



Annual Board Meeting Agenda  
ZOOM Meeting  
June 22, 2020 – 6:00 p.m.

- I. Call to Order & Determination of a Quorum
- II. Welcome Guests
- III. Recognize Retiring Board Member: Stewart Jacobson
- IV. Public Comment
- V. **Consent Agenda**
  - A. Approve Board Meeting Minutes – May 18, 2020
  - B. Executive Committee Meeting Minutes – June 10, 2020
- VI. Assignment of Items Removed from Consent Agenda to Agenda
- VII. CEO Report  
May 2020 - Program Highlights
- VIII. Committee Reports:
  - A. Internal Committee Report – H. Marshall
    - 1. Budget and Finance Committee
      - a) **Accept Financials - May 2020 YTD**
      - b) **2019 Income/Functional Expenses (Pie Charts)**
    - 2. Real Estate Committee (closed session)
      - a) **06.03.2020 Meeting Minutes: Lease renewals: Parkview Ln, Brazos Glen**
      - b) **Transfer of Lien & Note of 3005 Gilmar to the Foundation**
  - B. Governance Committee Report – S. Lee (handout)
    - 1. **Proposed Slate of Officers:**  
Officers, Term I: July 1, 2020 – June 30, 2022

Larry Lobue	Chairman	Position 1
Hal Marshall	Vice Chairman	Position 2
Sharon Lee	Treasurer	Position 3
Ann Johnston	Secretary	Position 4
Charles Huber	Past Chair	Position 5
    - 2. **Proposed Edits to Bylaws:** Governance Committee has reviewed the proposed edits to the bylaws and recommend that changes be made to language concerning honorary/lifetime membership and Annual Meetings.
    - 3. Conflict of Interest Policy & Code of Ethics – Board members and staff to complete and submit.
- IX. New Business – C. Huber  
2020 “No Sweat” Golf Classic
- X. Adjourn

**Next Board Meeting: July 27, 2020**



Board of Directors Meeting  
Via ZOOM May 18, 2020  
Meeting Minutes

- I. Call to Order and Determination of Quorum: Charlie Huber, Chairman, established a quorum was present and began the meeting at 6:05 p.m.

Present	Absent	Guests	Staff Present
Dale Buckles	Allan Harris		Laura LaVigne
Pat Bullard	Stewart Jacobson		Cheryl Olivier
Becky Geary	Larry Lobue		
Avis Goldy			
Charlie Huber			
Ann Johnston			
Sharon Lee			
Hal Marshall			
Tariq Zafar			

- II. Welcome Guests: Charlie thanked everyone for attending via ZOOM.
- III. Public Comment: None
- IV. Consent Agenda: Motion was made by Tariq Zafar to accept the Consent Agenda. Seconded by Avis Goldy. **Motion approved.**
- V. Assignment of items removed from Consent Agenda to Agenda: No items removed.
- VI. CEO Report: Laura reviewed the highlights of The Arc's programs and services for April. Karri had another busy month with Special Ed, ARD/Grievance/Transitions meetings, Adult services and employment. She is still doing outreach by pushing COVID-19 related resources, articles, videos and webinars to social media as well as answering phone calls and emails. The FBISD Disability Conference/Resource Fair was cancelled due to COVID-19. Karri made a presentation at Partners Resource Network regarding Learning at Home & Tracking Special Ed Progress. Laura attended the Leaders' Circle meeting via ZOOM. Pam attends a weekly Special Olympics conference call, has been maintaining the athlete medical database as well as expired medicals. She has been updating and finalizing sports practice/competition attendance records in the CRM which is now completed with all new procedures. Pam has been working on the budget and plans for a "Celebration Day" for members of The Arc. Laura spoke to James Patterson and asked if he would cook hotdogs on his mobile BBQ pit. We are looking at a date in the fall and possibly using the facilities at Jones Creek Park.
- In order to prepare a budget amendment due to the COVID 19 "Social Distancing" restrictions all Program Directors submitted revised program budgets reflecting expected income & expenses and income from

March through June 30, 2020. Laura & Jenny considered the total budget and made appropriate edits. The COVID 19 amendment was presented to the B&F committee for review and approval.

Laura met via ZOOM with Executive, Real Estate and Budget & Finance committees as well as with the Board, the Foundation Board and Golf committee. The Arc applied for and received the Payroll Protection Program loan. Nancy completed the March CDBG monthly report for March.

Laura stated that The Arc of the U.S. wrote to all chapters and asked what they are experiencing with the Child Find program in school districts. Karri responded with an excellent Opinion Letter on the Child Find program in Texas. The letter will be placed on our website. Laura suggested that board members review the document in the board packet.

VII. Committee Reports:

A. Executive Committee:

Charlie Huber stated that the March 11 and May 13, 2020 Executive Committee meeting minutes were in the board packet. No action is required.

Laura stated that in March she and Charlie discussed the suspension of programs and services and the closure of The Arc's offices due to COVID-19. They agreed to extend all closures through May 31. Laura opened the discussion to the Board for comments. After further discussion with the board, Charlie stated that when Fort Bend County cases start to come down, he will discuss with Laura the re-opening of The Arc's office and programs. Laura thanked the Board for their input.

Laura stated that Golf Classic has been cancelled due to COVID-19. A letter has been sent out to past supporters asking, if their budget allows, to consider donating to The Arc.

B. Internal Committee:

1. Budget & Finance

- a) Motion was made by the committee to approve the February 5, 2020 Budget & Finance Meeting minutes. **Motion approved**
- b) Hal Marshall reviewed the March 2020 YTD Financials. A motion was made by the committee to approve the March 2020 YTD Financials. **Motion approved.**
- c) Hal reviewed the final edits made at the end of January to the 2020 Operating Budget. Motion was made by the committee to accept the final edits to the 2020 Operating Budget. **Motion approved**
- d) Hal reviewed the COVID 19 Amended Budget which covers the projections through June 30, 2020. Motion was made by committee to accept the COVID 19 Amended Budget through June 30, 2020. A motion. **Motion approved.**

2. Real Estate Committee:

Since this meeting was via Zoom, and there were no guests in attendance, the board did not convene in closed session to discuss the lease rates for Grant Drive, Rustic Trail, Russeff Field, 3003 Gilmar and the Cypress Point Building.

- a) The board discussed the February 5, 2020 and April 14, 2020 Committee Meeting minutes.
- b) Motion made by committee to approve the lease rate for Grant Drive. **Motion approved.**
- c) Motion made by committee to approve the lease rate for Rustic Trail. **Motion approved.**
- d) Motion made by committee to renew the lease rates for Russeff Field and 3003 Gilmar. **Motion approved.**
- e) Motion made by committee to approve the reduced lease rate for Cypress Point Building. **Motion approved.**

- f) The board discussed transferring of the Note & Lien for 3005 Gilmar to the Foundation. Tariq will prepare the documents.

