

# **Penn Hills Community Development Corporation**

## **Bylaws**

Revision 11

## Table of Contents

ARTICLE I NAME AND ADDRESS .....	1
<i>SECTION 1.1 NAME AND ADDRESS</i> .....	1
ARTICLE II PURPOSE.....	1
<i>SECTION 2.1 PURPOSE</i> .....	1
ARTICLE III MEMBERSHIP .....	1
<i>SECTION 3.1 QUALIFICATIONS</i> .....	1
<i>SECTION 3.2 MEMBERSHIP MEETINGS</i> .....	1
<i>SECTION 3.3 BENEFITS OF MEMBERSHIP</i> .....	1
<i>SECTION 3.3 DUES</i> .....	2
<i>SECTION 3.4 LIMITATIONS</i> .....	2
<i>SECTION 3.5 MEMBERSHIP QUORUM</i> .....	2
ARTICLE IV TERRITORY.....	2
<i>SECTION 4.1 TERRITORY</i> .....	2
ARTICLE V THE BOARD .....	2
<i>SECTION 5.1 NUMBER AND QUALIFICATION</i> .....	2
<i>SECTION 5.2 GOVERNING POWERS</i> .....	2
<i>SECTION 5.3 ELECTION AND TERM OF OFFICE</i> .....	3
<i>SECTION 5.4 VACANCIES</i> .....	3
<i>SECTION 5.5 REMOVAL OF DIRECTORS</i> .....	3
<i>SECTION 5.6 COMPENSATION</i> .....	3
<i>SECTION 5.7 RESIGNATION</i> .....	3
<i>SECTION 5.8 REGULAR MEETINGS</i> .....	3
<i>SECTION 5.9 SPECIAL MEETINGS</i> .....	4

*SECTION 5.10 QUORUM..... 4*

*SECTION 5.11 ACTION BY CONSENT..... 4*

*SECTION 5.12 EXECUTIVE COMMITTEE ..... 4*

*SECTION 5.13 ELECTION COMMITTEE..... 4*

*SECTION 5.14 OTHER COMMITTEES..... 4*

*SECTION 5.15 CONFLICT OF INTEREST ..... 5*

ARTICLE VI OFFICERS .....5

*SECTION 6.1 DESIGNATION.....5*

*SECTION 6.2 ELECTION OF OFFICERS..... 5*

*SECTION 6.3 RESIGNATION..... 5*

*SECTION 6.4 PRESIDENT..... 5*

*SECTION 6.5 VICE PRESIDENT..... 6*

*SECTION 6.6 SECRETARY..... 6*

*SECTION 6.7 TREASURER..... 6*

ARTICLE VII LIABILITY OF DIRECTORS AND OFFICERS .....6

*SECTION 7.1 LIABILITY OF DIRECTORS AND OFFICERS ..... 6*

*SECTION 7.2 FIDUCIARY DUTIES OF DIRECTORS AND OFFICERS..... 7*

*SECTION 7.3 ADDITIONAL LIABILITY OF DIRECTORS AND OFFICERS..... 7*

ARTICLE VIII INDEMNIFICATION.....8

*SECTION 8.1 RIGHT TO INDEMNIFICATION ..... 8*

*SECTION 8.2 REQUIRED DETERMINATIONS..... 8*

*SECTION 8.3 ADVANCES FOR EXPENSES..... 8*

*SECTION 8.4 NON EXCLUSIVITY AND NON DUPLICATION ..... 9*

*SECTION 8.5 PRESERVATION OF RIGHTS ..... 9*

*SECTION 8.6 INSURANCE OR OTHER FUNDING..... 9*

ARTICLE IX AMENDMENTS ..... 9

*SECTION 9.1 AMENDMENTS*..... 9

ARTICLE X MISCELLANEOUS..... 10

*SECTION 10.1 FISCAL YEAR*..... 10

*SECTION 10.2 STATE OF THE CORPORATION REPORT*..... 10

*SECTION 10.3 EXECUTION OF CORPORATE DOCUMENTS*..... 10

*SECTION 10.4 FIDELITY BONDS* ..... 10

*SECTION 10.5 DISSOLUTION OF THE CORPORATION* ..... 10

# **Penn Hills Community Development Corporation**

## **Bylaws**

### **ARTICLE I NAME AND ADDRESS**

#### *SECTION 1.1 NAME AND ADDRESS*

The name of this organization is Penn Hills Community Development Corporation (PHCDC or Corporation). Its registered office is located at 10700 Frankstown Road, Suite 305, Pittsburgh, PA 15235-3049, County of Allegheny, Pennsylvania.

