

Bylaws and Articles of Incorporation

2022 Revisions



Indiana United Ways

Purpose of This Document:

TASK FORCE PARTICIPANTS:

- Chair John Niederman (IUW Board)
- Karen Pipes (IUW Board Chair)
- Jonathan Weinzapfel (IUW Board, practicing attorney)
- Kirk Klaubunde (IUW Board)
- Kim Burgess (United Way of South Central Indiana)
- Jenni Marsh (Heart of Indiana United Way)
- Michael Budd (IUW President & CEO)
- Tonja Stokes (IUW Staff)
- Brian Lohsl (IUW Staff, practicing attorney)

This document provides an at-a-glance picture of substantive revisions to the Bylaws of Indiana United Ways and Amended and Restated Articles of Incorporation, as well as the rationale for the change. The revisions reflect the input of the members of the Task Force assigned to the task by the IUW Board of Directors, multiple attorneys, and the IUW Board of Directors in general. IUW Members served on the Task Force. Representatives from Member United Ways who also serve on the IUW Board of Directors were able to participate in the Board's Office Hours sessions, offer feedback by email, and participate in Board meeting discussions about the documents.

Impetus for Revisions: The primary reasons for updating the Bylaws and the Articles of Incorporation were to (1) ensure these founding documents are well-aligned with each other; (2) ensure these documents reflect actual practices; (3) protect Members, membership and develop clearer understanding of expectations of IUW as a membership association; and (4) continued professionalization of IUW's operations

Revision Process: Revisions to these documents were begun in 2021 during Jonathan Weinzapfel's tenure as IUW's Interim CEO; revisions were completed through a task force led by John Niederman, a director of the IUW Board, and organized by IUW President and CEO Michael Budd. IUW staff supported the process. The task force met regularly from April through October, and four practicing attorneys were consulted at various stages. Upon near-completion of the revisions, IUW circulated the documents to directors of the IUW Board and held office hours for questions, feedback, and suggested revisions. These revisions from the Office Hours sessions were incorporated into the documents, leading the way for the IUW Board of Directors to adopt the documents at the December 2022 regularly scheduled meeting of the Board.

The December 2022 meeting of the Board of Directors allowed the Board, through Resolution, to do take several required steps:

- Review and approve the Membership Qualification policy
- Review and approve the Roll of Membership for 2022
- Approve and adopt the Bylaws and Amended and Restated Articles of Incorporation
- Present the Bylaws and Amended and Restated Articles of Incorporation to Membership
- Call Membership together (at the Annual Meeting, February 17th, 2023) to vote to accept the Board-approved documents.

REVISIONS and CLARIFICATIONS: *BYLAWS*

- **Major Goals and Guiding Principles**
 - **Removed** based on recommendation of counsel because content was not appropriate to the document.
- **Membership approval requires IUW Board approval**
 - **Removed** in order to reflect current practice, which does not utilize Board vote to affirm membership
- **Membership suspension, termination or reinstatement** (after suspension or termination)
 - **Added** a qualifier that a Member organization in good standing cannot be removed from the roll of membership without Board approval. Previously, there was no such clause protecting Member United Ways in good standing from removal from the Membership roster.

Post-Board Office Hours Revisions:

- Suspension, Termination, and Restatement of Members (Article IV, Section 5)
 - **Aligned** the vote needed for the above actions to be consistent with Roberts Rules of Order by increasing the vote requirement from a majority to 2/3 once quorum was met.
- **Voting rights for Members**
 - **Added** clarification that membership is organizational, and voting is reserved for the CEO/Executive Director or an approved designee (in the case of absence of a CEO/ED). The previous version of the Bylaws did not define who from a member organization could vote.
 - **Clarified** votes needed for meetings of the membership as this did not exist in previous version of the Bylaws: a quorum is 1/3 of the Member United Ways in good standing; a simple majority is required to pass/decline a measure.
 - **Preserved** provision that Member United Ways in good standing must vote to adopt/amend bylaws.
- **Member Representation on the Board of Directors**
 - **Preserved** a provision that calls for 20% of the IUW Board to be comprised of representatives of local United Way Member Organizations in good standing (“Volunteer-Professionals”); **Added** a provision that allows for no fewer than 20% of the Board to be comprised of those directly associated with a United Way (“Volunteer-Associated”).
- **Terms of Office**
 - **Added** a provision that limits the consecutive terms a Director of the Board may serve as Chair/Vice-Chair.

