

Upper Shore Workforce Investment Board, Inc.

BY-LAWS Amended March 23, 2010

Background and Statement of Purpose.

The Corporation was organized under the laws of Maryland in November, 1983, to function as, and to exercise the powers of, a “private industry council” for Caroline, Dorchester, Kent, Queen Anne’s and Talbot Counties, Maryland (the “Sponsoring Counties”), as those functions were defined in the Job Training Partnership Act of 1982 (Public Law 97 - 300). In 1998, the Congress enacted and the President signed into law the Workforce Investment Act of 1998 (Public Law 105 - 220) (the “Act”). As a result of the passage of the Act, it is necessary to amend and restate these By-Laws to enable the Corporation to discharge its functions as a local workforce investment board as set out in the Act and, in addition to those powers and functions, to exercise all functions necessary to enable the Corporation to sponsor, administer, or participate in job training, education and related programs in Caroline, Dorchester, Kent, Queen Anne’s and Talbot Counties, Maryland.

ARTICLE I

Office

SECTION 1. *Principal Office.* The principal office of the Corporation shall be in 1000 College Circle, Wye Mills, Maryland 21679.

SECTION 2. *Other Offices.* The Corporation may also have an office or offices in such other place or places as the business of the Corporation may require and the Board of Directors may from time to time appoint.

ARTICLE II

Members

SECTION 1. *Directors Are Only Members.* The Board of Directors of the Corporation shall be the sole members and when meeting as Directors may exercise the rights and powers of members. There shall be no meetings of the members of the Corporation apart from meetings of the Board of Directors.

ARTICLE III

Board of Directors

SECTION 1. *General Powers.* The property and business of the Corporation shall be managed under the direction of the Board of Directors of the Corporation.

SECTION 2. *Number and Term of Office.* The number of directors shall be up to twenty-eight (28) or such other number as may be required by the Act and the regulations of the State of Maryland implementing the Act. At least fifty-one per cent (51%) of the directors shall be representatives of the private sector. All directors shall be designated from time to time by the legislative bodies of the Sponsoring Counties. The directors shall serve for a term of three (3) years. All directors serving on the Board as of the effective date of these By-Laws shall continue to serve for the remainder of their respective terms and are eligible for reappointment.

SECTION 3. *Filling of Vacancies.* In the case of any vacancy in the Board of Directors through death, resignation, disqualification, removal or other cause, the vacancy shall be filled by the legislative bodies of the Sponsoring Counties as is provided in the Act or regulations of the State.

SECTION 4. *Place of Meetings.* The Board of Directors may hold their meetings and keep the books of the Corporation at the principal office of the Corporation. The Board may also hold meetings at such other locations as it deems appropriate.

SECTION 5. *Meetings.* Notice of regular Board meetings shall be postmarked and mailed to each Board member at least three (3) business days prior to each regular Board meeting. Members of the public and the media shall have access to meetings of the Board in accordance with the provisions of the Maryland Open Meetings Law (State Government Article 10 - 501.) The Board shall meet at least four (4) times annually. Board members may participate in Board meetings by teleconferencing so long as the voice of each director is audible to all other participants in the meeting.

SECTION 7. *Special Meetings.* Special meetings of the Board of Directors shall be held whenever called by at least three members of the Board of Directors or by the President. The Secretary shall give notice of each special meeting of the Board of Directors, by mailing the same at least three (3) business days prior to the meeting or by emailing or faxing the same at least two (2) business days before the meeting, to each director; but such notice may be waived by any director. Unless otherwise indicated in the notice thereof, any and all business may be transacted at any special meetings. At any meeting at which every director shall be present, even though without notice, any business may be transacted and any director may in writing waive notice of the time, place and objectives of any special meeting.

SECTION 8. *Quorum.* A majority of the total number of directors serving on the Board shall constitute a quorum for the transaction of business at all meetings of the Board of Directors, but, if at any meeting less than a quorum shall be present, a majority of those present may adjourn and reschedule the meeting. The act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by, law or by the Articles of Incorporation or by these By-Laws.

SECTION 9. *Required Vote.* An affirmative vote of a majority of those present (including directors present through teleconferencing) shall be necessary for the passage of any resolution.

SECTION 10. *Compensation of Directors.* Directors shall not receive any stated salary for their services as such, but each director shall be entitled to receive from the Corporation reimbursement of the expenses incurred in attending any regular or special meeting of the Board.

SECTION 11. *Other Committees.* In addition to the Steering Committee (Article IV), the Board of Directors may, establish such committees as it determines are necessary or useful for conduct of the Corporation's activities.