### **ARTICLE II PURPOSE**

#### *SECTION 2.1 PURPOSE*

The Corporation shall be organized exclusively for charitable, community development, housing, economic development and educational purposes, to enhance the quality of life within the community of Penn Hills, PA. Notwithstanding any other provision herein, the purposes of this Corporation are limited to such purposes as are permitted under Section 501(c)3 of the Internal Revenue Code of 1986.

### **ARTICLE III MEMBERSHIP**

#### *SECTION 3.1 QUALIFICATIONS*

Members of the Corporation fall into three categories: residents of Penn Hills; owners of businesses in Penn Hills; and other persons whose activities or interests demonstrate a clear stake in Penn Hills and are consistent with the purpose of the Corporation. All members must be at least 18 years of age.

#### *SECTION 3.2 MEMBERSHIP MEETINGS*

The PHCDC shall hold 4 general membership meetings annually, at 6:45PM, on the third Thursday of January, April, July, and October. The April meeting is designated the Annual General Membership Meeting. The Board of Directors (Board) may schedule other general membership meetings, as appropriate.

#### *SECTION 3.3 BENEFITS OF MEMBERSHIP*

Each member is eligible to cast one and only one vote at each general membership meeting or otherwise duly convened meeting for each item put before the members, including, at minimum, election of Directors at the October General Membership Meeting. The Board may put before the members other issues which, in the Board's discretion, merit voting participation of the members.

### **SECTION 3.4 DUES**

A schedule of annual membership dues shall be established by the Board. All dues will expire on December 31. Dues must be current 30 days prior to the October General Membership Meeting. Dues may be collected any day of the year; however, no prorating of dues will be allowed. Upon payment of dues, each member shall be issued a Corporation Membership Card. Any changes in the dues schedule shall be proposed at the Annual General Membership Meeting and shall be subject to voting approval by the members; any such voting with respect to dues schedule changes shall occur prior to dues assessment.

### **SECTION 3.5 LIMITATIONS**

Any member wishing to participate in any authorized vote must be a member of the PHCDC in good standing and not be in arrears or indebtedness to the Corporation.

### **SECTION 3.6 MEMBERSHIP QUORUM**

The presence of 10% of then-current members at a Meeting shall constitute a quorum for the purposes of member voting.

## **ARTICLE IV TERRITORY**

### **SECTION 4.1 TERRITORY**

The Corporation shall have as its geographical area of interest the Municipality of Penn Hills, County of Allegheny, Commonwealth of Pennsylvania.

## **ARTICLE V THE BOARD**

### **SECTION 5.1 NUMBER AND QUALIFICATION**

The affairs of the Corporation shall be governed by a Board composed of between five (5) and nine (9) Directors. All elections shall be managed and controlled by the Board.

The minimum qualification to serve on the Board is to be a member in good standing of the PHCDC. The Board may determine other qualification requirements. No more than one person from the same household may serve concurrently on the Board.

### **SECTION 5.2 GOVERNING POWERS**

The Board shall have all the powers necessary or appropriate for the administration of the affairs of the Corporation and to perform all acts and functions not inconsistent with the law, or any applicable government regulation, the Articles of Incorporation or these Bylaws.

### **SECTION 5.3 ELECTION AND TERM OF OFFICE**

The election of the Directors will take place at the October General Membership Meeting. Each Director shall be elected to a 3-year term and may run for one additional 3-year term. Any Director that has been elected to two consecutive terms is ineligible to run for re-election until one year following the end of his/her second term.

If there are 3 or fewer nominees, the nominees shall be presented as a single slate to the then-present members; the nominees in such slate shall be elected to the Board upon majority affirmative vote by the then-present members. Otherwise, the nominees shall be presented individually to the then-present members; the 3 nominees receiving the most votes shall be elected to the Board.

### **SECTION 5.4 VACANCIES**

Vacancies within the Board caused by any reason, including removal of a Director, shall be filled by appointment of the Board. Each person so appointed shall be a Director until a successor is elected. If a period of less than six (6) months remains in the term of the vacating Director, the newly-appointed Director shall not be deemed to have been elected for a full term for purposes of re-election eligibility; otherwise, the newly-appointed Director shall be deemed to have been elected for a full term for purposes of re-election eligibility.

### **SECTION 5.5 REMOVAL OF DIRECTORS**

Failure to fulfill minimum Director obligations may be accepted by the Board as a *de facto* or implicit resignation. Procedure for removing a Director is by secret ballot of the Directors present at a scheduled Board meeting.

