless otherwise resolved by the Board of Directors.

Section 5.05 Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President, or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Texas, as the place for holding any special meetings of the Board called by them. Notice of Special Meetings shall be required.

Section 5.06 Meetings Utilizing Electronic Media

Members of the Board of Directors or members of any committee designated by the Board of Directors may participate in and hold a meeting of that Board or committee, respectively, by means of conference telephone or similar communication equipment, provided that all persons participating in such a meeting shall constitute presence in person at such 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 created.

Section 5.07 Policies and Procedures

The Board shall enact policies and procedures as deemed appropriate to conduct the affairs of the CFCA. Approval of said policies and procedures, and changes thereto, shall require a majority of the Board of Directors at which a quorum is present. These policies and procedures will be published in the Board Policy Manual.

Section 5.08 Notice

Notice of any special meeting of the Board of Directors shall be given at least three (3) days previously thereto by oral or written notice delivered personally or sent by USPS mail or email or facsimile to each Director at his or her address as shown by the records of the CFCA. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid. Any Director may waive notice

of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by the Bylaws.

Section 5.09 Quorum

A majority of the Board of Directors, but never less than five (5), shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a quorum of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 5.10 Manner of Acting

The act of a majority of the Directors at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, by the Articles of Incorporation or by the Bylaws.

Section 5.11 Vacancies

Any vacancy (other than resulting from completion of a term) occurring in the Board of Directors, and any directorship to be filled by reason of an increase in the number of Directors as approved by a majority vote of a quorum of the Members, shall be filled by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. However, vacancies need not be filled unless such a vacancy would result in fewer than five (5) Directors remaining on the board.

Section 5.12 Compensation

Directors as such shall not receive any stated salaries for their services. Directors, however, shall be entitled to reimbursement for reasonable expenses incurred by him or her in carrying out his or her duties. Nothing herein contained shall be construed to preclude any Director from serving the CFCA in any other capacity and receiving reasonable compensation therefore.

Section 5.13 Informal Action by Directors

Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the Directors.

Section 5.14 Resignation

Any Director may resign by giving written notice to the President. The resignation shall be effective at the next called meeting of the Board of Directors.

Section 5.15 Removal

Any Director may be removed with or without cause by a majority of the directors of the Board of Directors at

which a quorum is present. Two or more unexcused absences during the calendar year will be grounds for removal.

Policy VI. OFFICERS

Section 6.01 Officers

The officers of the CFCA shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of the Bylaws. The Board of Directors may elect or appoint, by a majority of the Board of Directors at which a quorum is present, such other officers as it shall deem desirable to have the authority and perform the duties as prescribed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 6.02 Election and Term of Office

The officers of the CFCA shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors and the term of office for each officer shall be until the next succeeding annual meeting at which officers are elected. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified, or until his or her earlier death, resignation or removal.

Section 6.03 Removal

Any officer elected or appointed by the Board of Directors may be removed by a majority of the Board of Directors at which a quorum is present, but not less than six (6), whenever in its judgment the best interest of the CFCA would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 6.04 Vacancies

A vacancy in any office because of death, resignation, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term by a majority of the Board of Directors at which a quorum is present.

Section 6.05 President

The President shall be the principal executive officer of the CFCA and shall, in general, supervise and control all of the business and affairs of the CFCA. He or she shall preside at all meetings of the Board of Directors. The President may sign, with the Secretary or any other proper officer of the CFCA authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by the Bylaws or by statute to some other officer or agent of the CFCA; and in general he or she shall perform all duties as may be prescribed by the Board of Directors from time to time, including participating in various committee meetings as a member or chairperson thereof. He or she shall also be responsible for informing the Board of Directors of possible programs, meetings, and functions of the CFCA.

Section 6.06 Vice President(s)

In the absence of the President or in the event of his or her inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in order of their election) shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him or her by the President, the Board of Directors, or by policy or procedure.

Section 6.07 Treasurer

If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she shall have charge and custody of and be responsible for all funds and securities of the CFCA; receive and give receipts for moneys due and payable to the CFCA from any source whatsoever, and deposit all such moneys in the name of the CFCA in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of the Bylaws; he or she shall keep proper books of account and other books showing at all times the amount of funds and other property belonging to the CFCA, all of which books shall be open at all times to the inspection of the Board of Directors; he or she shall also submit a report of the accounts and financial condition of the CFCA at each annual meeting of the Board of Directors; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 6.08 Secretary

The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; give all notices in accordance with the provisions of the Bylaws or as required by law; be custodian of the corporate records; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or Board of Directors. The Assistant Treasurer and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

Policy VII. COMMITTEES

Section 7.01 Appointment

The President shall appoint members of committees established by the Board of Directors, except for the Executive Committee. The Board of Directors shall appoint the chairperson of each committee. These committees shall perform such functions and make such reports as the President or Board of Directors shall determine. Both Directors and members may serve on all committees except the Executive Committee.

