

2018 Revisions to the AABC Bylaws

AABC Bylaws Committee

Introduction

In July 2017, the AABC Board of Directors approved a full review of the AABC Bylaws by legal counsel to ensure that we are in compliance with New York State Non-Profit Corporation Law (NYS N-PCL)¹ and to recommend revisions based on best practices. Fran Schwartz, Bylaws Committee Chair, and Kate Bauer, Executive Director, worked with Seth Perlman and Daniel Jenewein of the law firm Perlman + Perlman LLP on the review. At the October 2017 Board meeting, the Bylaws Committee asked the Board for feedback on recommendations proposed by legal counsel. The Bylaws Committee continued to work on the revision and sought consultation from legal counsel for the proposed revised bylaws.

The proposed revisions to the bylaws include simplification, removal of inconsistencies, best practices and compliance with NYS NPCL. Because there are many changes to the Bylaws, it is difficult to digest a red-lined version of the document. The Bylaws Committee has prepared this document to highlight the substantive changes. The full draft of the Revised Bylaws can be found after the summary of.

The Board approved the revised Bylaws at its May 5, 2018 meeting. The Bylaws also require ratification by the membership by the membership before they can go into effect.

A. Bylaws Changes **REQUIRED** by NYS N-PCL

We are **required** to make the following changes to the bylaws to be compliant with the New York statutory law.

1. **NYS NPCL requires that the Nominating Committee is a Committee of the Board and must consist of Board members only.**

Currently, the Nominating Committee is comprised of three members elected by the membership. These members serve a two-year term and are not on the Board of Directors.

In the proposed revision (Article VII, Section 2.2), the Nominating Committee will be comprised of three members of the Board appointed by the Board, each for a one-year term.

2. **Law requires that we have an Audit Committee composed of Independent Directors (directors without a conflict of interest). This would be a Committee of the Board and must consist of Board members only.**

¹ Even though AABC is located in Pennsylvania, we are incorporated in New York State. This is because we were founded by the Maternity Center Association (now Childbirth Connection) which was located in New York City.

Currently: AABC has a Finance Committee that fills the role of both an Audit Committee and a Finance Committee.

In the proposed revision (Article VII, Section 2.3), the Audit Committee would be added as a Committee of the Association. It would be responsible for maintaining proper financial controls, choosing and interfacing with auditor each year, reviewing the annual audit and making recommendations to the Board, and receiving whistleblower complaints. The Treasurer should not be on the Audit committee. The Finance committee would prepare the annual budget, review finances, review investments, review spending policies, etc. The Treasurer would Chair the Finance committee.

B. Bylaws Changes Recommended for Adherence to Best Practices

Article I: Purpose

Recommend amending to mimic the mission statement. Also recommend adding language that says the Board may expand the purpose as long as it does not conflict with the stated purpose and is consistent with AABC's tax-exempt status, and that vote of the membership is not required to make such changes. These changes would allow the Board of Directors to revise/amend the bylaws to keep them consistent with the mission statement.

For example, the Board may have a strategic planning meeting where they review and update the mission statement. The Board would have authority to revise the Article I: Purpose to be consistent with the revised mission statement. This would not go to the membership for a vote.

Article II: Membership

Classes of Membership: Recommend amending to give the Board of Directors the power to create any subclasses of the established two classes of membership (Birth Center Members and Sustaining Members) as the Board deems in the best interest of the Association. Eligibility requirements, responsibilities and dues for these subclasses will be included in AABC's Administrative Regulations.

Admission Procedures: Recommend adding language that strengthens the AABC requirement that all members support the Standards and understand the benefits that are included with their membership.

Article VII: Meetings: Recommend integrating this article into each of the articles on Membership (II) and the Board of Directors (III)

Article III: Board of Directors

Power and Duties: Recommend adding language that delineates the power and responsibilities of the Board.

Composition of the Board: Recommend increasing the size of the board and the number of officer/directors to allow flexibility to meet the needs of the Association. The Bylaws Committee recommends the following increases to allow for up to 21 directors on the Board:

- Elected Directors: increase from up to 10 to 14
 - Includes up increasing officer/directors from up to 5 to 7
- At Large Directors: increase from up to 5 to 7

The addition of the Nominating Committee and Audit Committee will increase responsibilities of the Board members. Increasing the number of At Large Directors, who are appointed by the Board, will give the Board the opportunity to add more expertise and diversity. Increasing the number of officer/directors would be done by adding additional Vice Presidents. These changes will give the Board flexibility to add to directors to the Board if they determine this is in the best interest of the Association.

Criteria for Eligible Candidates: Added language that includes defined “active participation” in the association. Recommend that the Nominating Committee draft a definition and present to the board which can then be included in the Administrative Regulations.

Term Limits: Added language that exempts the President/President-Elect from the term limits of 2 successive 3 year terms. This allows a sitting Board member in their second term to run for the office of President/President-Elect.

Article VII: Meetings: Recommend integrating this article into each of the articles on Membership (II) and the Board of Directors (III)

Resignation; Removal of Directors: Recommend clarifying the protocol to be followed in the event a director resigns or is removed from office.

Article IV: Officers

Term of Office: Recommend that the officers (except for President/President-Elect) be elected by the Board members from the current directors and that the officers serve a term of one year. This way the officers can be elected each year regardless whether a director has one or three years remaining on their term.

The President/President-Elect will be elected by the membership to a 4 year term (1 year as President-Elect, 3 years as President). They may serve one term. This will remove the awkwardness of asking the sitting President if they want to run for re-election when they are just 6 months into their presidency.

