



# Pharr Literacy Project

## Bylaws

### A Texas Nonprofit Corporation

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#### Article I

These Bylaws constitute the code of rules adopted by The Pharr Literacy Project, Inc. (The “Corporation”) for the regulation and management of its affairs.

#### Article II

##### Purpose

The Corporation is organized pursuant to the Texas Nonprofit Corporation Act. The purposes for which the Corporation is organized are exclusively charitable within the meaning of the Internal Revenue Service Code, Section 501 (c) (3), and the Texas Tax Code, Section 11.18 and consist of the following:

- a) To provide training, education and ancillary services to low-and-moderate-income residents and underserved groups of the City of Pharr, Texas and surrounding areas;
- b) To engage in the community projects for the benefit of low-and-moderate-income families; and,
- c) To conduct any and all such other lawful activities as are incidental to the foregoing purposes, except as restricted herein.

#### Article III

##### Board of Directors

- (1) **Powers** – The Board of Directors (the “Board”) of the Corporation is vested with the management of the business and affairs of this Corporation, subject to the Texas Non-Profit Corporation Act, the Articles of Incorporation, and these Bylaws.
- (2) **Qualifications** – Directorships shall not be denied to any person on the basis of trace, creed, sex, religion, or national origin. Employees of the Corporation, with the exception of volunteers receiving a stipend, are ineligible to serve on the Board of Directors.
- (3) **Number of Directors** – The Board of Directors shall consist of a minimum of 9 Directors. In order to retain a strong relationship to the United Methodist Church as a sponsoring entity, the Pharr Literacy Project will strive to maintain a membership which includes a majority of their board who are members or regular attendees of a United Methodist Church. Upon majority resolution of the Board of Directors, the number of Directors may be increased or decreased from time to time, but in no event shall a decrease have the effect of shortening the term of an incumbent Director, or decreasing the total number of Directors to less than three (3) Directors.
- (4) **Term of Directors** – Terms shall be one or two year terms not to exceed 6 consecutive years.
- (5) **Election of Directors** – Elections for Directors filling expired terms shall be held at the last meeting of the fiscal year. Any directorship to be filled by reason of an increase in the number of Directors shall be filled at the next regular meeting of the Board of Directors or at a special meeting called for that purpose. When a re-appointment or replacement is made, the reappointment or replacement shall be considered effective on the date that the prior term expired (i.e., the new term does not begin on the date of the election). Board members whose terms have expired may continue serving until they are either re-appointed or until their successors are chosen.



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- (6) **Resignation** – Any Director may resign at any time by delivering written notice to the Secretary or Chair of the Board of Directors. Such resignation shall take effect upon receipt or, if later, at the time specified in the notice.
- (7) **Removal** – Any Director may be removed without cause, at any time, by a majority of the entire Board of Directors, at a Special Meeting called for that purpose or a Regular Meeting. Any Director under consideration of removal must first be notified about the consideration by written notice at least 5 days prior to the meeting at which the vote takes place.
- (8) **Vacancies** – Vacancies shall be filled by majority vote of the remaining members of the Board of Directors, though less than a quorum, and the Director filling the vacancy shall serve for the remainder of the term of the directorship that was vacated. Vacancies shall be filled as soon as practical. Any Director may make nominations to fill vacant directorships.
- (9) **Compensation** – Directors shall not receive any salaries or other compensation for their services, but, by resolution of the Board of Directors, may be reimbursed for any actual expenses incurred in the performance of their duties for the Corporation, as long as a majority of disinterested Board of Directors approve the reimbursement. Volunteers receiving a stipend may be a Director of the Board. The Corporation and its Directors and Employees will comply with the Corporation’s Conflict of Interest policy, attached as Exhibit B. The Corporation shall not loan money or property to, or guarantee the obligation of any Director.

#### **Article IV**

##### **Committees**

- (1) **Executive Committee** – The Chair, Vice Chair, Treasurer and Secretary of the Corporation shall constitute the executive committee of the Board of Directors (the “Executive Committee”). The Executive Committee shall have the authority to act on behalf of the Corporation in between Regular Meetings of the Board of Directors. The Board of Directors must validate the action of the Executive Committee at its next Regular or Special Meeting. Any such chair person of the Executive Committee. A majority of the Executive Committee shall constitute a quorum for the transaction of business, and all decisions shall be by majority vote of those present.
- (2) **Additional Comments** – The Board of Directors may from time to time designate and appoint additional standing or temporary committees by majority vote of the Board of Directors. Such committees shall have and exercise such prescribed authority as is designated by the Board of Directors. The Directors may authorize these committees to exercise any powers, responsibilities, and duties consistent with the Articles of Incorporation and these Bylaws.

#### **Article V**

##### **Code of Ethics**

The Corporation and its Directors and Employees will comply with the Corporation’s Code of Ethics, attached as Exhibit A.