Section 7.02 Committees of Directors

The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more persons, a majority of who are Directors, which committees, to the extent provided in said resolution shall have and exercise the authority in the

management of the CFCA of the Board of Directors. However, no such committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing the Bylaws; electing, appointing, or removing any member of any such committee or any Director or officer of the CFCA; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another Corporation or Organization; authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the CFCA; authorizing the voluntary dissolution of the CFCA or revoking proceedings therefore; adopting a plan for the distribution of the assets of the CFCA; or amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereof of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on it or him or her by law.

Section 7.03 Executive Committee

The Board of Directors may from among its members appoint an Executive Committee consisting of the officers and any additional members as deemed necessary by the Board to serve at the pleasure of the Board. The President, unless absent or otherwise unable to do so, shall preside as Chairperson of the Executive Committee. The Committee shall meet at the call of the President or the Board of Directors, or any two (2) members of the Committee, and shall have and may exercise when the Board of Directors is not in session the power to perform all duties, of every kind and character, not required by law or the charter of the CFCA to be performed solely by the Board of Directors. The Executive Committee shall have authority to make rules for the holding and conduct of its meetings, keep records thereof and regularly report its actions to the Board. A majority but never less than six (6) of the members of the Committee in office shall be sufficient to constitute a quorum at any meeting of the Committee, and all action taken at such a meeting shall be by a majority of those present. All acts performed by the Executive Committee in the exercise of its aforesaid authority shall be deemed to be, and may be certified as, acts performed under authority of the Board of Directors. Vacancies in the Executive committee shall be filled by appointment by the Board of Directors by a majority of the Board of Directors at which a quorum is present. All actions of the Executive Committee shall be recorded in writing in a minute book kept for that purpose and a report of all action shall be made to the Board of Directors at its next meeting. The minutes of the Board of Directors shall reflect that such a report was made along with any action taken by the Board of Directors with respect thereto.

Section 7.04 Nominating Committee

The President shall, with thirty (30) days advance notice to the Board of Directors, appoint the members of the Nominating Committee. The committee members shall be members of the Board of Directors and other members from the general membership appointed to nominate candidates for officers and directors. Additional nominations may be made by Directors at the annual meeting.

Section 7.05 Advisory Committee

The Board of Directors may appoint an Advisory Committee at such times as it deems necessary. The function and purpose of the Advisory Committee shall be to advise the Board of Directors on matters relating to the purpose of the organization and to suggest projects which the CFCA may undertake.

Section 7.06 Other Committees

Other committees not having and exercising the authority of the Board of Directors in the management of the CFCA may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, the President of the CFCA shall appoint the members of each such committee. Any member thereof may be removed by the person or persons authorized to

appoint such member whenever in their judgment the best interests of the CFCA shall be served by such removal. Members of such committee or committees may, but need not be, Directors.

Section 7.07 Term of Office

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

Section 7.08 Chairperson

Subject to Section 7.03, one member of each committee shall be appointed chairperson by the person or persons authorized to appoint the members thereof.

Section 7.09 Vacancies

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

Section 7.10 Quorum

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

Section 7.11 Rules

Each committee may adopt rules for its government not inconsistent with the Bylaws or with rules adopted by the Board of Directors.

Section 7.12 Committee Dissolution

The Board of Directors may, in its sole discretion, dissolve any committee with or without cause. Except for the Executive Committee, such dissolution shall require approval by a majority of Directors present at a meeting at which a quorum is present. The Executive Committee shall only be dissolved by approval of sixty six percent (66%) or more of all members of the Board of Directors.

Policy VIII. CONTRACTS, CHECKS, DEPOSITS, AND GIFTS

Section 8.01 Contracts

The Board of Directors may authorize any officer or officers, agent or agents of the CFCA, in addition to the officers so authorized by the Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the CFCA. Such authority may be general or confined to specific instances.

Section 8.02 Checks and Drafts, Etc.

All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness

issued in the name of the CFCA shall be signed by such officer or officers, agent or agents of the CFCA and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the CFCA.

Section 8.03 Deposits

All funds of the CFCA shall be deposited from time to time to the credit of the CFCA in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 8.04 Gifts

The Board of Directors may accept on behalf of the CFCA any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the CFCA.

Policy IX. BOOKS AND RECORDS

Section 9.01 Books and Records

The CFCA shall keep correct and complete books and records of account of the activities and transactions of the CFCA including, a minute book which shall also contain a copy of the CFCA's application for tax exempt status (IRS Form 1023), copies of the organization's IRS information return (Form 990), and a copy of the Articles of Incorporation, Bylaws, and Amendments. The CFCA shall also keep minutes of the proceedings of its Board of Directors and any committees having the authority of the Board of Directors. All books and records of the CFCA shall be kept at such place or places within the State of Texas as the Board of Directors may from time to time determine; provided, however, that in the absence of any such determination, such place shall be the CFCA's principal office in the State of Texas.

Section 9.02 Audits and Reports

(1) Each year the President or Treasurer shall order an audit and report of the records of the preceding fiscal year. The report will be ordered in time for presentation to the Board of Directors at their second quarterly meeting of the year.