Resignation; Suspension; Removal: If officers are elected by the Board, they may be removed by the Board. If officers are elected by the membership, they can only be removed by the membership.

Officer Powers and Duties: Recommend including sections on each of the officer positions that outlines their responsibilities, and succession for President.

Article V: Executive Director / Chief Executive Officer (CEO)

Powers and Duties: Recommend adding language that clearly states that the Executive Director/CEO performs under the direction and supervision of the Board.

Article VI: Nominations and Elections

Schedule for Election of Officers and Directors: This section has been revised to reflect the changes recommended in Article III Board of Directors and Article IV Officers – President/President-Elect is elected by the membership and will serve a 4 year term, all other Officers are elected by the Board to a 1 year term.

Article VII: Member Dues

Annual Dues: Recommend giving the Board the ability to exempt a member from paying dues. For example, the Board would exempt At Large Directors from paying dues.

Article VIII: Committees

Authority of Committees: Delineates matters where a committee may not have authority.

Nominating Committee – See above required revisions

Audit Committee – see above required revisions

Article IX: Contracts, Checks, Drafts and Bank Accounts

Recommend adding this new article to the Bylaws

Article X: Indemnification; Insurance

Recommend adding this new article to the Bylaws

AABC currently carries Directors & Officers insurance.

Article XI: Compensation

Recommend adding this new article to the Bylaws

Article XII: Miscellaneous

Amendment of Bylaws: Recommend that only changes that affect the rights of Members must be ratified by the Members. All changes must be approved by the Board.

For example, if AABC wanted to added a third class of membership or change the number of votes a Birth Center members is entitled to this would need to be ratified by the Members because it affects their rights.

Article XIII: Structure

Chapters: Recommend that rules for establishing a chapter be in the Administrative Regulations

Article XIV: Conflicts of Interest

Conflict of Interest: Because of the complicated conflict of interest requirements now required by the NYS N-PCL, it is recommended that we keep all conflict of interest related provisions separately in a standalone conflict of interest policy, to avoid any possible conflicting provisions.

Revised BYLAWS of the American Association of Birth Centers ("the Association")

Revisions ratified by AABC Membership 

Article I: Purpose

The Association's purpose is to promote and support birth centers as a means to uphold the rights of healthy women and their families, in all communities, to birth their children in an environment which is safe, sensitive and cost effective with minimal intervention.

The Association may exercise all powers in furtherance of the purpose stated herein. The Association's purpose may be expanded from time to time as the Board of Directors may direct, so long as the expanded purpose shall not conflict with the above stated purpose and is consistent with the Association's tax-exempt status under Section 501(c)(6) of the Internal Revenue Code and regulations promulgated thereunder. A vote of the Membership shall not be required to make the changes identified in this paragraph.

Article II: Membership

Section 1 - Classes of Membership

Membership in the Association shall be divided into two classes: (1) Birth Center Members; and (2) Sustaining Members. The Board of Directors may establish any subclasses of these classes as they deem to be in the best interest of the Association, including establishing qualifications, responsibilities and dues for each subclass.

Section 2 – Eligibility

A Birth Center Membership shall be open to any corporation, partnership, association or individual operating a birth center who subscribes to the basic principles of the Association regarding the standards of care and safety for the operation of birth centers ("Standards"), as propounded by the Association in its Administrative Regulations, and timely pays dues applicable to Birth Center Members.

A Sustaining Membership is open to any corporation, partnership, association or individual who subscribes to the Standards, as propounded by the Association, and timely pays dues applicable to Sustaining Members.

Section 3 - Admission Procedures

Any corporation, partnership, association or individual who meets Membership eligibility criteria as set forth in these Bylaws and as established by the Board of Directors may apply for initial Membership in the Association by completing a Membership application provided by the Association. All applications for Membership in the Association shall be reviewed by the Executive Director/CEO for a determination (1) that such applicant subscribes to the Standards of the

Association as articulated in the Association's Administrative Regulations; and (2) regarding the class of membership for which the applicant is eligible. If the Executive Director/CEO makes a positive determination, the applicant shall be entitled to Membership upon paying the appropriate dues for the then current year, accompanied by a written affirmation by the applicant that the applicant subscribes to the Standards of the Association, including the AABC Standards for Birth Centers.

Section 4 - Annual Meeting of Members

The annual meeting of the Members shall be held during the fall of each year for the transaction of business in the following order:

- (a) Consideration of the minutes of the preceding meeting;
- (b) Report of the President, which shall include a review of the activities of the Association during the preceding year;
- (c) Report of the Treasurer, including the delivery of a financial statement;
- (d) Report of the Committees of the Board;
- (e) Report of the Committees of the Corporation, as directed by the President;
- (f) Report of the Commission for the Accreditation of Birth Centers;
- (g) Consideration of proposed amendments to the Bylaws;
- (h) Miscellaneous business; and
- (i) Report of Elections and, if necessary, elections to resolve a tie vote.

This order may be changed by a majority of the Members present and voting at the meeting. The annual report of the Directors shall be available at the annual meeting of the Members and shall be filed with the minutes of the proceedings thereof. The annual meeting of the Members shall be held at a place, time and date as may be fixed by the Board, or, if not so fixed, as may be determined by the President of the Board.

Section 5 - Special Meetings

Special meetings of the Members may be called by resolution of the Board, the President of the Board or by a written demand to the Secretary of at least twenty-five Members from the Birth Center or Sustaining Membership classes, or any combination thereof, for the purpose specified in the request, as long as the Members making the request shall be entitled to cast at least 10% of the total number of votes entitled to be cast at the meeting. The Secretary upon receiving the written demand or resolution shall promptly give notice of such meeting as provided below, or if the Secretary fails to do so within five business days thereafter, any Member signing such demand may give such notice.