C. Governance Committee:

1. Sharon recommended the proposed Slate of Officers:

Officers, Term I: July 1, 2020 – June 30, 2022

Larry Lobue	Chairman	Position 1
Hal Marshall	Vice Chairman	Position 2
Sharon Lee	Treasurer	Position 3
Ann Johnston	Secretary	Position 4
Charles Huber	Past Chair	Position 5

Motion made by Pat Bullard to recommend to the membership the Slate of Officers for Term I: July 1, 2020– June 30, 2022. **Motion approved.**

2. Sharon reviewed the proposed 2020 Bylaws Revisions. Motion made by committee to accept the proposed 2020 Bylaws Revisions. **Motion approved.**
3. Sharon reviewed the edits to Internal Controls/Employee Handbook. Motion made by committee to accept the edits to Internal Controls/Employee Handbook. **Motion approved.**
4. Sharon reviewed the edit to the Whistle Blower Policy in the Employee Handbook. Motion made by committee to accept the edits to the Whistle Blower Policy in Employee Handbook. **Motion approved.**

VIII. New Business:

- A. Charlie presented the names of the proposed Foundation Class of 2023: J. Patterson, R. Cushenberry and M. Moore for approval. Motion made by committee to approve the proposed Foundation Class of 2023. **Motion approved.**
- B. Golf Classic 2020: Laura stated that a letter (included in the board packet) was mailed to all those who have supported the Golf Classic in previous years. The letter states that although the in-person event is cancelled, we are holding a “Don’t Sweat It” virtual Golf Tournament fundraiser. The letter asks the supporters to consider donating, as their budget allows, to the virtual event.

IX. Adjourn: Meeting adjourned at 7:45 p.m.

Submitted by:  
Cheryl Olivier  
Administrative Assistant

Attested to:  
Sharon Lee,  
Secretary, Board of Directors

**The next board meeting is June 22, 2020 - Annual Meeting**



Executive Team Meeting Minutes  
Via ZOOM  
4:45 pm June 10, 2020

Attendees: C. Huber, Chairman S. Lee, Secretary  
L. Lobue, Vice Chairman T. Zafar, Chair, Real Estate Committee  
H. Marshall, Treasurer A. Johnston, Incoming Secretary

1. **Internal Committee Report:** H. Marshall

a. Budget & Finance Committee: H. Marshall

- i. **May 2020 YTD Financials** – reviewed and discussed. Net position is slightly ahead of budget YTD. Balance sheet reflects small business PPP loan as a liability. It will be taken off the balance sheet after the loan is forgiven.
- ii. **COVID 19 Forecast Budget 06.30.2020** – changes to the 6/30/20 budget have been made. Program income/expenses may need to be updated in the future if The Arc office remains closed.
- iii. The Arc has received \$34,000, so far, for the virtual golf fundraiser. These funds will be shown on the June financials.

b. Real Estate Committee Meeting: T. Zafar

- i. Committee Meeting Minutes June 3, 2020 – lease on Parkview Lane property will expire 7/31/20. This property is currently leased by Care Giver but has never been occupied. Laura is checking with Julie Kelly to see if she wants to lease the property, otherwise it will be leased again to Care Giver. Brazos Glen lease expires 8/30/20 and will be re-leased to Texana, with the same terms and conditions.
- ii. Transfer Lien & Note for 3005 Gilmar to the Foundation – Tariq is working on this paperwork.

2. **Governance Committee:** S. Lee – Bylaws amendments and slate of officers will be presented at annual meeting.

3. **CEO Report:** L. LaVigne – maintenance work is currently being done on the parking lot. Laura met with the Program Directors to discuss their work over the past few months. Karri facilitated the first zoom Teen/Tween social meeting this month. MOKA (Moms of Kids with Autism) also had a zoom meeting. Pam will be starting zoom meetings for 20 somethings and Special Olympics. Nancy is planning activities for Social Recreation.

4. **June 22, 2020 Annual Board Meeting Agenda:** C. Huber  
Agenda reviewed and approved.

**Next Meeting: Wednesday, July 8, 2020, 4:45 pm**

**CEO Report  
May 2020**

**I. Strategic Goal: The Arc shall advocate for appropriate individualized educational programs/opportunities for people with intellectual and developmental disabilities (I/DD) in all stages of life.**

Karri's Highlights:

Parent Contacts & Visits:

- General Info & Referral: 9 (2.2 hours)
- Special Ed: 17 (8.8 hours)
- IEP Reviews/Consultations: 8 (9.5 hours)
- ARD/Grievance/Transition Meetings: 3 (6.8 hours)
- Guardianship: 2 (1.0 hours)
- Adult Services (Provider/Day Hab/SO&SR): 9 (4.3 hours)
- Employment: 1 (0.3 hours)
- Outreach: hours (COVID-19 related resources, Social Media posts, articles, videos, webinars)
- Phone Calls: 15.30 hrs on the phone answering questions and advising.

Total Education Advocacy Hours for 2020: Jan – May: 77.1 hours (All Sped Calls, IEP Reviews & ARD Meeting Attendance)

(Jan: 12.3 hrs., Feb: 19.9 hrs., Mar: 7.4 hrs., Apr: 12.4 hrs., May: 25.10 hrs.)

Special Ed & Advocacy training - online video series & The Arc's "Article library"

- 5/1/20 – Presentation – Partners Resource Network Webinar: Parent Tips: Learning at Home & Tracking Special Ed Progress
- 5/5/20 – Guest on Hope for Three Video – Parent Tips During COVID-19

Parent Education Program & Support Group: In-person & Facebook Live (video).

5/14/20 @ 11 am – Texas Workforce Commission – HS Transition Program via Zoom Meeting.

**II. Strategic Goal: The Arc shall advocate for a variety of vocational/employment options for people with I/DD.**

**III. Strategic Goal: The Arc shall advocate for public and private community institutions to become more responsive to the individual needs of people with I/DD, thereby promoting quality of life for all.**

Community Meetings Membership:

Karri: Fort Bend Connect, Fort Bend ISD Heart to Heart, Community Resource Coordination Group (CRCG)

Laura: FASD Collaborative UT, Austin; Sugar Land Rotary; Leaders' Circle; Health Education Advisory Board (HEAB) of OBMC; Fort Bend Transportation Advisory Committee

**IV. Strategic Goal: The Arc shall advocate for and promote a variety of appropriate and inclusive social, cultural, fitness/wellness opportunities in the community.**

Bowling & Social Recreation:

Answering calls and emails from clients, parents and providers on the programs. Families know I am available by phone and email. Our clients like to speak to me – frequently.

Received requests for information on virtual meetings. Mailed out a workbook on how to create a virtual circle of friends by Empowering Ability. Also included information on how to Zoom with basic instructions on how to set up sound and video and Social Rules to follow during the Zoom meeting.

#### Special Olympics & TwentySomethings:

- Still participating in all Special Olympics conference calls for SO Connect, Virtual athlete participation and updated information. These calls are scheduled for every Thursday at 11:00 am (East Region Calls) and every Friday at 10:00 am. (State Office Update Calls)
- Sending all virtual trainings and activities offered from the SOTX calls and website to the athletes, coaches and parents.
- Working on a monthly calendar with engaging activities for all athletes and TwentySomething members. (will include art contests, recipe book submissions, canned food drives, etc.)
- Organizing Zoom meetings that will start in June.
- Maintaining athlete medical database and updating all expired medicals.
- Responding to all athlete, coach and volunteer emails, texts and calls.
- Checking and working on the SOTX website daily to stay “up to date” on all changes in new policies, the new Sports Information Guide and all virtual information to be forwarded to our athletes, parents and coaches.
- Planning a “Celebration Day” as soon as we can meet again as a delegation. This will include *all* members of The Arc. (Special Olympics athletes, TwentySomethings & Social Rec) We will have a hotdog lunch, play games and celebrate coming together again as a group. Looking at a date in the Fall and we will host this event at a local park. This event will replace the Sports Banquet for this year.
- Maintaining and updating the Casey Connection database.
- Working with the East Region Special Olympics office and securing donated shirts and cups for the Celebration Day in the Fall.
- Emailed Activity Workbook out to all Special Olympics Athletes and TwentySomethings members.