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#### Article VI

##### Board Meetings

- (1) **Place of Board Meetings** – Regular and Special Meetings of the Board of Directors will be held at 1100 E. Business Hwy 83, Pharr, Texas 78577 or at any place that the Chair may designate within the city limits of Pharr, Texas.
- (2) **Regular and Special Meetings** – Regular meetings of the Board of Directors shall be held each month, or more frequently as deemed necessary by the Board of Directors. Special Meetings may be called by the Chair or any three Directors.
- (3) **Notice of Board Meetings** – Notice of the date, time and place of Regular Meetings shall be given to each board member by regular mail, telephone (including voice mail), facsimile, or email no less than three days prior to the meeting. Notice of the date, time and place of special meetings shall be given to each board member using the same methods, but not less than five days prior to the meeting, with the exception of special meetings held to amend the Articles of Incorporation or Bylaws, for which a seven-day written notice by mail or facsimile shall be required specifying the proposed amendment.
- (4) **Waiver of Notice** – Attendance by a Director at any meeting of the Board of Directors for which the Director did not receive the required notice will constitute a waiver of notice of such meeting unless the Director objects at the beginning of the meeting to the transaction of business on the grounds that the meeting was not lawfully called or convened.
- (5) **Quorum** – The lesser of (i) a majority of the incumbent Directors (not counting vacancies) or (ii) five (5) Directors shall constitute a quorum for the purposes of convening a meeting or conducting business. At Board Meetings where a quorum is present, a majority vote of the Directors attending shall constitute an act of the Board unless a greater number is required by the Articles of Incorporation or by any provision of these Bylaws.
- (6) **Actions Without a Meeting** – Any action required or permitted to be taken by the Board of Directors under the Texas Non-Profit Corporation Act, the Articles of Incorporation, and these Bylaws may be taken without a meeting, if a majority of Directors individually and collectively consent in writing, setting forth the action to be taken. Such written consent shall have the same force and effect as a vote of the Board.
- (7) **Open Meetings** – Meetings shall be open to the general public, except when personnel, real estate, or litigation matters are being discussed.
- (8) **Proxy Voting Prohibited** – Proxy voting is not permitted.
- (9) **Addition or Removal of Sites** – Sites for the Corporation can be added or removed from the Corporation's partnership at the discretion of the board upon written notification ten (10) days prior to removal. Removal or addition of a site must be passed with a 2/3 vote of the entire board whether by Regular Meeting, Specially Called Meeting, or by telephone vote.

#### Article VII

##### Officers

- (1) **Roster of Officers** – The Corporation shall have a Chair, Vice Chair, Secretary, and Treasurer, each of whom shall serve as a member of the Board of Directors and none of



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whom shall be an employee of the Corporation. The Corporation may have, at the discretion of the Board of Directors, such other officers as may be appointed by the Directors. One person may hold two or more offices, except the offices of Secretary and Chair which cannot be held by the same person.

- (2) **Election and Removal of Officers** – All officers shall serve one year terms. The election shall be conducted at the Board of Director’s first meeting of the fiscal year and following the election of the new Directors filling expired terms, or as soon as practical thereafter. Officers shall remain in office until their successors have been selected. Officers may serve consecutive terms equal to 6 consecutive years. The election of officers shall be by majority vote of the Board of Directors attending the meeting. An officer may not be removed from office without first receiving written notice of the intent to remove them five days prior to the meeting at which the vote will take place.
- (3) **Vacancies** – If a vacancy occurs during the term of office for any elected officer, the Board of Directors shall elect a new officer to fill the remainder of the term as soon as practical, by majority vote of Directors present.
- (4) **Chair** –
  - The Chair will supervise and control the affairs of the Corporation and shall exercise such supervisory powers as may be given him or her by the Board of Directors.
  - The Chair will perform all duties incident to such office and such other duties as may be provided in these Bylaws or as may be prescribed from time to time by the Board of Directors. The Chair shall preside at all Board Meetings.
  - The Chair shall serve as an ex-officio member of all standing committees, unless otherwise provided by the board of Directors or these Bylaws.
  - The Chair shall, with the advice of the Board of Directors and in accordance with the requirements of these Bylaws, set the agenda for each meeting of the Board of Directors.
- (5) **Vice Chair** – The Vice Chair shall act in place of the Chair in the event of the Chair’s absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.
- (6) **Secretary** -
  - The Secretary will perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws.
  - The Secretary shall attest to and keep the Bylaws and other legal records of the Corporation or copies thereof, at the principal office of the Corporation.
  - The Secretary shall take or ensure that someone takes minutes of all meetings of the committees and Board of Directors, and shall keep copies of all minutes at the principal office of the Corporation.
  - The Secretary shall keep a record of the names and address of the Directors at the principal office of the Corporation.
  - The secretary shall, with the approval of the Board of Directors, set up procedures for any elections held by the Corporation. The Secretary shall keep a record of all votes cast in such elections.
  - The Secretary shall ensure that all records of the Corporation, minutes of all official meetings, and records of all votes, are made available for inspection by any member



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of the Board of Directors at the principal office of the Corporation during regular business hours.