### **SECTION 5.6 COMPENSATION**

No compensation shall be paid to Directors for their services as Directors. Directors may be reimbursed for actual expenses incurred by them in the performance of their PHCDC duties.

### **SECTION 5.7 RESIGNATION**

Any Director may resign at any time by giving written notice to the President and such resignation shall become effective upon the date specified therein.

### **SECTION 5.8 REGULAR MEETINGS**

Regular meetings of the Board will be held the third Tuesday of every month at the Penn Hebron Garden Club. The Board may, at its discretion, change the time and place of the meeting. Notice of such meetings shall be sent via email ten (10) days prior to the meeting.

### ***SECTION 5.9 SPECIAL MEETINGS***

Special meetings of the Board may be called by the President by email, telephone or any other form of electronic communication. The notice shall state the time, place and purpose of the meetings. Special meetings may be called by the President or Secretary on the formal request of at least three (3) of the Directors. No business, other than that which is designated by the notice of the meeting, shall be conducted at any special meeting.

### ***SECTION 5.10 QUORUM***

At all meetings of the Board the majority of the Directors in office shall constitute a quorum for the transaction of business and the acts of the majority of the Directors then in office shall be the acts of the Board, except where a larger number is required by law, the Articles of Incorporation or these Bylaws. If at any meeting of the Board there is less than a quorum present, the majority of those present may adjourn the meeting.

### ***SECTION 5.11 ACTION BY CONSENT***

Any lawful action of the Board may be taken without a meeting if written consent to such action is signed by all the Directors and filed with the minutes of the Board. Any written communication or signature required or permitted by these Bylaws, including a unanimous written consent, shall be valid if sent and received by electronic mail.

### ***SECTION 5.12 EXECUTIVE COMMITTEE***

The Executive Committee of the Board shall possess and exercise all powers of the Board during the intervals between Board meetings. The Executive Committee shall consist of the President, Secretary and one (1) Director nominated by the President and approved by the Board. The Board may approve the expansion of the Executive Committee to include the Vice President and Treasurer.

### ***SECTION 5.13 ELECTION COMMITTEE***

The Election Committee shall consist of at least one Director, who shall not run for election at the next election and who shall serve as the Election Committee Chair, and at least 2 other members. The other members shall be selected by the Election Committee Chair and are subject to Board approval. The Election Committee shall establish the rules and process by which nominees for the Board are selected.

### ***SECTION 5.14 OTHER COMMITTEES***

The Board may authorize the President to appoint other committees. Such committees shall have such powers as may be granted by resolution of the Board. Any such committee shall have at its head a Committee Chair, who is responsible for reporting activities of such committee to the Board. All committees must obtain Board approval for any significant actions.



### *SECTION 5.15 CONFLICT OF INTEREST*

Annually Directors and Officers are required to sign the PHCDC Conflict of Interest Policy and return the signed receipt by the February Board meeting to the Secretary for filing.

## **ARTICLE VI OFFICERS**

### *SECTION 6.1 DESIGNATION*

The principal Officers of the Corporation shall be President, Vice President, Secretary and Treasurer. The President and Vice President shall be elected by and from the Board. The Board may appoint such other Officers as in their judgment may be necessary.

### *SECTION 6.2 ELECTION OF OFFICERS*

At the January Board meeting, the President and Vice President shall each be elected to a one year term. Each may seek re-election for as long as they continue to serve on the Board. The Secretary and Treasurer shall be appointed by the Board and continue to serve in that capacity until removed by majority vote of the Board, resignation or, if also a Director, the end of term as a Director.

During the temporary absence or disability of the regular Officers, the Board shall appoint such temporary or acting Officers as may be necessary.

### *SECTION 6.3 RESIGNATION*

Any Officer may resign at any time by giving written notice to the President of The Board and such resignation shall become effective upon the date specified therein.

Vacancies in the Officers caused by any reason, including removal of an Officer, shall be filled by appointment by the Board. Each person so appointed shall be an Officer until a successor is elected. If a period of less than six (6) months remains in the term of the vacating Officer, the newly-appointed Officer shall not be deemed to have been elected for a full term for purposes of re-election eligibility; otherwise, the newly-appointed Officer shall be deemed to have been elected for a full term for purposes of re-election eligibility.