(2) The Treasurer shall present a Treasurer's Report to the Board at every quarterly meeting covering the preceding quarter. This report will mention any unexpected or unusual circumstances or deviations from the budget. This report will be incorporated into the minutes of the meeting.

(3) The Treasurer shall also present the report in Section 9.02 (2) to the Members meeting next following the Board meeting.

Section 9.03 Budget

Each year the Treasurer will prepare a Budget for the coming year, which will be presented to the Board for approval at the last quarterly meeting of the year.

Section 9.04 Reports

The Treasurer shall prepare and timely file all reports, federal and state, required to maintain the CFCA status as a Texas Non-Profit organization.

Section 9.05 Inspections

- (1) All books and records may be inspected by any Director or his or her agent or attorney for any proper purpose at any reasonable time.
- (2) Representatives of the Internal Revenue Service may inspect these books and records as necessary to meet the requirements relating to federal tax form 990.
- (3) Representatives of the State of Texas may inspect these books and records as necessary to meet the requirements of a Texas Non-Profit organization.

Policy X. FISCAL YEAR

Section 10.01 Fiscal Year

The fiscal year of the CFCA shall coincide with the calendar year.

Policy XI. SEAL

Section 11.01 Seal

The Board of Directors may authorize a corporate seal but is not required to.

Policy XII. WAIVER OF NOTICE

Section 12.01 Waiver of Notice

Whenever any notice is required to be given under the provisions of the Texas Non Profit Corporations Act or under the provisions of the Articles of Incorporation or the Bylaws of the CFCA, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time therein, shall be deemed equivalent to the giving of such notice.

Policy XIII. INDEMNIFICATION

Section 13.01 Indemnification

The CFCA may indemnify and advance reasonable expenses to directors, officers, employees and agents of the CFCA to the fullest extent required or permitted by Article 2.22A of the Texas Non Profit Corporations Act, subject to the restrictions, if any, contained in the CFCA's Articles of Incorporation. The CFCA shall have the power to purchase and maintain at its cost and expense insurance on behalf of such persons to the fullest extent permitted by Article 2.22A of the Texas Non Profit Corporations Act.

Policy XIV. AMENDMENTS TO BYLAWS

Section 14.01 Amendments to Bylaws

The Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by two thirds (2/3) vote of the of the Board of Directors at which a quorum is present at any regular meeting or at any special meeting, if at least ten (10) days' written notice is given of an intention to alter, amend, or repeal these Bylaws or to adopt new Bylaws at such meeting.

Policy XV. GRANTS, DONATIONS, GIFTS

Section 15.01 Acceptance

The Board, by a majority vote with a quorum present, may accept grants, donations and gifts to CFCA. The Board may reject any grant, donation, or gift to CFCA if it determines that said grant, donation, or gift is not in the best interest of CFCA.

Section 15.02 Allocation of Funds

(A) The Board, by a majority vote with a quorum present, may recommend to Members the allocation of proceeds from grants, donations, gifts and excess CFCA General Fund balance.

(B) Members, by a majority vote with a quorum present at any regular or special called meeting must approve the Board's recommendation made per Section 15.02 (A) for said allocation to be effected.

(C) If the Members do not approve the Board recommendation made per Section 15.02(A), the matter will be returned to the Board, which will reallocate the funds and restart the approval process.

Section 15.03 Pre-Allocated Funds

(A) Grants, donations and gifts may be made to the CFCA pre-allocated for a specific purpose or organizations(s). If accepted by the Board, the wishes of the grantor or donor will be followed.

(B) Grants, donations and gifts accepted under Section 15.03 (A) do not need approval by Members.

Policy XVI. REVISION AND PRINTING OF BOARD POLICY MANUAL

Section 16.01 Revision of Board Policy Manual

This Board Policy Manual may be revised by the Board at any regular or special called Board meeting by a majority vote where a quorum is present. Revisions take effect immediately upon approval by the Board.

Section 16.02 Publishing of Board Policy Manual

(A) The Board Policy Manual will be revised when the Board, in its judgment, deems necessary. The current revision shall be posted on the CFCA website: www.cleburnearea.info/cfca/.

(B) On every printing of the Board Policy Manual, the date of the latest revision shall appear on the title page. The most recent revision shall always prevail.

Policy XVII. DISTRIBUTION OF BOARD POLICY MANUAL

Section 17.01 Distribution to Board

The current revision of the Board Policy Manual shall be provided to the Board of Directors. Each Director shall be provided a bound copy of the Board Policy Manual at no cost to the Director.

Section 17.02 Distribution to Members

Members may purchase the Board Policy Manual in bound or loose-leaf form for the cost of production. See section 17.03.

Section 17.03 Reference Copy Availability

(A) The Board Policy Manual shall be posted on the CFCA website.

(B) A bound copy of the Board Policy Manual shall be kept on file in the CFCA Office for onsite reference by the Directors, Members and the public.

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