**V. Strategic Goal: The Arc shall continue to invest in properties that are self-sustaining and provide facilities for our constituents**

**VI. Strategic Goal: The Arc shall provide effective leadership to insure sustainability of the organization's programs and services through utilizing an annual, Cost/Base/Analysis, assisting with fundraising activities, acquiring grants and maintaining the “corpus” of the Foundation**

I met via ZOOM with Executive & Real Estate Committees. Also, with our Board.

I drafted the letter to be sent to past sponsors/attendees of the Golf Classic to ask for donations for our virtual “No Sweat” tournament. The letters were hand-addressed and mailed to all. Title sponsor, Troy Construction, maintained their \$10,000 donation. I thanked and posted all donor names on FB.

#### Community Development Block Grant:

Nancy completed the April 2020 information for the CDBG update on program suspension. Continue to request needed information to complete client files for CDBG. Continuing to stay in touch with Community Development staff on changes with the grant.

#### What's Cheryl been doing?

Through April:

Coming to the office 3-4 days per week

Prepared and mailed donor letters and donation acknowledgement forms

Handling incoming mail

website updated with COVID 19 information

Add COVID19 videos from Facebook to our YouTube channel and then to The Arc's website  
Preparation of Deposit reconciliations  
Handling A/R issues with checks received for rent  
Posting rental payments  
E-blast prepared, reviewed and emailed for March and April to membership  
Set up zoom for remote meeting use for The Arc of Fort Bend  
Prepare Zoom, board packet and the setup for the Foundation meeting. Attend Foundation meeting  
Technical help for Zoom users  
Clean up of CRM and deactivation of test records created during live demonstrations  
Real estate documents have been filed  
Remove Admin files and boxed up for Membership for 2013 – 2018  
Remove Admin files and boxed up for Western Dance 2010 - 2016  
Remove Admin files and boxed up for e-blast 2014 -2017  
Organize same for files above  
Reconciliation of March bank statement for accounting  
Monitor new and renewal memberships processed through the website and CRM  
Handle Phone calls and emails received for The Arc's staff



# The Arc of Ft. Bend County

## Balance Sheet

As of May 31, 2020

May 31, 20

### ASSETS

#### Current Assets

##### Checking/Savings

##### Cash

Credit Card Account	7,134.14
Fundraising (WD)	2,216.36
Money Market	100,932.48
Operating Account	106,736.08
Facilities Reserve contra	-77,000.00

Total Cash 140,019.06

Total Checking/Savings 140,019.06

##### Other Current Assets

##### Prepaid Insurance

Crime	112.75
Cyber Liability	1,100.00
Auto	4,818.08
D&O	3,124.00
Umbrella	1,644.50
Professional Liability	6,234.25
Property	32,880.91
Worker's Comp	1,542.70

Total Prepaid Insurance 51,457.19

Total Other Current Assets 51,457.19

Total Current Assets 191,476.25

#### Fixed Assets

Building-Commercial Property	1,195,871.59
Improvements-Commercial Propert	912,294.20
Building - Homes	2,326,047.15
Improvements-Homes	336,088.10
Land	810,768.00
Leasehold Improvemnt.123 Brooks	9,062.00
Office Equipment	5,324.02
Furniture and Fixtures	6,720.00
Computer Equipment	15,757.00
Automotive	76,832.44
Accumulated Depreciation	-2,043,968.66

Total Fixed Assets 3,650,795.84

#### Other Assets

Trans to Foundation to invest	74,448.00
Facilities Reserve for Repairs	77,000.00
Escrow - Rychlik Job Services	2,500.00
Earnest Money	1,000.00

Total Other Assets 154,948.00

TOTAL ASSETS 3,997,220.09

### LIABILITIES & EQUITY

# The Arc of Ft. Bend County

## Balance Sheet

As of May 31, 2020

May 31, 20

<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
Accounts Payable-ARC	-33.40
Total Accounts Payable	-33.40
<b>Other Current Liabilities</b>	
Small Business PPP Loan	69,500.00
Total Other Current Liabilities	69,500.00
Total Current Liabilities	69,466.60
<b>Long Term Liabilities</b>	
N/P-ARC Fdn (Worley Dr)	221,817.97
Security Deposits Payable	20,675.00
N/P-ARC Fdn (6419 Brazos Glen)	90,774.78
N/P-ARC Fdn (Chapman Falls)	61,737.00
N/P-ARC Fdn (5141 Cotter Ln)	87,209.64
N/P-ARC Fdn (2715 Cypress Impr)	235,878.95
N/P-ARC Fdn (Manorfield)	127,936.97
N/P-ARC Fdn (Rustic Trail)	135,316.57
N/P-ARC Fdn (5618 Wagon Wheel)	110,965.05
N/P-ARC Fdn (Whispering Creek)	239,153.69
N/P-ARC Fdn(2607 WillowSprings)	124,759.86
Total Long Term Liabilities	1,456,225.48
Total Liabilities	1,525,692.08
<b>Equity</b>	
Unrestricted Net Assets	2,533,022.53
Net Income	-61,494.52
Total Equity	2,471,528.01
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3,997,220.09</b>