Section 6 – Notice of Meetings

Written notice of the place, date and hour of any meeting shall be given to each Member entitled to vote at such meeting by mailing the notice by first class mail, postage prepaid, personal delivery, fax or email not less than ten nor more than fifty days before the date of the meeting. Notice of special meetings shall indicate the purpose for which they are called and the person or persons calling the meeting.

Section 7 - Quorum

At any meeting of the Members, one-quarter of the Birth Center Members (present either in person or by proxy) in attendance, eligible to vote and in good standing as of thirty days prior to the date of the meeting shall constitute a quorum for the transaction of business. In the absence of a quorum, the Members present shall adjourn the meeting from that time until a quorum is present. All Members shall be informed of the adjourned meeting time and place.

Section 8 - Voting

The Secretary shall cause to be presented a list of all Members of each class in good standing and otherwise entitled to vote as of thirty days prior to the date of the meeting, which list shall determine eligibility of voting rights at the meeting. Each Birth Center Member shall be entitled to exercise ten votes on each issue to come before any meeting. In order to ensure the orderly conduct of the meeting, a Birth Center Member present at the meeting shall notify the Secretary in writing, at or before the Call to Order, of the individual authorized by the said Birth Center Member to cast its votes (“Authorized Representative”); and each such Authorized Representative shall be provided with a plainly visible manifestation of authority, to aid in the proper crediting of the multiple votes. Sustaining Members shall be entitled to one vote on each issue to come before any meeting.

Section 9 – Presiding at Meetings

The President shall preside at all meetings of the Members or, in the absence of the President, the Vice President shall preside. The Secretary shall act as Secretary at all meetings of the Members, but in the absence of the Secretary, the presiding Officer may appoint any person to act as Secretary pro tem of the meeting.

Section 10 – Proxy

Every Member entitled to vote at a meeting of Members or to express consent or dissent without a meeting may authorize another voting Member or Members to act for such Member by proxy. Every proxy must be in writing and signed by the Member or the Member’s duly authorized Officer, Director, employee or agent, or by email or other electronic communication and set forth information from which it can be reasonably determined that the proxy was authorized by that Member. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except as otherwise provided by law. For the purposes of conducting meetings, all proxies shall be delivered to the Secretary or, upon the absence of the Secretary, the person the presiding Officer appoints to act as Secretary pro tem of the meeting.

Section 11 – Action by Members

Except as otherwise provided by statute or these Bylaws, any corporate action authorized by a majority of the votes cast at a meeting of the Members shall be the act of the Members. In electing Directors, a plurality of the votes cast as directed by Article VI will elect. Director eligibility, nomination and election shall proceed as detailed in Article VI. Action may be taken without a meeting on written consent, setting forth the action to be taken, signed by all of the Members. Such consent may be written or electronic. If the consent is written, it must be signed by the Member. If

the consent is electronic, it must be able to be reasonably determined to have been sent by the Member.

Section 12 - Termination of Membership

Any Member who becomes ineligible for continued Membership in the Association shall notify the Association and shall have the Membership terminated.

If at any time the Board becomes aware a current Member is ineligible for Membership in the Association or for the class of Membership to which such Member belongs or has failed to abide by the rules and regulations of the Association, the Board of Directors shall notify the Member of the fact of and reason for the ineligibility and either terminate the Membership or request that the Member take steps necessary to become a Member in the appropriate class.

Former Members whose Membership has terminated may reapply for Membership upon reestablishing eligibility or if terminated for failure to abide by the rules and regulations of the Association at the discretion of the Board.

Article III: Board of Directors

Section 1 – Powers and Duties

Except as otherwise provided in the certificate of incorporation or these Bylaws, the Board shall have general power to control and manage the affairs and property of the Association subject to applicable law, including the following:

- (a) Adopt the annual budget of the Association;
- (b) Authorize contracts to be made by or on behalf of the Association by one or more of the Officers or by any Committee of the Board;
- (c) Adopt such rules, regulations and standards and take such action (not inconsistent with the certificate of incorporation of the Association and these Bylaws) as it may deem advisable;
- (d) Authorize the signing of checks by the President, Treasurer, Executive Director/CEO and such other persons as it may deem appropriate.
- (e) Maintain control of the custody, investment, expenditure and disposal of all property of the Association, other than the disposal of real estate.

Section 2 - Composition of Board of Directors

The Board of Directors shall consist of up to seven elected Officer/Directors of the Association, seven Elected Directors, up to seven At Large Directors, and an Alternate Director who will sit with the Board without a vote. The Alternate Director shall take the position of any vacated Director position and will serve the remainder of the term. In the event of a vacancy when there is no available Alternate Director, Section 5 shall control.

Section 3 - Elected Directors

Any individual Member or the Authorized Representative of a Member in good standing and who has demonstrated active participation in the Association as determined by the Board shall be eligible to serve as an Elected Director. To become an Elected Director a person shall be

nominated by the Nominating Committee and elected by a plurality of the Members eligible to vote as set forth in Article VI.

Elected Directors shall hold office for three year terms until the end of the Board of Directors meeting immediately following the election of Directors by the Members; provided, however, that any Director elected to fill an unexpired term (whether resulting from the death, resignation or removal of a Director or created by an increase in the number of Directors) shall hold office for the remainder of the unexpired term and until the end of the Board of Directors meeting immediately following the election of Directors by the Members.