ARTICLE IV

STANDING COMMITTEES

Section 1. *Steering Committee; Composition, Term.* There shall be a Steering Committee of the Board, which shall consist of the President, Vice President, and three other members of the Board. At least one of the remaining three members shall be a private sector member of the Board. Members of the Steering Committee shall serve one-year terms and shall be eligible for reelection.

Section 2. *Functions.* The Steering Committee shall perform the following functions

It shall manage the business of the Board, e.g., decide Board meeting agendas, determine the time and place of regular and special meetings; oversee the functions of other Board committees;

Its members shall be the primary liaisons between the Corporation and the County Commissions/Councils of the Sponsoring Counties;

It shall be primarily responsible for recruitment and orientation of new Directors;

It shall act in lieu of the Board in an emergency or in another situation where prompt action is necessary to further the goals and objectives of the Corporation, provided, however, that Steering Committee actions taken in lieu of actions by the full Board shall be subject to ratification by the Board at its next meeting; and

It shall perform such other business as the Board directs.

Section 3. *Meetings.* The Steering Committee shall meet as the business of the Corporation requires. Meetings of the Steering Committee are subject to the provisions of the Maryland Open Meetings Act and, in any event, shall be open to other Board members. Members may participate in Steering Committee by teleconferencing so long as the voice of each director is audible to all other participants in the meeting. Minutes of Steering Committee meetings shall be distributed to the Board for its review before each meeting of the Board.

Section 4. *Nominating Committee.* In June, the President shall appoint a Nominating Committee for the purpose of recommending the officers of the Corporation and the other members of the Steering Committee for the forthcoming year. The Board shall elect members to the Steering Committee at the first meeting of each fiscal year. In addition to members nominated by the Nominating Committee, the Board shall consider members nominated from the floor.

ARTICLE V

Officers

SECTION 1. *Election and Tenure.* The officers of the Corporation shall be a President, a Secretary, and a Treasurer, and also such other officers, including one or more Vice Presidents and/or one or more assistants to the foregoing officers as the Board of Directors consider necessary for the proper conduct of the activities of the Corporation. The officers shall be elected annually by the Board of Directors at its September meeting, or as soon thereafter as is reasonably practical. The offices of Secretary and Treasurer may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity if such instrument is required by law or by these By-Laws to be executed, acknowledged or verified by any two or more officers.

In the event that any office other than an office required by law, shall not be filled by the Board of Directors, or, once filled, subsequently becomes vacant, then such office and all references thereto in these By-Laws shall be deemed inoperative unless and until such office is filled in accordance with the provisions of these By-Laws.

Except where otherwise expressly provided in a contract duly authorized by the Board of Directors, all officers and agents of the Corporation shall be subject to removal at any time by the affirmative vote of a majority of the whole Board of Directors, and all officers, agents, and employees, shall hold office at the discretion of the Board of Directors or of the officers appointing them.

SECTION 2. *Qualifications, Powers and Duties of the President.* The President shall be the chief executive officer of the Corporation and shall have the general charge and control of all its business affairs and properties. The President shall preside at all meetings of the Board and shall act as the "Chairperson" of the Corporation for purposes of the Act. The President shall be elected from those members of the Board representing private businesses.

The President may sign and execute all authorized bonds, contracts or other obligations in

the name of the Corporation. He or she shall have the general powers and duties of supervision and management usually vested in the office of president of a corporation. The President shall be an *ex-officio* member of all the standing committees. He or she shall perform such other duties as May, from time to time, be assigned by the Board of Directors.

SECTION 3. *Qualifications, Powers and Duties of the Vice President.* The Board of Directors may appoint one or more Vice Presidents. Any Vice President (unless otherwise provided by resolution of the Board of Directors) may sign and execute all authorized bonds, contracts, or other obligations in the name of the Corporation. Each Vice President shall have such other powers and shall perform such other duties as may be assigned to him or her by the Board of Directors or by the President. In case of the absence or disability of the President, the duties of that office shall be performed by any Vice President, and the taking of any action by any such Vice President in place of the President shall be conclusive evidence of the absence or disability of the President. The Vice President shall be elected from those members of the Board representing private businesses.