**The Arc of Ft. Bend County**  
**Profit & Loss Budget Performance**  
**May 2020**

	<u>May 20</u>	<u>Jan - May 20</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
Ride fee	0.00	970.24	665.00	305.24	145.9%	2,100.00
Youth Social	0.00	360.00	300.00	60.00	120.0%	550.00
Riveredge Mortgage Payment	0.00	0.00	0.00	0.00	0.0%	1,036.00
Bowling - Lane Fee Income	0.00	1,979.00	1,600.00	379.00	123.69%	4,863.00
Donations & Contributions	920.08	4,745.67	8,250.00	-3,504.33	57.52%	20,000.00
Donations - Designated	4,800.00	5,035.00	235.00	4,800.00	2,142.55%	1,650.00
Fundraising Event	16,000.00	45,871.00	0.00	45,871.00	100.0%	264,600.00
Grant - CDBG Fort Bend	3,155.74	10,192.09	9,999.00	193.09	101.93%	31,000.00
Grant - FBJSJL	0.00	0.00	0.00	0.00	0.0%	10,000.00
Grants - Other	0.00	27,000.00	25,000.00	2,000.00	108.0%	112,500.00
Membership Revenue	260.00	3,404.59	4,150.00	-745.41	82.04%	10,000.00
Rental Income	32,696.69	185,246.69	186,533.35	-1,286.66	99.31%	447,947.00
Social Rec Fees	0.00	4,167.19	3,195.00	972.19	130.43%	10,190.00
<b>Total Income</b>	<u>57,832.51</u>	<u>288,971.47</u>	<u>239,927.35</u>	<u>49,044.12</u>	<u>120.44%</u>	<u>916,436.00</u>
<b>Gross Profit</b>	57,832.51	288,971.47	239,927.35	49,044.12	120.44%	916,436.00
<b>Expense</b>						
Auto / Vans - Repairs & Maint.	559.09	562.76	0.00	562.76	100.0%	1,500.00
<b>Advocacy in Action</b>						
Casey Connection	0.00	11,837.50	5,000.00	6,837.50	236.75%	5,000.00
Information / Referral	0.00	100.00	100.00	0.00	100.0%	750.00
Educational Advocacy	0.00	2,035.00	2,035.00	0.00	100.0%	2,245.00
Advocacy in Action - Other	0.00	0.00	0.00	0.00	0.0%	2,700.00
<b>Total Advocacy in Action</b>	<u>0.00</u>	<u>13,972.50</u>	<u>7,135.00</u>	<u>6,837.50</u>	<u>195.83%</u>	<u>10,695.00</u>
Accounting, Audit, Payroll	216.12	5,695.03	5,725.00	-29.97	99.48%	15,470.00
Advertising & Marketing	106.60	266.50	350.00	-83.50	76.14%	840.00
Affiliation/Asso/Mbrship/Certs	50.00	4,316.00	4,076.00	240.00	105.89%	5,151.00
Bank & CC Charges	208.89	857.44	750.00	107.44	114.33%	3,800.00
Board Expenses	0.00	335.49	100.00	235.49	335.49%	1,400.00
Community Outreach	95.64	198.48	100.00	98.48	198.48%	1,000.00
Conferences	0.00	38.87	165.00	-126.13	23.56%	835.00

**The Arc of Ft. Bend County**  
**Profit & Loss Budget Performance**  
**May 2020**

	<u>May 20</u>	<u>Jan - May 20</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Continuing Education/Staff Dev	25.00	50.00	75.00	-25.00	66.67%	300.00
<b>Employee Expenses</b>						
Employee Salaries	29,957.46	149,861.30	148,615.00	1,246.30	100.84%	356,680.00
Employee-FICA	1,851.17	9,286.11	11,365.00	-2,078.89	81.71%	27,286.00
Employee-Health/Dental	5,346.59	20,111.23	26,944.60	-6,833.37	74.64%	64,667.00
Employee-Medicare	432.91	2,171.78				
Employee-Retirement Plan	0.00	0.00	0.00	0.00	0.0%	7,134.00
Employee-SUTA	0.00	182.60	1,935.00	-1,752.40	9.44%	4,644.00
Mileage Reimbursement	0.00	0.00	0.00	0.00	0.0%	1,500.00
<b>Total Employee Expenses</b>	<b>37,588.13</b>	<b>181,613.02</b>	<b>188,859.60</b>	<b>-7,246.58</b>	<b>96.16%</b>	<b>461,911.00</b>
<b>Event Expenses</b>	0.00	500.00	0.00	500.00	100.0%	33,000.00
<b>Facilities HOA Fees</b>	0.00	10,265.90	13,000.00	-2,734.10	78.97%	13,000.00
<b>Facilities Landscaping</b>	535.00	2,310.00				
<b>Facilities Prop Mgmt Fees</b>	1,300.00	6,500.00	6,500.00	0.00	100.0%	15,600.00
<b>Facilities R&amp;M / Improvements</b>	12,096.58	45,550.42	14,288.00	31,262.42	318.8%	34,280.00
<b>Facilities Utilities</b>	8.72	906.47	897.75	8.72	100.97%	1,623.00
<b>Insurance</b>						
Crime	0.00	0.00	0.00	0.00	0.0%	123.00
Workers Comp	-605.24	-605.24	0.00	-605.24	100.0%	1,064.00
Property	0.00	0.00	0.00	0.00	0.0%	37,462.00
Cyber Liability	0.00	0.00	0.00	0.00	0.0%	1,200.00
Auto	0.00	0.00	0.00	0.00	0.0%	5,994.00
Professional Liability	0.00	0.00	0.00	0.00	0.0%	10,548.00
D&O / Fiduciary	0.00	0.00	0.00	0.00	0.0%	3,408.00
Umbrella	0.00	0.00	0.00	0.00	0.0%	2,063.00
<b>Total Insurance</b>	<b>-605.24</b>	<b>-605.24</b>	<b>0.00</b>	<b>-605.24</b>	<b>100.0%</b>	<b>61,862.00</b>
<b>Interest Expense</b>	6,031.00	31,290.13	31,290.13	0.00	100.0%	60,203.65
<b>Meals &amp; Supplies / Meetings</b>	0.00	210.36	100.00	110.36	210.36%	400.00
<b>Office</b>						
Lease 119 & 123	0.00	232.80	240.00	-7.20	97.0%	240.00
Website	0.00	0.00	2,500.00	-2,500.00	0.0%	2,500.00
Cell Phone	0.00	622.52	1,232.50	-609.98	50.51%	2,958.00