An Elected Director may not serve more than two successive three-year terms after which the Director must take a hiatus of at least one year. After a one year hiatus the Director may be elected to the Board to serve another two successive three-year terms. The term limit shall not apply to the position of President Elect/President during his/her tenure in that position, but shall apply once the term as President-Elect/President has expired. The period served in that position shall be included in calculating the term period served for purposes of the two term limit.

Partial terms, such as that served by an Alternate Director or a Director elected by the Board to serve an unexpired term, will not count as a three-year term for purposes of this term limit.

Section 4 - At-Large Directors

Any individual Member or the Authorized Representative of a Member in good standing and who has demonstrated active participation in the Association as determined by the Board, or any non-Member who supports the Standards of and possesses special expertise that would benefit the Association shall be eligible to serve as an At-Large Director; provided however, that, upon consideration of appointment of such non-member to the office of At-Large Director, the non-member shall be required to join the Association. To become an At-Large Director a person shall be elected at a meeting of the Board by a majority of the Board of Directors. At-Large Directors shall serve for a term of two years until the end of the Board of Directors meeting immediately following the election of Directors by the Members and may serve successive terms without limit; provided, however, that any At-Large Director appointed to fill an unexpired term (whether resulting from the death, resignation or removal of a Director or created by an increase in the number of Directors) shall hold office for the remainder of the unexpired term and until the end of the Board of Directors meeting immediately following the election of Directors by the Members.

Section 5 – Vacancies and Newly Created Directorships

If a vacancy occurs during Director's term of office, by reason of resignation or otherwise, and there is no Alternate Director, a member shall be elected by a majority of the Board of Directors at its next regular or special meeting called for that purpose to fill the vacant seat until the end of the Board of Directors meeting immediately following the next meeting of the Membership.

Section 6 - Meetings

The annual meeting of the Board of Directors shall be held at a date, time and place fixed by the Board. Regular meetings of the Board shall be held at such time and place as the Board may from time to time determine. A special meeting of the Board of Directors may be called at any time by the President or at the written request of four members of the Board of Directors. The special

meeting will be held at such time and place as shall be fixed by the person or persons calling the meeting to review the matters designated in the notice of special meeting.

Section 7 – Notice of Meetings

Notice of the time and place of each regular, special or annual meeting of the Board shall be provided to each Director by regular mail to an address provided by the Director for that purpose, by email, by fax, by telephone, or in person, no less than eight days prior to the meeting, provided however that notice of a special meeting to discuss matters requiring prompt attention shall be given to each Director by email or telephone no less than forty-eight hours prior to the meeting. For a special meeting, a written agenda stating all matters upon which action is proposed to be taken shall be provided.

Section 8 – Waiver of Notice

Notice of a meeting need not be given to any Director who submits a waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice. Such waiver of notice may be written or electronic. If written, the waiver must be executed by the Director signing such waiver or causing his or her signature to be affixed to such waiver by any reasonable means including but not limited to facsimile signature. If electronic, the transmission of the consent waiver must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the Director.

Section 9 – Quorum

At all meetings of the Board, a majority of the Directors in office shall constitute a quorum for the transaction of business or any specified item of business.

Section 10 – Action by the Board

Except as otherwise provided herein or by statute or the certificate of incorporation, the vote of a majority of the Directors present at any meeting at which a quorum is present, shall be an act of the Board. Any action required or permitted to be taken by the Board of Directors or by any committee thereof may be taken without a meeting if all members of the Board or its committee consent in writing or electronically to the adoption of a resolution authorizing such action. If written, the consent must be executed by the Director by signing the consent or causing his or her signature to be affixed to such consent by any reasonable means including, but not limited to, facsimile signature. If the consent is electronic (e.g., by email), it must include sufficient information from which it can be reasonably determined that the consent was authorized by the Director. The resolution and the written consents by the members of the Board or committee shall be filed with the minutes of the proceedings of the board or committee.

Section 11 – Compensation

Directors shall not receive any compensation for their service on the Board. The Board may, however, provide by resolution that Directors may be reimbursed upon written request for actual and necessary expenses which they incur in order to fulfill their duties as Directors. Directors may also be paid reasonable compensation for services rendered to the Association in another capacity, provided that such compensation is approved by the Board.

Section 12 - Records and Annual Report

The Board of Directors shall keep a record of its proceedings and report at the annual Membership or at any meeting of the Association on any matter which in its judgment requires action by the Members of the Association. The Board shall also render to the Members at the annual Membership meeting an annual report on the condition of the Association, pursuant to the New York State Not-for-Profit Corporation Law ("N-PCL"), Section 519.

The Association shall keep, at the main office, correct and complete books and records of account and minutes of the proceedings of its Members, Board and Executive Committee and a list or record containing the names and addresses of all Members and the class or classes of Membership.

Section 13 - Resignation; Removal of Directors

Any Director may resign at any time by giving written notice to the President or the Secretary. Such resignation shall take effect at the time specified therein or, if no time is specified, then on delivery.

Any Director may be removed from the Board of Directors for cause by an affirmative vote of a majority of all Directors. Notice of the proposed removal will be given to Directors with notice of the meeting. The Director involved will be given an opportunity to be present and to be heard at the meeting at which his or her removal is considered. The Director proposed to be removed may not vote on his or her own removal.

Any Directors may be removed without cause by a vote of two-thirds of all Directors, excluding the Director proposed to be removed. In the event of the absence of a member of the Board of Directors from a regular meetings of the Board without reasonable cause during a Board year, the Board of Directors may at its discretion remove such Director and declare a vacancy, in which event such vacancy shall be filled by the Alternate Director or if no Alternate Director is available pursuant to Section 5 of this Article.