Post-Board Office Hours Revisions:

- Terms of Office, Directors of the Board (Article VI, Section 2)
 - **Added** an introductory sentence that makes it explicit that the term of office is three (3) years.
- Removal of Directors due to Attendance (Article VI, Section 9, second bullet)
 - **Revised** totality of text:
 - Attendance -> Unexcused Absence
 - Added 50% of meetings (in addition to two consecutive absences)
 - Changed “within a term” to “within a calendar year”
- **Committees of the Board (specific to the Bylaws)**

- **Changed** the Nominations Committee to a Governance Committee so that the tasks of each are now taken up by the same group of individuals.
- **Aligned** Committee Charters for the Executive, Governance, and Finance Committees to the (pending) Charters of these Committees
- **Aligned** Finance Committee parameters to reflect committee charter

Post-Board Office Hours Revisions:

- Requirements of the Treasurer of the Board (Article VIII, Section 4)
 - **Added** a sentence that clarifies that the Treasurer should possess sound financial acumen but that such a determination of that acumen (and the criteria) will be established by the Governance Committee.

• **Indemnification**

- **Aligned** Indemnification clause language to IUW's Directors and Officers (insurance) policy.

Post-Board Office Hours Revisions:

- Indemnification (Article XI)
 - **Revised** language for easier readability
 - **Eliminated** reference to the specific dollar amount of the Indemnification policy

• **Miscellaneous**

- *Dues*
 - **Clarified** that the payment schedule for dues will be set by Board policy; previously the Articles called for dues to be paid in advance of the upcoming year by December of the current year, which was inconsistent with historical practices and placed a financial burden on United Ways at the close of the year.

Action Without Physical Meeting

- **Aligned** the requirements to reflect Indiana Code for both Directors of the Board and Members or an organization. In the past, it was unclear whether how many votes would be needed to pass/decline a measure. In short, (electronic) votes of the Board must be unanimous and (electronic) votes of Members must be a majority.

REVISIONS and CLARIFICATIONS: Articles of Incorporation

IUW's Articles of Incorporation had not been revisited as a holistic document since the 1990s. For that reason, the task force, with advice from counsel, determined that it would be in the best interest of the Organization to file Amended and Restated Articles of Incorporation. In essence, this represents the submission of a "clean," comprehensive copy of the Articles of Incorporation that will be submitted to the State. The following list reflects the substantive changes made to file Amended and Restated Articles of Incorporation.

Post-Board Office Hours Revisions:

- Membership (Article V, Section 2)
 - **Clarified** that United Ways meeting the membership qualification criteria are *eligible* to become members (rather than automatically being considered members)

• **Various classes of Members**

- **Removed** classes of members (individuals, corporations, all other nonprofits) to ensure that resources can be focused exclusively on the United Way network. This formal change of language reflects the follows the precedent set by in 2020 by the Board of Directors of extending membership eligibility only to United Ways serving Indiana counties.

• **Sub-segment Ratios for Board Composition**

- **Removed** requirements for the Board to be comprised of a specific number of individuals from various sub-segments or sectors (specific number of representatives per Congressional district, for example). The only Articles-defined composition relates to the number of Professionals, Volunteer-Associated, and Volunteer Member-At-Large designations. This allows the Board to have more flexibility in determining which segments/sectors need should be reflected on the Board.

Professionals = Executive Director, CEO, or Approved representative of a Member United Way

Volunteer-Associated = Person directly connected to but not employed by the Member United Way (a local United Way Board or Committee Member, for example)

• **Membership Dues**

- **Removed** the provision that requires all Member organizations to pay dues for the upcoming year by December of the current year. The schedule for dues payments will become a policy of the Board, and this change is reflective of historical IUW practice, which allows *some* Member United Ways to make payments for dues throughout a year.

• **Miscellaneous**

- *Staggered Terms*
 - **Removed** reference to staggering terms per each 1/3 of the Board; this language was reflective of IUW's incorporation year and is no longer relevant
- *Financial Carryover*
 - **Removed** information about carryover funds from IUW's incorporation year as this information is neither relevant nor necessary