# The Arc of Ft. Bend County

## Profit & Loss Budget Performance

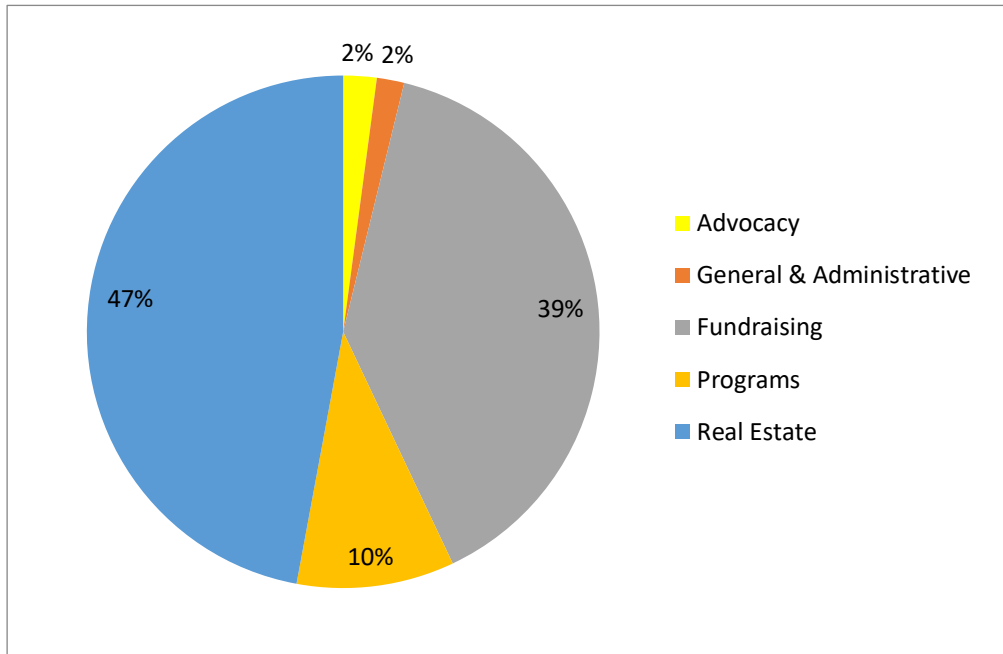
### May 2020

	May 20	Jan - May 20	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Computer / Software	304.70	2,435.85	0.00	2,435.85	100.0%	2,000.00
Copier Lease	0.00	2,339.04	1,812.50	526.54	129.05%	4,350.00
Repairs & Maintenance	1,084.77	7,334.74	5,810.00	1,524.74	126.24%	11,130.00
Supplies	371.33	1,144.04	1,250.00	-105.96	91.52%	3,200.00
Telephone / Internet	360.59	1,724.38	1,804.60	-80.22	95.56%	4,331.00
Utilities	363.98	1,346.95	1,900.00	-553.05	70.89%	4,560.00
<b>Total Office</b>	<b>2,485.37</b>	<b>17,180.32</b>	<b>16,549.60</b>	<b>630.72</b>	<b>103.81%</b>	<b>35,269.00</b>
<b>PROGRAMS</b>						
PR Activity/Mtg-Food & Supplies	139.61	3,698.33	3,505.00	193.33	105.52%	9,770.00
PR Athletic Banquet	0.00	0.00	0.00	0.00	0.0%	3,300.00
PR Bowling Lane Fees	0.00	3,465.00	2,840.00	625.00	122.01%	8,511.00
PR DJ	0.00	0.00	0.00	0.00	0.0%	1,700.00
PR Equipment, Shirts, Uniforms	0.00	39.90	50.00	-10.10	79.8%	2,200.00
PR Fuel	73.05	537.39	700.00	-162.61	76.77%	2,360.00
PR Game / Registration Fees	0.00	0.00	0.00	0.00	0.0%	2,750.00
PR Hotel	0.00	2,995.72	3,000.00	-4.28	99.86%	15,400.00
PR Other Expenses / Gifts	0.00	558.90	0.00	558.90	100.0%	950.00
PR Parking & Tolls	0.00	68.88	370.00	-301.12	18.62%	1,065.00
PR Practice Facil. / Lifeguards	0.00	442.90	450.00	-7.10	98.42%	4,600.00
PR Scholarships	0.00	0.00	0.00	0.00	0.0%	3,000.00
PR Tickets / Venue Fees	-1,700.00	10,935.00	9,250.00	1,685.00	118.22%	23,670.00
PR Training & Background checks	0.00	29.97	150.00	-120.03	19.98%	535.00
PR Transportation	829.76	1,594.61	1,650.00	-55.39	96.64%	5,650.00
PR - Twenty Somethings	0.00	0.00	0.00	0.00	0.0%	1,700.00
<b>Total PROGRAMS</b>	<b>-657.58</b>	<b>24,366.60</b>	<b>21,965.00</b>	<b>2,401.60</b>	<b>110.93%</b>	<b>87,161.00</b>
PR Contract Workers	0.00	3,616.76	6,042.00	-2,425.24	59.86%	17,216.00
Postage and Delivery	0.00	506.63	1,250.00	-743.37	40.53%	3,200.00
Printing and Reproduction	0.00	0.00	0.00	0.00	0.0%	1,200.00
Professional Fees - Legal	0.00	0.00	0.00	0.00	0.0%	50.00
Professional Fees - Other	0.00	0.00	0.00	0.00	0.0%	500.00
<b>Total Expense</b>	<b>60,043.32</b>	<b>350,504.44</b>	<b>319,218.08</b>	<b>31,286.36</b>	<b>109.8%</b>	<b>867,466.65</b>
<b>Net Ordinary Income</b>	<b>-2,210.81</b>	<b>-61,532.97</b>	<b>-79,290.73</b>	<b>17,757.76</b>	<b>77.6%</b>	<b>48,969.35</b>

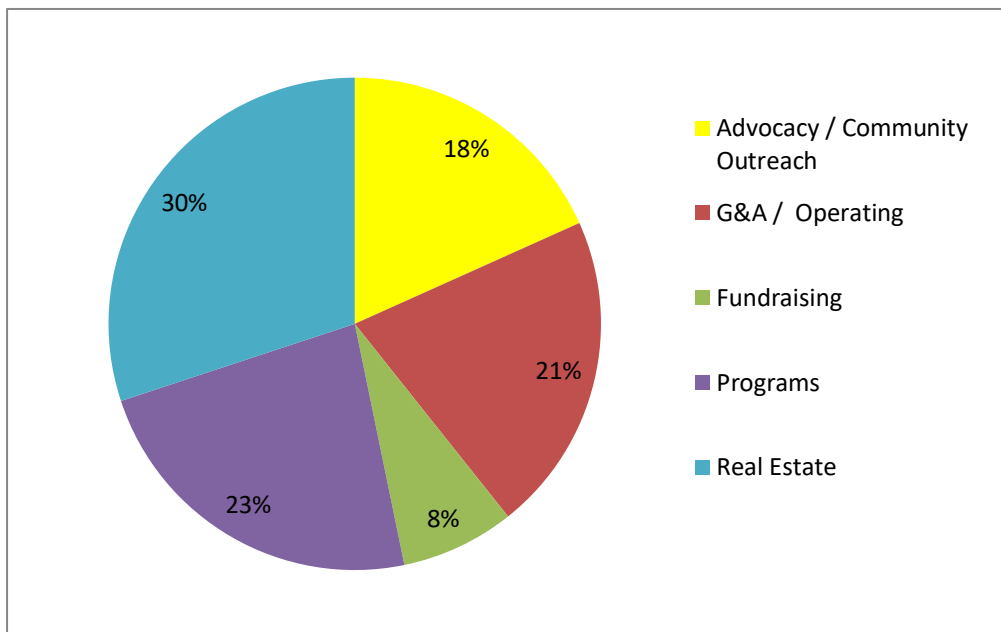
**The Arc of Ft. Bend County**  
**Profit & Loss Budget Performance**  
May 2020

	<u>May 20</u>	<u>Jan - May 20</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Other Income/Expense						
Other Income						
Investment Income	5.11	38.45				
Total Other Income	<u>5.11</u>	<u>38.45</u>				
Net Other Income	<u>5.11</u>	<u>38.45</u>				
Net Income	<u><u>-2,205.70</u></u>	<u><u>-61,494.52</u></u>	<u><u>-79,290.73</u></u>	<u><u>17,796.21</u></u>	<u><u>77.56%</u></u>	<u><u>48,969.35</u></u>