Section 14 - Electronic Participation Authorized

Any one or more members of the Board of Directors or any committee of the Board may participate in a meeting of the Board or of such committee by means of a conference telephone or similar communications equipment, including electronic video screen communication, which allows all persons participating in the meeting to hear each other at the same time and each Director to participate in all matters before the Board. Participation by such means shall constitute presence in person at a meeting. Notwithstanding the foregoing, Directors shall make a good faith effort to attend all meetings of the Board of Directors in person.

Article IV: Officers

Section 1 - Term of Office

The Officers of the Association shall be nominated by the Nominating Committee as set forth in Article VI and elected as set forth in this Section. They shall include a President, a President-Elect, Vice President, Secretary and Treasurer. The Board may also elect one or more additional Vice Presidents, one or more assistant Secretaries and assistant Treasurers and such other Officers and

agents as the Directors shall from time to time deem advisable. The President/President-Elect shall be elected by the Members in accordance with the provisions of Article VI to serve a term of four years or until his or her successor is elected and appointed or until his or earlier displacement from office by resignation, removal or otherwise. The President will serve one of four years as President-Elect and three of the four years as President. All other Officers shall be elected by the Directors then in office from those persons who are serving as Directors at the time of the election in accordance with the provisions of Article VI to serve for a term of one year or until his or her successor is elected or appointed or until his or her earlier displacement from office by resignation, removal or otherwise. The Officers shall take office at the close of the Board of Directors meeting following the annual meeting of the Members..

Section 2 – Authority and Duties

The Officers, as between themselves and the Association, shall have such authority and perform such duties in the management of the Association as may be provided in these Bylaws, or, to the extent not so provided, as may be assigned by the Board.

Section 3 - Vacancy

If, by reason of resignation, death or otherwise, a vacancy occurs before the expiration of an Officer's term, the Board will elect a currently Elected Board member to fill the vacated office and serve the remainder of the vacated Officer's term at the end of which a new Officer will be elected by the Members in accordance with the provisions of Article VI.

Section 4 – Resignation; Suspension; Removal

An Officer may resign by written notice to the Association. An Officer's authority to act as an Officer may be suspended for cause by a majority vote of the Board. The President may be removed, with or without cause, by a majority vote of the Members. Notice of the proposed removal will be given to Members with the notice of the meeting. The President will be given an opportunity to be present and to be heard at the meeting at which his or her removal is considered. The President may not vote on his or her own removal. All other Officers may be removed, with or without cause, by a majority vote of the Board. Notice of the proposed removal will be given to Board with the notice of the meeting. The Officer involved will be given an opportunity to be present and to be heard at the meeting at which his or her removal is considered. The Officer proposed to be removed may not vote on his or her own removal

Section 5 – President

The President shall preside at all meetings of the Board and shall exercise general supervision over the affairs of the Association. He or she shall see to it that all resolutions and orders of the Board are carried into effect, and, in connection therewith, he or she shall be authorized to delegate to the other Officers of the Association such of his or her powers and duties as President at such times and in such manner as he or she may deem to be advisable. He or she shall be ex officio a Member of all Board committees. No employee of the Association may serve as the President, unless the Board approves such employee serving as President by a two-thirds vote of the entire Board and contemporaneously documents in writing the basis for the Board's approval; provided, however, that no such employee shall be considered an independent Director as defined, and for the purposes set forth, in the N-PCL.

Section 6 – Vice President

The Vice President or, if there be more than one, the Vice Presidents, shall assist the President in the management of the business of the Association and the implementation of resolutions and orders of the Board at such times and in such manner as the President or the Board deem advisable. The Vice President, or, if there be more than one, the Vice Presidents in the order of their seniority as indicated by their titles or, in the absence of differing titles, in the order of their election, or as otherwise determined by the Board, shall in the absence or disability of the President exercise the powers and perform the duties of the President, and he or she or they shall have such other powers and duties as the Board or the President may from time to time prescribe.

Section 7 – Treasurer

The Treasurer shall have the care and custody of the corporate funds and other valuable effects, including securities, and shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit or cause to be deposited all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board. The Treasurer may disburse or cause to be disbursed the funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and the Board, at meetings or whenever they may require it, an account of all his or her transactions as Treasurer and of the financial condition of the Association. The Treasurer shall perform such other duties as generally are incident to the office of Treasurer and as may from time to time be prescribed by the Board or by the President.

Section 8 – Secretary

The Secretary shall attend all meetings of the Board and shall record or cause to be recorded the minutes of all proceedings taken at such meetings, and maintain or cause to be maintained all documents evidencing corporate actions taken by written consent of the Board, in a book to be kept for that purpose; and he or she shall perform like duties for any committees of the Board when required. He or she shall see to it that all notices of special meetings of the Board are duly given in accordance with these Bylaws or as required by statute; he or she shall be the custodian of the seal of the Association, and, when authorized by the Board, he or she shall cause the Association's seal to be affixed to any document requiring it, and, when so affixed, attested by his or her signature as Secretary or by the signature of an assistant Secretary; and he or she shall perform such other duties as generally are incident to the office of Secretary and as from time to time may be prescribed by the Board or by the President.

Article V: Executive Director/Chief Executive Officer (“CEO”)

Section 1 - Appointment

An Executive Director/CEO shall be appointed by the Board of Directors to be the chief administrative officer of the Association. The Executive Director/CEO shall serve at the pleasure of the Board, which shall fix the compensation for these services.

Section 2 – Powers and Duties

The Executive Director/CEO shall, under the direction and supervision of the Board, oversee and administer the Association's affairs, implement its policies and programs, and maintain accurate records of the Association's income, expenditures and fiscal condition.