### *SECTION 6.4 PRESIDENT*

The President shall preside at all Board meetings and/or special meetings. The President is charged with the management of the organization. It is also the duty of the President to uphold the Bylaws and Articles of Incorporation of this organization. The President shall make annual reports showing the condition of the affairs of the Corporation and make such recommendations as he/she thinks proper and submit the same to the Board at the annual meeting. He/ She shall bring before the Board such information concerning the business and property of the Corporation as may be required.

### ***SECTION 6.5 VICE PRESIDENT***

In the absence or disability of the President, the Vice President shall perform the duties and exercise the powers of the President. The Vice President shall also perform such other duties as shall be prescribed by the Board.

### ***SECTION 6.6 SECRETARY***

The Secretary shall keep all books (with the exception of the books held by the Treasurer), papers and records of transaction of all Corporation documents. These aforementioned documents are to be kept in a secure place mutually agreed upon by the Officers of the Corporation. The Secretary shall be responsible for the timely mailing or delivery of all notices of meetings of the Board, shall affix the corporate seal at the direction of the President and, generally, shall perform all duties incident to the office of secretary of a corporation and such of his/her duties assigned by the Board.

### ***SECTION 6.7 TREASURER***

The Treasurer shall have custody of the corporate funds and securities, shall keep full and accurate account of all financial transactions of the Corporation and shall deposit all monies and other valuable effects in the name of and to the credit of the Corporation in such depositories as may be designated by the Board. He/ She shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render an account of all transactions as Treasurer and of the financial condition of the Corporation whenever called upon to do so.

## **ARTICLE VII LIABILITY OF DIRECTORS AND OFFICERS**

### ***SECTION 7.1 LIABILITY OF DIRECTORS AND OFFICERS***

Except for responsibility or liability of a Director or Officer pursuant to any criminal statute or for payment of taxes pursuant to local, state or Federal law, a Director or Officer of the Corporation shall not be personally liable for monetary damages for any action taken or any failure to take any action unless (a) such Director or Officer has breached or failed to perform his/her fiduciary duties as provided in Section 7.2 hereof and (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

**SECTION 7.2 FIDUCIARY DUTIES OF DIRECTORS AND OFFICERS**

A Director or Officer of the Corporation shall stand in a fiduciary relation to the Corporation and shall perform his duties as a Director or Officer (including as a member of any committee of the Board) in accordance with the standards set forth in Section 511 (a) of the Association Code, 15Pa. C.S.A. §511(a), as the same may be amended. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or Officer or any failure to take any action shall be presumed to be in the best interest of the Corporation.

**SECTION 7.3 ADDITIONAL LIABILITY OF DIRECTORS AND OFFICERS**

As provided in 42 Pa. C.S.A. §8332.2, no Director or Officer of the Corporation who serves without compensation, other than reimbursement for actual expenses, shall be liable for any civil damages as a result of any acts or omissions relating solely to the performance of his duties as a Director or Officer, unless (a) the conduct of such Director or Officer falls substantially below the standards generally practiced and accepted in like circumstances by similar persons performing the same or similar duties and (b) it is shown that the Director or Officer did an act or omitted doing an act which he/she was under a recognized duty to another to do knowing or having reason to know that the act or omission created a substantial risk of actual harm to the person or property of another.

## ARTICLE VIII INDEMNIFICATION

### *SECTION 8.1 RIGHT TO INDEMNIFICATION*

Representatives of the Corporation shall be entitled to indemnification as provided in the Nonprofit Corporation Law of 1988, Pa. C.S.A. §§5741-5748. In the event a representative was, is or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, because he/she is or was a representative or because he/she is or was serving as a representative of another corporation, partnership, joint venture trust, employee benefit plan or other enterprise, the Corporation (a) shall indemnify a representative who has been successful on the merits or otherwise in defense of any such action, suit or proceeding or in defense of any claim, issue or matter therein, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith; (b) may indemnify a representative against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him/her even if he/she had not been successful on the merits in other than a derivative suit, if he/she acted in good faith and in a manner he/she reasonably believed to be or not opposed to the best interests of the Corporation (and, in the case of a criminal proceeding, had no reason to believe his conduct was unlawful); and (c) may indemnify a representative for expenses (including attorneys' fees) actually and reasonably incurred by him/her in a suit or in the right of the Corporation (derivative suit) even if he/she is unsuccessful on the merits, if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Corporation and is not adjudged to be liable for willful misconduct or recklessness in the performance of his/her duty to the Corporation.