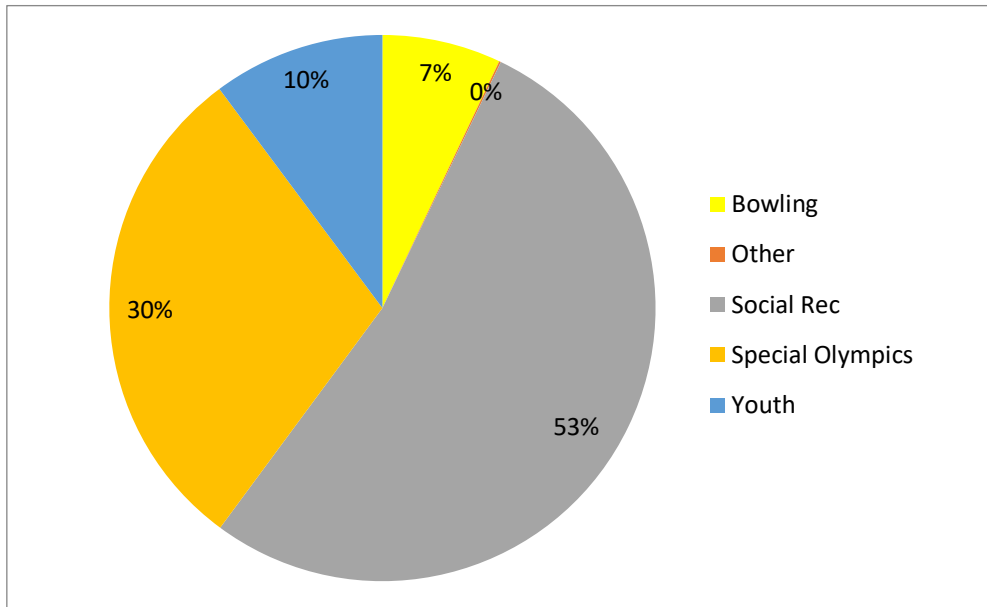
### 2019 INCOME



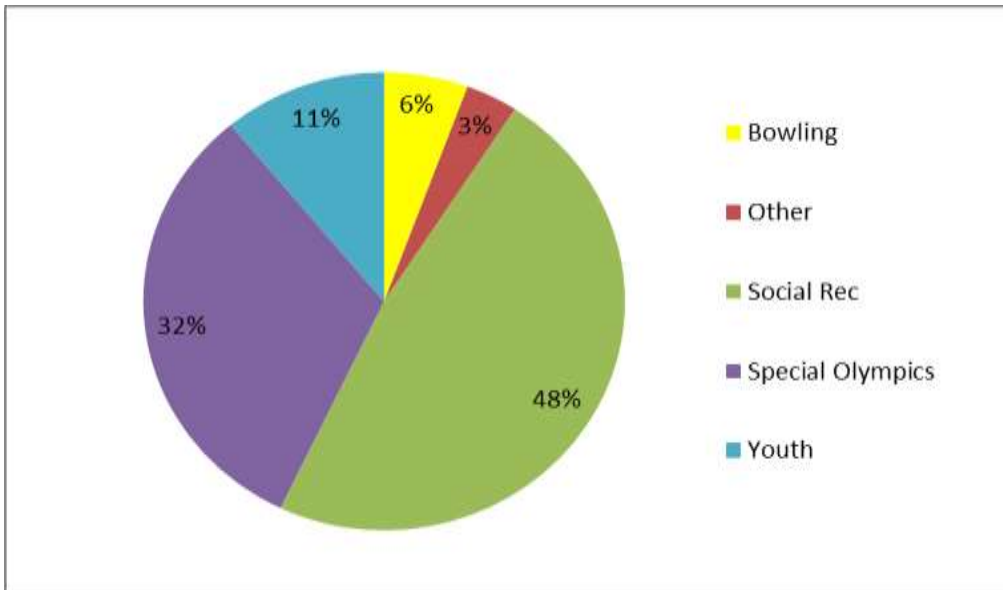
### 2019 FUNCTIONAL EXPENSES



2019 INCOME BY PROGRAM



2019 EXPENSE BY PROGRAM





ZOOM MEETING MINUTES

Present: T. Zafar, M. Casey, R. Cushenberry, L. Lobue, J. Patterson L. LaVigne

Absent: P. Bullard, J. Gortney, H. Marshall

1. Income/Expense report: May YTD 2020

Committee discussed expenses at both Grant Dr. & Rustic Tr. - realizing the expenditures were necessary to lease the home to the general public. The report was accepted.

2. Lease Renewals:

- a. Parkview Ln. Expires: 07/31/2020 Tenant: CareGiver Lease rate: \$1550 since 2016. Minimal R&M. Home remains unoccupied. Laura asked if committee would consider letting her ask Julie Kelly, Forgotten Angels, if Julie was still interested in leasing the home. This action would follow The Arc's mission. After discussion, the following action item was recommended:

Action Item: approval for Laura to check with Julie Kelly, and determine if she is interested in leasing the Parkview Ln home. If so, then offer to let CareGiver non-renew their lease and tell them we would help them find another home when they need one.

Brazos Glen Expires: 08.30.2020 Tenant: Texana Lease rate: \$1100 Increased \$100 in 2012 Minimal R&M.

Action Item: renew lease under same terms and conditions.

3. Lease 119/123 Brooks: update- Laura reviewed an email she received April 24, 2020, from Stacie Henderson, *Director, Environmental & Neighborhood Services*. Ms. Henderson shared that renewing the lease for 119 & 123 Brooks could be considered after the second year was successfully completed.

Ms. Henderson also forwarded a report of required repairs generated by a City inspection completed in October 2019. Laura reported that Mike Rychlik has completed most of the repairs. There are a couple left to complete.

Tariq asked if we should peruse another office location. James reviewed the work that has been done by architect, Abe Sustaita, who has been working with Laura and staff to design a "plausible" plan for office and storage space – in case we need to move out of the current location. In his discussions with the City, James perceived that they would be willing to extend the lease.

4. Transfer of lien and note for 3005 Gilmar to the Foundation- Tariq reported that he is working on the documents.

**Next meeting: Wednesday, July 3, 2020**

**Time: TBD**

## ASSIGNMENT OF NOTE AND SECURITY INSTRUMENTS

THE STATE OF TEXAS       §  
                                          §  
COUNTY OF FORT BEND   §

KNOW ALL MEN BY THESE PRESENTS:

The Arc of Fort Bend County, a Texas non-profit corporation (the “**Assignor**”) for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to Assignor in hand paid by the Arc of Fort Bend County Foundation, a Texas non-profit corporation (“the **Assignee**”), the receipt and sufficiency of which are hereby acknowledged, has GRANTED, TRANSFERRED and ASSIGNED WITHOUT RECOURSE, and does hereby GRANT, TRANSFER and ASSIGN WITHOUT RECOURSE, unto the Assignee, the following:

(a) Promissory Note executed by Pop & Poppy Home Investors, LLC (the “**Borrower**”), guaranteed by Michael W. Rychlik and Frances Rychlik, and payable to the order of Assignor, dated February 28, 2019, in the original principal amount of SEVENTY FOUR THOUSAND FOUR HUNDRED FORTY-EIGHT AND 00/100 DOLLARS (\$74,448.00), and all indebtedness evidenced thereby, and as such note may have been thereafter modified, amended restated, or extended (collectively, the “**Note**”);

(b) All rights, titles, interests, liens, security interests, pledges, privileges, claims, demands and equities existing and to exist in connection with, pertaining to, governing, and guaranteeing, renewing, extending, modifying, or as security for the payment of the Note including, without limitation, the following (the “**Security Instruments**”):

- (i) Deed of Trust dated February 28, 2019, executed by Borrower for the benefit of the Assignor, and recorded in the Official Public Records of Fort Bend County, Texas under Document No. 2019019954, as such deed of trust may have been thereafter further modified, amended, restated or extended (the “**Deed of Trust**”); and
- (ii) Vendor’s lien and superior title retained in the warranty deed as further described in the Note.

TO HAVE AND TO HOLD the Assets, together and along with all rights, titles, interests, privileges, claims, demands and equities under the foregoing instruments now or hereafter owned by Assignor, Assignor’s successors or assigns, in connection therewith or as security therefor unto Assignee, its successors or assigns forever.