The Board of Directors shall delegate to the Executive Director/CEO such duties and powers as it shall lawfully deem necessary to carry out the activities of the Association. The Executive Director/CEO shall, in turn, be authorized to delegate to the staff of the Association or other body such duties and responsibilities as shall be deemed advisable. The staff of the Association shall be responsible to the Executive Director/CEO, who shall be directly responsible to the Board of Directors.

Between meetings of the Board, the Executive Director/CEO shall be under the oversight of the President and shall report to the President at a frequency, and based upon circumstances, as shall be determined by the President or by mutual agreement of the President and the Executive Director/CEO. The Executive Director/CEO shall apprise the President as soon as practicable regarding any significant situations which may arise.

Section 3 - Attendance at Board and Committee Meetings

The Executive Director/CEO shall sit as an ex officio member of the Board of Directors, without a vote, and shall serve as the Assistant Secretary thereof. Each committee of the Board and of the Corporation, as further defined in Article VIII, shall also include the Executive Director/CEO as an ex officio member, with the single exception of the Nominating Committee. However, the attendance of the Executive Director/CEO as such an ex officio member of such committees shall be voluntary and optional and shall not be deemed to be a part of the official duties of the position.

Section 4 - Reports

The Executive Director/CEO shall prepare and have available, at the last regular meeting of the Board of Directors before the annual meeting of the Members of the Association:

- (a) An annual report in suitable form and appropriate detail to satisfy the requirement of an annual report to Members, pursuant to Section 519 of the N-PCL (or its statutory equivalent as in current effect). The annual report shall be supported by a certification of an independent public or certified public accountant or such auxiliary documentation or detail as to permit the Board of Directors to satisfy themselves as to its accuracy.
- (b) A proposed corporate budget for the fiscal year to follow the then current year, with projected income and expenses on an accrual basis.

Article VI: Nominations and Elections

Section 1 - Voting Eligibility

Every Member of the Association in good standing as of the "election date", as defined in Section 5 of this Article, shall be eligible to vote at any election of the Association.

Section 2 - Schedule for Election of Officers and Directors by Membership

The President-Elect will be nominated and elected by the membership every third year to serve for one year as President-Elect and President for the subsequent three years (four years in all). One third of the Elected Directors and an Alternate Director will be elected by the Membership every year. Each year the Board will elect the Vice President(s), Treasurer and Secretary at the Board of Directors meeting immediately following the annual meeting of the members. The Alternate Director shall fill any vacated Director position for the remainder of the unexpired term and until the end of the Board of Directors meeting immediately following the election of Directors by the Members. If a vacancy occurs and there is no Alternate Director, the Board will elect a Director to fill the vacancy in accordance with Article III Section 5.

Section 3 - Eligibility for Nominations

Only active Members, whose written consent has been obtained, shall be eligible for nomination to serve as an Officer or Director. Only those Members whose names have been received by the Nominating Committee ninety days prior to the annual meeting shall be considered by the Nominating Committee.

Section 4 - Selection of Nominees

Nominees for Officers and Directors shall be selected from names received or proposed by the Nominating Committee. Attention shall be given to diversification and varied professional backgrounds whenever possible.

Section 5 - Elections

Elections shall be held by mail or secure electronic ballot of the Membership. A plurality vote shall elect.

The procedure for electing Officers and Directors shall be as follows:

- a. Ballots shall be mailed to the Members no later than seventy-five days prior to the date of the annual meeting. Each ballot shall specify an "election date" at least forty-five days prior to the annual meeting and shall be accompanied by a return envelope to be used in casting the ballot.
- b. All ballots received on or before the "election date" shall be counted no earlier than forty (40) days or later than thirty days prior to the annual meeting.
- c. A tie vote in any category shall be resolved by a secret ballot vote of the eligible voting Members present at the annual membership meeting when the tie is announced.
- d. Nominees shall be notified of the election results at least thirty days prior to the annual meeting, except in the case of a tie vote.

Article VII: Member Dues

Section 1 - Annual Dues

All Members shall pay dues unless exempted by the Board. Annual dues for each class of Membership shall be determined by the Board of Directors. If the Board does not take specific

action, the amount of dues shall be adjusted on odd numbered years in an amount consistent with a nationally recognized cost of living adjustment (COLA).

Section 2 - Payment of Dues

Annual dues are payable on the anniversary of the date a Member's membership commenced.

Section 3 - Delinquency in Payment of Dues

Any Member who does not pay dues and assessments when payable shall be notified in writing of the delinquency. If the delinquency is not cured within thirty days of the renewal date, Membership shall be automatically terminated.

Section 4 - Waiver or Reduction of Dues

The Board of Directors shall have the authority, upon good cause shown, to permit the waiver or reduction of dues for any Birth Center member, provided that said Birth Center Member shall not be permitted to exercise voting privileges while such waiver or reduction is in effect.

Article VIII: Committees

Section 1 - Committees

The Board shall have the power to create committees, each of which shall have such authority as the Board shall by resolution provide, except that no committee shall have authority as to the following matters:

- (a) The submission to Members of any action requiring Members' approval under the N-PCL.
- (b) The filling of vacancies in the Board or any committee.
- (c) The fixing of compensation of the Directors for serving on the Board or on any committee.
- (d) The amendment or repeal of the Bylaws, or the adoption of new Bylaws.
- (e) The amendment or repeal of any resolution of the Board which, by its terms, shall not be so amendable or repealable.
- (f) The election or removal of Officers and Directors.
- (g) The approval of a merger or plan of dissolution.
- (h) The adoption of a resolution recommending to the Members action on the sale, lease, exchange or other disposition of all or substantially all the assets of the Association.
- (i) The approval of amendments to the certificate of incorporation.