- The Secretary shall see that all notices are duly given in accordance with these Bylaws or as required by law.
- The Secretary shall see that all books, reports, statements, certificates, and other documents and records of the Corporation are properly kept and filed.
- In the case of the absence or disability of the Secretary, or the Secretary's refusal or neglect to fulfill the duties of Secretary, the Vice Chair shall perform the functions of the Secretary.

(7) **Treasurer –**

- The Treasurer will have charge and custody of all funds of the Corporation, will oversee the financial business of the Corporation, will render reports and accountings to the Directors as required by the Board of Directors, and will perform in general all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors.
- The Treasurer and the staff of the Corporation shall devise a plan providing for the acceptance and disbursement of all funds of the Corporation which shall be approved by the Board of Directors.
- The Treasurer, with the approval of the Board of Directors, shall set up all checking, savings, and investment accounts of the Corporation and deposit all such funds in the name of the Corporation in such accounts.
- The Treasurer's signature shall be the authorized signature for all checking, savings, and investment accounts of the Corporation unless the Treasurer, with the approval of the Board of Directors, designates another member of the Board of Directors or employee of the Corporation as the authorized signatory for a particular type of disbursement.
- The Treasurer shall prepare a monthly report for the Board of Directors, providing an accounting of all transactions and of the financial conditions of the Corporation.
- The Treasurer shall keep all financing records, books and annual reports of the financial activities of the Corporation at the principal office of the Corporation and make them available at the request of any Director or member of the public during regular business hours for inspection and copying.

### **Article VIII**

#### **Indemnification**

- (1) **Indemnification** – To the extent permitted by law, any person (and the heirs, executors, and administrators of such person) made or threatened to be made a party to any action, suit, or proceeding by reason of the fact that his is or was a Director or Officer of the Corporation shall be indemnified by the Corporation against any and all liability and the reasonable expenses, including attorney's fees and disbursements, incurred by him (or by his heirs, executors or administrators) in connection with the defense or settlement of such action, suit or proceeding, or in connection with any appearance herein.
- (2) **Limits of Indemnification** – Notwithstanding the above, the Corporation will indemnify a person only if he acted in good faith and reasonably believed that his conduct was in the Corporation's best interests. In the case of a criminal proceeding, the person may be indemnified only if he had no reasonable to believe his conduct was unlawful.



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**Article IX**  
**Operations**

- (1) **Execution of Documents** – Unless specifically authorized by the Board of Directors or as otherwise required by law, all final contracts, deeds, conveyances, leases, promissory notes, or legal written documents executed in the name of and on behalf of the Corporation shall be signed and executed by the Chair (or such other person designated by the Board of Directors), pursuant to the general authorization of the Board.
- (2) **Disbursement of Funds** – Financial transactions which have a value of Five Thousand Dollars (\$5,000) or more shall require majority approval of the Board of Directors or Executive Committee if a majority of the Board of Directors is not immediately available to vote on the transaction. In all other transactions, the funds of the Corporation may be dispensed in accordance with the annual budget approved by the Board of Directors and the purposes of the Corporation as set out in the Articles of Incorporation and these Bylaws. Notwithstanding the above, all checks of more than One Thousand Five Hundred Dollars (\$1,500) disbursing funds from any of the Corporation's accounts shall require the signatures of the Treasurer and at least one of the following: the Chair, Vice Chair, or Secretary.
- (3) **Records** – The Corporation will keep correct and complete records of account and will also keep minutes of the proceedings of the Board Meetings and Committees. The Corporation will keep at its principal place of business the original or a copy of its Bylaws, including amendments to date certified by the Secretary of the Corporation.
- (4) **Inspection of Books and Records** – All public records of this Corporation may be inspected for any purpose during normal business hours on written demand.
- (5) **Loans to Management** – The Corporation will make no loans to any of its Directors or Officers.
- (6) **Amendments** – The Board of Directors may adopt Articles of Amendment (amending the Articles of Incorporation) by a vote of two-thirds of Directors present at a meeting where a quorum is present. The Bylaws may be amended at any time by a vote of the majority of Directors at a meeting where a quorum is present.
- (7) **Fiscal year** – The fiscal year for the Corporation will be the calendar year.
- (8) **Audit** – The Corporation will have an internal audit to be completed by March 15<sup>th</sup> of each year for the previous fiscal year.

I hereby certify that these Bylaws were adopted by the Board of Directors of The Pharr Literacy Project, Inc. at its meeting held on January 9, 2008.

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Signature of Secretary