This transfer and assignment is made WITHOUT WARRANTY OR RECOURSE WHATSOEVER.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

Executed on the \_\_\_\_ day of June, 2020, to be effective retroactively to February 28, 2019

The Arc of Fort Bend County,  
a Texas non-profit corporation.

---

Charles R. Huber,  
Chairman, Board of Directors

STATE OF TEXAS )

COUNTY OF FORT BEND )

Before me, the undersigned authority, on this day personally appeared Charles R. Huber, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument

Given under my hand and seal of office this \_\_\_\_ day of June, 2020.

---

Notary Public, State of Texas

**ALLONGE**

Reference is hereby made to that certain promissory note executed by Pop & Poppy Home Investors LLC, guaranteed by Michael W. Rychlik and Frances Rychlik, and payable to the order of The Arc of Fort Bend County, in the original principal amount of SEVENTY FOUR THOUSAND FOUR HUNDRED FORTY-EIGHT AND 00/100 DOLLARS (\$74,448.00), and all indebtedness evidenced thereby, and as such note may have been thereafter modified, amended restated, or extended (collectively, the “*Note*”). It is intended that this Allonge be attached to and become part of said Note and that the endorsement below shall be effective to assign said Note as if set forth on the reverse of the original of said Note.

PAY TO THE ORDER OF: THE ARC OF FORT BEND COUNTY FOUNDATION, A TEXAS NON-PROFIT CORPORATION, WITHOUT RECOURSE.

Dated: \_\_\_\_\_, 2020, to be effective retroactively to February 28, 2019

The Arc of Fort Bend County  
A Texas Non-Profit Corporation

BY: \_\_\_\_\_

Name: Charles R. Huber

Title: Chairman, Board of Directors

## **BYLAWS**

### **ARTICLE I**

#### **PRINCIPAL OFFICE AND NAME**

##### **SECTION 1:**

The name of this corporation is The Arc of Fort Bend County (the "Corporation"). The Arc of Fort Bend County ensures opportunities for people with intellectual and developmental disabilities to maximize their quality of life within Fort Bend County.

##### **SECTION 2:**

The principal office of this corporation shall be located in Fort Bend County, Texas at an address designated from time to time by the Board of Directors.

### **ARTICLE II**

#### **MEMBERSHIP**

##### **SECTION 1:**

Membership shall be open to all persons supportive of the mission and purposes of the corporation subject to the rules and standards set forth in these Bylaws.

##### **SECTION 2:**

Membership may be obtained by submitting the amount of annual dues prescribed by the Board of Directors.

##### **SECTION 3:**

A member is one whose dues are not delinquent or waived. Dues are delinquent if not paid on or before the annual renewal date.

##### **SECTION 4:**

Only those members in good standing shall be eligible to hold office and to vote in person on all questions at all membership meetings. No employee or paid consultant of the Corporation may serve as an officer, director, voting committee member or delegate.

##### **SECTION 5:**

Honorary membership may be granted by the CEO. Lifetime membership may be granted by the Board. . Such members shall not pay dues. . All other classifications of membership shall pay dues as

established by the Board of Directors.

#### **SECTION 6:**

Control of this Corporation shall rest with membership. Any action of the Board of Directors shall be subject to review upon written request by 10% or more of members in good standing. Such request will include that the matter be placed on the agenda of the next Annual Meeting, or at a special meeting called for that purpose held within ninety (90) days of the matter to be reviewed; provided, however, that such review of an action of the Board of Directors as described in this section may not be acted upon without adequate notice of the matter to be reviewed. For purposes of this section, "adequate notice" means the proposed matter to be reviewed must have been received by the Secretary of the Board no less than sixty (60) days before the date of the Annual Meeting. Any action of the Board of Directors may be altered or rescinded with an affirmative vote of two-thirds (2/3) of the members present at a membership meeting. There must be at least 25% of the members in good standing in attendance at such a meeting. Any action may not affect the rights of third parties, for example, the Corporation may not retroactively alter its contractual or debt obligations, including employee contracts, but may act prospectively on such matters.

#### **SECTION 7:**

No member shall make representations to any public official or body or speak or act publicly in the name of The Arc of Fort Bend County without prior approval from the Chairman of the Board of Directors or CEO of The Arc of Fort Bend County; provided, however, a member may publicly support the Position Statements, policies and resolutions adopted by The Arc of the United States, The Arc of Texas and The Arc of Fort Bend County without prior approval.

#### **SECTION 8:**

Any member whose actions are prejudicial to the interests of the corporation, or determined under the following procedure, or of The Arc, or of persons who have intellectual and developmental disabilities may be expelled as follows:

All of the procedures described below shall be conducted in a manner calculated to protect the confidentiality of this process, including holding board consideration in closed session.

A member in good standing may bring a written complaint against another member, and submit it to the Chairman or if the complaint is against the Chairman, to the Vice Chairman. The complainant shall present evidence to substantiate the accusation.

The Chairman or officer receiving the complaint shall notify the affected member that such an action will come before the Corporation's Board. A summary of the evidence shall be offered in support of the action, as well as the time, date, and place the Board will meet to consider the action.

Written notice will be provided to the member at least thirty (30) days prior to the date action will be

considered and an opportunity will be provided to show cause why the member should not be suspended or expelled.

Upon an affirmative three-fourths (3/4) vote of the Board of Directors at a meeting with a quorum, the affected member will be expelled.

The affected member may waive the confidentiality of this process and shall have the right to appeal the decision to the general membership. On receipt of the appeal, the Chairman shall call a special meeting within 30 days at which the membership, having established a quorum, may overrule the decision of the Board of Directors by an affirmative vote of three-fourths (3/4) of the membership present.

#### **SECTION 9:**

Membership lists shall not be published or made available outside the Corporation except where, in the opinion of the Board, the furnishing of such lists, in confidence, to a public or private agency will be in the best interests of the members and will serve the purpose of this Corporation, or where required by The Arc of Texas or The Arc of the United States. Any member may “opt-out” of a decision by the Corporation to furnish a confidential list to others.

### **ARTICLE III**

#### **MEETINGS OF THE MEMBERSHIP**

##### **SECTION 1:**

Regular meetings of the membership shall be held as determined by the Board of Directors or the membership. Members shall be notified in advance of all meetings.

##### **SECTION 2:**

A quorum shall consist of 10 percent (10%), of the membership or fifteen (15) members in good standing, whichever is greater. Voting must be done in person, meaning that there is no proxy voting.

##### **SECTION 3:**

The Annual meeting of the membership shall be held no later than July 1 of each year. The election of officers and directors will be at the Annual Meeting, which may not be omitted. The Annual Meeting of the membership may be conducted by any *means authorized by law consistent with these Bylaws*.

##### **SECTION 4:**

Subject to the provisions of Article II, Section 6, special meetings of the members may be called by the Chairman or on written application of five (5) members made to the Secretary who shall mail notices to all members not less than one week prior to the meeting stating the purpose of the meeting. Only business specified in the meeting notice may be transacted at a special meeting.