### *SECTION 8.2 REQUIRED DETERMINATIONS*

Any indemnification under Section 8.1 (unless ordered by a Court) shall be made by the Corporation only as authorized in the specific case upon a determination that the indemnification of the representative is proper in the conduct set forth in Section 8.1. Such determination shall be made (a) by The Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding or (b) if such a quorum is unobtainable, or, even if obtainable if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

### *SECTION 8.3 ADVANCES FOR EXPENSES*

Expenses incurred by or imposed upon a representative in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the representative to repay such amount if it shall ultimately be determined that he/she is not entitled to be indemnified by the Corporation as authorized in this Article.

#### ***SECTION 8.4 NON EXCLUSIVITY AND NON DUPLICATION***

The indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any other Bylaw, agreement, vote disinterested Directors or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding such office. Notwithstanding any other provision set forth in this Article, the indemnification authorized and provided hereby shall be applicable only to the extent that such indemnification shall not duplicate indemnity or reimbursement which such person has received or shall receive otherwise than under this Article.

#### ***SECTION 8.5 PRESERVATION OF RIGHTS***

No amendment or repeal of this Article shall adversely affect any right or protection extended to a representative hereunder for an act or failure to act occurring prior to the time of such amendment or repeal. Each representative shall be deemed to act in such capacity in reliance upon the rights of indemnification and advancement of expenses hereunder. The rights to indemnification and advancement of expenses hereunder shall continue as to a person who has ceased to be a representative and shall inure to the benefit of the heirs, executors and administrators of such person.

#### ***SECTION 8.6 INSURANCE OR OTHER FUNDING***

The Corporation may create a fund of any nature which may, but need not be, under the control of a trustee or otherwise secured or may insure in any manner its indemnification obligations, whether arising hereunder or otherwise. The Corporation may purchase and maintain insurance on behalf of any person who is or was representative of the Corporation or is or was serving at the request of the Corporation as a representative of trust or other enterprise against any liability asserted against him/her and incurred by or imposed upon him/her in any such capacity or arising out of his/her status as such, whether or not the Corporation would have the power to indemnify him/her against such liability under the provisions of this Article or otherwise, upon such terms and conditions as the Corporation may deem requisite including a requirement that any such person must contribute a portion or all of the cost of maintaining such insurance.

### **ARTICLE IX AMENDMENTS**

#### ***SECTION 9.1 AMENDMENTS***

From time to time the Board may recommend amendments to these Bylaws. Such amendments shall be submitted to the general membership for approval. Approval shall be obtained if a simple majority of those in attendance at a general membership meeting vote to approve the amendments.

Notice of any proposed amendments shall be posted to the PHCDC website at least 30 days prior to such meeting and concurrently to the general membership in good standing via email.

## ARTICLE X MISCELLANEOUS

### *SECTION 10.1 FISCAL YEAR*

The fiscal year of the Corporation shall begin on January 1 and end on December 31 of each year, except that the first fiscal year of the Corporation shall begin on the date of incorporation.

### *SECTION 10.2 STATE OF THE CORPORATION REPORT*

The President shall present the State Of The Corporation and the Treasurer shall present an Annual Fiscal Report to the membership at the Annual General Membership Meeting showing in appropriate detail assets and liabilities of the Corporation at the end of the immediately preceding fiscal year, principal changes in such assets and liabilities during such fiscal year and revenues and disbursements of the Corporation during such fiscal year, both unrestricted and restricted to particular purposes and including separate data with respect to each trust fund held by or for the Corporation.

### *SECTION 10.3 EXECUTION OF CORPORATE DOCUMENTS*

With the prior authorization of the Board, all notes and contracts shall be executed on behalf of the Corporation by either the President or Vice President and attested to by the Secretary, and all checks executed on behalf of the Corporation shall be executed by any two Officers.

### *SECTION 10.4 FIDELITY BONDS*

The Board may require that all Officers and employees of the Corporation having custody or control of corporate funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Corporation.

### *SECTION 10.5 DISSOLUTION OF THE CORPORATION*

If the Corporation is dissolved, all of its property remaining after payment and discharge of its obligations shall be transferred and conveyed, subject to any contractual or legal requirement, as determined by The Board to (i) one or more governmental units to be used for public purposes or (ii) one or more other organizations that are organized and operated for purposes substantially the same as those of the corporation and that are described in Sections 170(c)(2)(B), 501(c)(3), 2055(a)(2), and 2522(a)(2) of the Internal Revenue Code. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the County in which the principal office of the Corporation is then located, exclusively for such purposes or to such organizations as said Court shall determine which are organized and operated exclusively for such purposes.

Adopted: Revision 11

Date: January 15, 2015

Secretary: Marie Sandvig