SECTION 4. *Secretary.* The Secretary shall give, or cause to be given, notice of all meetings of members and directors and all other notices required by law or by these By-Laws, and in case of his or her absence or refusal or neglect to do so, any such notice may be given by any person thereunto directed by the President, or by the directors or members upon whose written request the meeting is called as provided in these By-Laws. The Secretary shall record all the proceedings of the meetings of the members and of the directors in books provided for that purpose, and he or she shall perform such other duties as may be assigned to him or her by the directors or the President. He or she shall have custody of the seal of the Corporation and shall affix the same to all instruments requiring it, when authorized by the Board of Directors or the President, and attest the same. In general, the Secretary shall perform all the duties generally incident to the office of Secretary, subject to the control of the Board of Directors and the President.

SECTION 5. *Treasurer.* The fiscal agent of the Corporation has custody of all the funds and securities of the Corporation, and it keeps full and accurate account of receipts and disbursements in books belonging to the Corporation. The Treasurer shall be responsible for ensuring the development of the annual budget.

The Treasurer shall perform all other duties generally incidental to the office of the Treasurer, subject to the control of the Board of Directors and the President.

ARTICLE VI

Corporate Seal

SECTION 1. *Seal.* If the Board determines that the Corporation should have a corporate seal, the corporate seal shall be circular in form and shall have inscribed thereon the name of the Corporation, the year of its organization and the word "Maryland". Duplicate copies of the corporate seal may be provided for use in the different offices of the Corporation but each copy thereof shall be in the custody of the Secretary of the Corporation or of an Assistant Secretary of the

Corporation.

ARTICLE VII

Bank Accounts

The Board may designate officers or agents of the Corporation and grant authority for the officers or agents designated to deposit funds in financial institutions designated by the Board. The Board may designate officers or agents of the Corporation and grant authority for the designated officers or agents to withdraw funds from financial institutions designated by the Board. The signatures of the designated officers or agents shall be certified to the financial institution designated by the Board and will authorize the designees to draw against the Board's deposits.

ARTICLE VIII

Reimbursements

Any payments made to an officer or other employee of the Corporation, such as salary, commission, interest or rent, or entertainment expense incurred by him or her, which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service, shall be reimbursed by such officer or other employee of the Corporation to the full extent of such disallowance. It shall be the duty of the Directors, as a Board; to enforce payment of each such amount disallowed. In lieu of payment by the officer or other employee, subject to the determination of the Board of Directors, proportionate amounts may be withheld from his or her future compensation payments until the amount owed to the Corporation has been recovered.

ARTICLE IX

Miscellaneous Provisions

SECTION 1. *Fiscal Year.* The fiscal year of the Corporation shall end on the last day of June.

SECTION 2. *Notices.* Whenever, under the provisions of these By-Laws, notice is required to be given to any person, it shall not be construed to mean personal notice, but such notice shall be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to each member officer or director at such address as appears on the books of the Corporation and such notice shall be deemed to be given at the time the same shall be thus mailed. Any director or officer may waive any notice required by the By-Laws.

SECTION 3. *Attendance at Board Meetings* Board members are expected to attend meetings. A board member shall not be absent from four scheduled meetings in a fiscal year. Failure of a member to meet this commitment will constitute grounds for removal.

The President shall notify any member who does not attend three meetings and inform them of the consequences of missing one more meeting.

ARTICLE X

Amendments

SECTION 1. *Amendment of By-Laws.* The Board of Directors shall have the power and authority to amend, alter or repeal the By-Laws or any provision thereof, and may from time to time make additional By-Laws.

SECTION 2. *Procedure.* Any Director may submit a proposed amendment to the By-Laws to the President who shall notify the full Board in writing of the proposed change at least thirty (30) days prior to the meeting at which the amendments are to be considered.

SECTION 3. *Voting.* Proposed amendments shall be approved or disapproved by roll call vote of the Board. In order to be adopted, a proposed amendment must be approved by a majority of Board members present at the meeting.

ARTICLE XI

Indemnification

SECTION 1. *Definitions.* As used in this Article XI, any word or words that are defined in Section 2-418 of the Corporations and Associations Article of the Annotated Code of Maryland, as amended from time to time, (the "Indemnification Section") shall have the same meaning as provided in the Indemnification Section.

SECTION 2. *Indemnification of Directors and Officers.* The Corporation shall indemnify and advance expenses to a director or officer of the Corporation in connection with a proceeding to the fullest extent permitted by and in accordance with the Indemnification Section.

SECTION 3. *Indemnification of Employees and Agents.* With respect to an employee or agent, other than a director or officer, of the Corporation, the Corporation may, as determined by the Board of Directors of the Corporation, indemnify and advance expenses to such employee or agent in connection with a proceeding to the extent permitted by and in accordance with the Indemnification Section.