The Board of Directors may from time to time adopt measures for coordinating the respective functions of the committees and shall be empowered to determine controversies between or among the committees.

Section 2 – Committees of the Board

Committees of the Board shall consist of three or more Directors, as the business of the Association may require, and each such committee shall have the authority of the Board to the extent provided in a Board resolution, a Board adopted Charter, the certificate of incorporation or these Bylaws. The Board shall appoint the members of such Committees of the Board, except that

in the case of the Executive Committee the Board shall appoint only one such member in years when there is no President-Elect. The Chairperson of each Committee of the Board shall be selected by the President of the Board, unless otherwise chosen by the Board of Directors at the time of the appointment of the members of the committee. A majority of the members of each Committee of the Board shall constitute a quorum for the transaction of business, unless otherwise established pursuant to the committee rules of procedure approved by the Board. Each Committee of the Board shall keep minutes of its meetings to submit to the Board prior to the next Board meeting.

Section 2.1 - Executive Committee

The Executive Committee shall consist of the Officers of the Association and one additional member of the Board of Directors, in years where there is no President-Elect, who shall be chosen to serve on the committee by the Board of Directors. The business of the committee shall be as hereinafter stated:

(a) The committee shall have all powers which could be exercised by the Board of Directors with regard to the transaction of the ordinary and necessary business of the Association between meetings of the Board, provided that the committee shall not be authorized to contract for or make expenditures in excess of an appropriation previously authorized by the Board of Directors.

(b) The Executive Committee shall meet at such times as may be designated by the President. Special meetings shall be called by the President or upon the request of any three members thereof. At any regular or special meeting of the committee, the President shall preside at the meeting. A quorum shall consist of three members and decisions shall be taken by majority vote.

Section 2.2 - Nominating Committee

A Nominating Committee of three active members of the Board shall be appointed by the Board, each member for a one-year term. No member shall serve more than two consecutive terms. In the event of a vacancy due to the death, resignation or otherwise of a member of the Nominating Committee before the expiration of his/her term, the Board will appoint a current member of the Board to fill the vacated position for the remainder of the unexpired term. The Chairperson of the Nominating Committee shall be appointed by the President. The Chairperson of the Nominating Committee shall solicit from the Membership suggestions for the vacancies on the Board to be filled.

Section 2.3 – Audit Committee

The Audit Committee shall: (i) cause financial reports to be prepared by the Treasurer on a periodic basis, (ii) oversee the independent financial audit or review as required by regulatory authorities on an annual basis, including recommending to the Board a qualified firm of certified public accountants to audit or review the financial statements and condition of the Association, reviewing the proposed scope of the audit or review, requesting special investigations if deemed appropriate, approve the independent auditors' report at the conclusion of the audit or review and review the independent auditors' management report as well as management's responses thereto, and (iii) establish policies and practices to prevent financial fraud, including

monitoring the Association's internal control over financial reporting, monitoring compliance with any corporate codes of conduct or ethics and establishing and overseeing procedures for receiving comments from employees and others regarding violations of corporate policies. The Chairperson of the Audit Committee shall be appointed by the President. The Audit Committee shall be composed of "independent Directors" of the Board, as defined in the N-PCL.

Section 3 – Committees of the Corporation

Committees of the Corporation (i.e., committees that may include non-Directors) may be established by the Board, each of which shall consist of such persons, and shall have such authority as is provided by the Board resolution establishing the Committee. Committees of the Corporation shall act in an advisory capacity or shall conduct events or activities of the Association, but shall not have the authority to bind the Board. Such committees will be described in separate administrative regulations or in resolutions of the Board.

Section 4 - Ex officio Members of Committees

The President and Executive Director/CEO shall sit as ex officio members of all committees of the Board and of the Corporation and, except as otherwise stated in these Bylaws, shall be entitled to attend and participate in all proceedings thereof. However, the President shall be entitled to vote and the Executive Director/CEO shall have no vote but shall serve only in an advisory role.

Section 5 - Committee Reports

The Chairperson of each Committee of the Board and Committee of the Corporation shall report in writing to the Board of Directors upon the proceedings of such committee. Committees of the Corporation shall and, when appropriate, Committees of the Board may, present to the Board of Directors, for its action, any recommendations which the committee may make for a course of conduct, for the expenditure of funds or otherwise.

Article IX: Contracts, Checks, Drafts and Bank Accounts

Section 1 – Execution of Contracts

The Board may by resolution authorize any Officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and may impose such restrictions or limitations on the authority as it may in its sole discretion determine are necessary or prudent.

Section 2 – Loans

No loans shall be contracted on behalf of the Association unless specifically authorized by the Board. No loan may be made to any Director or Officer.

Section 3 – Checks, Drafts, etc.

All checks, drafts and other orders for the payment of money out of the funds of the Association, and all notes or other evidences of indebtedness of the Association, shall be signed on behalf of the Association in such manner as shall from time to time be determined by resolution of the Board.

Section 4 – Deposits

All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may select.

Section 5 – Investments

The funds of the Association may be retained in whole or in part in cash, or may be invested and reinvested from time to time in such property, real, personal or otherwise, including stocks, bonds or other securities as the Board shall determine, in accordance with a Board-approved investment policy.

Article X: Indemnification; Insurance

Section 1 – Indemnification

Unless clearly prohibited by law or this Section 1 of Article X, the Association shall indemnify any person (“Indemnified Person”) made, or threatened to be made, a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by or in the right of the Association, by reason of the fact that he or she (or his or her testator or intestate), whether before or after adoption of this Section, (a) is or was a Director or Officer of the Association, or (b) in addition is serving or served, in any capacity, at the request of the Association, as a Director or Officer of any other corporation, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the Association shall have consented to such settlement) and reasonable expenses, including attorneys’ fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding, and any appeal thereof.

Unless clearly prohibited by law or this Section, the Board of Directors may approve indemnification or advancement of expenses as set forth in this Section, to a person (or the testator or intestate of a person) who is or was employed by the Association or who is or was a volunteer for the Association, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken at the request of the Association for any other corporation, partnership, joint venture, trust employee benefit plan or other enterprise.

The Association may not indemnify any person if a judgment or other final adjudication adverse to the Indemnified Person (or to the person whose actions are the basis for the action or proceeding) establishes, or the Board of Directors in good faith determines, that such person’s acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled. In determining whether and to what extent indemnification is proper, no Director with a personal interest in the outcome, or who is a party to such actual or threatened action or proceeding concerning which indemnification is sought, shall participate in such determination. If a quorum of disinterested Directors is not

obtainable, the Board of Directors shall act only after receiving the opinion in writing of independent legal counsel that indemnification is proper in the circumstances under then applicable law and these Bylaws.

Section 2 – Insurance

The Association may, but is not required to, purchase Directors’ and Officers’ liability insurance if authorized by the Board. To the extent permitted by law, such insurance may insure the Association for any obligation it incurs as a result of this Article X or operation of law and it may insure directly the Directors, Officers, employees or volunteers of the Association for liabilities against which they are not entitled to indemnification under this Article X as well as for liabilities against which they are entitled to be indemnified by the Association.

Article XI: Compensation

Section 1 – Compensation

It is the policy of the Association to pay no more than reasonable compensation that is commensurate with the services rendered to the Association.

Section 2 – Approval of Compensation

The compensation of the Executive Director/CEO must be approved by the Board, and the Executive Director/CEO may not participate in any Board or committee deliberation or vote concerning the compensation (although he or she may be present before deliberations at the request of the Board in order to provide information), provided that no Director is prohibited from deliberating or voting concerning compensation for a service on the Board that is to be made available or provided to all Directors on the same or substantially similar terms.

Before approving any compensation arrangement, the Board shall determine that the total compensation to be provided by the Association to the individual is reasonable in amount in light of the position, responsibility and qualification of the individual for the position held, including the result of an evaluation of the individual’s prior performance for the Association, if applicable. In making the determination, the Board shall consider total compensation to include the salary and the value of all benefits provided by the Association to the individual in payment for services.

The Board shall document in writing the date and terms of approved compensation arrangements, and the basis for its decisions regarding compensation, including the conclusions of the evaluation and the basis for determining that the individual’s compensation was reasonable.

Article XII: Miscellaneous

Section 1 - Dissolution

In the event of dissolution of the Association, its assets shall first be used to satisfy the lawful obligations of the Association and then shall be distributed by the Board of Directors to organizations and institutions which shall be recognized by federal and state laws as being

comparable -- for tax purposes -- with this Association. No assets of the Association shall inure to the benefit of any individual person or taxable, for-profit corporation, association or partnership.

Section 2 - Amendment of Bylaws

The affirmative vote of two-thirds of the Board of Directors present and voting upon a proposed amendment to these Bylaws shall be required for the adoption of any such amendment. Any change to a provision of these Bylaws that will affect the rights of Members must be ratified by a two-thirds vote of the Members.

Section 3 - Fiscal Year

The fiscal year of the Association shall be January 1st through December 31st of each calendar year, unless otherwise changed by majority vote of the entire Board of Directors.

Section 4 – Principal Office

The principal office of the Association shall be fixed, and may from time to time be changed, by resolution of the Board.

Section 5 – Other Offices

The Association may also have offices at such other places as the Board may from time to time determine or the activities of the Association may require.

Section 6 – Writings

Whenever in these Bylaws there is reference to a communication in writing, such term shall include email or transmission by other means by which the communication may be recorded and printed or saved.

Section 7 - Parliamentary Order

Robert's Rules of Order Newly Revised, current edition, may be employed by majority vote of the Board of Directors and shall, upon approval, govern the meeting in which approved.

Article XIII: Structure

Section 1 - Regions

The Association shall be divided into regions. The number and boundaries of the regions shall be determined and may from time to time be altered by the Board of Directors. The purpose of the regions shall be to encourage networking and discussion among Members of the region. The Members of the regions are encouraged to meet and discuss individual strengths, needs and difficulties. Time will be allowed at the annual meetings of the Association for the regions to discuss current issues.

Section 2 - Chapters

Local Members within or across the regions may form chapters for the purpose of pursuing on a local level the purposes of the Association. The rules and procedures for establishing and operating a chapter shall be detailed in the Association's Administrative Regulations as approved by the Board of Directors from time to time.

Article XIV: Conflicts of Interest

Section 1 – General

The Board shall adopt a conflict of interest policy, which shall define related party transactions and the circumstances that constitute a conflict of interest, as well as appropriate procedures for disclosure. The Board shall evaluate related party transactions and potential conflicts of interest in accordance with the conflict of interest policy.

I CERTIFY THAT THE ADOPTION OF THESE BYLAWS WAS APPROVED BY MAJORITY VOTE OF TH ENTIRE BOARD OF DIRECTORS ON THIS DATE:

Signature: _____
Secretary

Date of Adoption: _____