## **ARTICLE IV**

### **DUES**

#### **SECTION 1:**

Members shall pay annual dues as set by the Board of Directors. The dues to be paid shall include the dues payable to state and national organizations of The Arc and each member shall be deemed a member of the state and national organizations of The Arc as well as a member of The Arc of Fort Bend County

#### **SECTION 2:**

Dues may be waived in specific cases by the Board of Directors or CEO when the payment of dues would constitute a hardship or when used as an incentive to attract new members.

## **ARTICLE V**

### **BOARD OF DIRECTORS**

#### **SECTION 1:**

The Board of Directors shall be responsible for the conduct of the business of The Arc and shall be empowered to employ such professional personnel as required to administer the affairs of the corporation. The responsibilities of the Board shall include, without limitation, the preparation of a strategic plan and the annual evaluation of the CEO's performance and compensation. Additionally, the Board shall approve annual operating plans and annual operating budgets.

#### **SECTION 2:**

The officers and directors on the Board of Directors must be members of The Arc of Fort Bend County. The total number of voting members of the board shall not exceed fifteen.

#### **SECTION 3:**

Potential board members will be required to acknowledge willingness to abide by the board membership requirements in the organizational documents; acknowledge willingness to serve out and complete the board term; and acknowledge willingness to comply with individual board member responsibilities as adopted by the Board. Upon beginning an initial term and any subsequent terms as a director, each director shall acknowledge receipt of and compliance with the Code of Ethics.

#### **SECTION 4:**

Regular meetings of the Board of Directors shall be held as needed as determined by the Chairman, on a minimum of ten (10) days' notice to the officers and directors on the Board of Directors, and such notice may be given in any manner permitted by law, including electronically. All regular meetings of the Board of Directors may be conducted by any means authorized by law consistent with these Bylaws. Special meetings of the Board may be called with 24 hours' notice by the Chairman or by the Secretary upon the



written request of three (3) Board members. Only that business stated in the call for the special meeting may be discussed or acted upon. Specially called meetings of the Board of Directors may be held by electronic means provided that any action taken at a meeting held by electronic means receives the favorable vote of not less than 80% of the members of the Board; provided, however, that when a vote is taken by electronic means, the Board of Directors shall, at the immediately following regular meeting of the Board of Directors, record and affirm in the minutes of that meeting the proposal and action taken by an electronic vote of the Board held under this section.

#### **SECTION 5:**

A quorum for a regular Board meeting shall consist of at least fifty-one percent (51%) of all Board members in attendance as allowed by these Bylaws. All actions taken by the Board must be passed by a majority of the Board members in attendance as allowed by these Bylaws.

#### **SECTION 6:**

Terms of all elected officers and directors of the Corporation shall begin on July 1 of the year in which each position is elected and end on June 30 of the year in which the term of each position ends. The term of office for elected officers and elected directors of the Corporation shall be three (3) years, or until their successors are elected. Officers may not be elected to successive terms in the same officer position, but may be elected to other officer positions. A director may be elected to two single successive terms, i.e., may succeed himself/herself twice as a director in any director position, and may be elected to officer positions; provided, however, no person may be elected as a director to more than three terms in succession regardless of the number assigned to the director position. A director may not contemporaneously hold a position both as a director and as an officer. Officers and directors may be elected to positions on the nominating committee on completion of their terms as officers and directors. The election of officers and directors shall occur on a three year cycle as follows:

Every third year, the four officers are elected for a single three-year term, designated on the slate of nominees on the ballot by the title of the office followed in parentheses by the year in which the term of such office ends; thereafter,

Every third year in the following year, five board members are elected to a three year term as directors, in positions designated on the slate of nominees on the ballot as Director 1, 2, 3, 4 and 5 each followed in parentheses by the year in which the term of such position ends; and thereafter,

Every third year in the following year, five board members are elected to a three year term as directors, in positions designated on the slate of nominees on the ballot as Director 6, 7, 8, 9 and 10, each followed in parentheses by the year in which the term of such position ends.

The Board of Directors may declare vacant the office of any officer or director who shall resign from the Board of Directors. In the event of a vacancy, the Board of Directors shall appoint the officer's or director's successor until the next Annual Meeting of the membership of the Corporation when that officer or director position is scheduled for election under these Bylaws, at which time the officer or director appointed to a position by the Board of Directors due to a vacancy is eligible for election by the voting body of the Corporation to that position or any other position as if that person had not been appointed to fill a vacancy. A vacancy in the office of Chairman shall automatically be filled by the Vice Chairman, who shall serve as Chairman until the next meeting of the membership of the Corporation when the position of Chairman is scheduled for election under these Bylaws. On a vacancy in the position of Chairman which is automatically filled by the Vice Chairman, the Board of Directors may then declare a vacancy in the office of Vice Chairman and fill that vacancy until the next meeting of the membership of the Corporation when the position of Vice Chairman is scheduled for election under these Bylaws. Persons who fill vacancies in the offices of Chairman and Vice Chairman are eligible for election by the membership of the Corporation to those positions or any other position as if that person had not been appointed to fill a vacancy.

#### **SECTION 7:**

A director or officer may be removed for cause with a  $\frac{3}{4}$  vote by the Board of Directors present.

### **ARTICLE VI**

#### **FISCAL YEAR**

The fiscal year shall begin January 1 and end December 31.

### **ARTICLE VII**

#### **OFFICERS**

#### **SECTION 1:**

The officers of the corporation shall be a Chairman, Vice-Chairman, Secretary, Treasurer and Past President. No two offices may be held by the same person.

#### **SECTION 2:**

The Chairman shall preside at all meetings of the Corporation and of the Board of Directors and shall perform the duties usually associated with the office of Chairman. The Chairman shall appoint the chairperson and members of all standing and special committees (except the Nominating Committee) and supervise their work by being an ex-officio member of each committee. The Chairman shall present a final annual report to the membership.

#### **SECTION 3:**

The Vice Chairman shall succeed to the chairmanship in case of a vacancy in that office and shall perform

the duties of the Chairman in the Chairman's absence or disability. The Vice Chairman shall undertake such other responsibilities as the Chairman may assign.

#### **SECTION 4:**

The Secretary shall be responsible for recording the proceedings of all meetings of the membership and of the Board of Directors. The Secretary shall be responsible for notifying the members of all meetings. The Secretary shall be responsible for mailing a copy of the Corporation's revised Constitution and Bylaws to the state chapter and its By-Laws Committee for state approval and submitted to The Arc of the United States. The Secretary shall undertake such other responsibilities as the Chairman may assign.

#### **SECTION 5:**

The Treasurer shall have oversight of the receipt, recording, deposit and disbursement of all Corporation funds. The Treasurer shall be responsible for presenting a written financial report at each regular meeting of the Board of Directors and the membership and for submitting all financial reports required for affiliation with The Arc. The Treasurer shall perform such other duties as assigned by the Chairman or the Board.

### **ARTICLE VIII**

#### **NOMINATIONS AND ELECTIONS**

##### **SECTION 1:**

The Nominating Committee shall be composed of three members, who shall take positions July 1<sup>st</sup> following their election and serve until their successors are elected. All members of the Corporation in good standing are qualified to serve as members of the Nominating Committee by election or to fill vacancies between Annual Meetings on the terms described in this article, except that the current Chairman, Vice Chairman, Secretary and Treasurer are not eligible to serve as members of this committee.

The most recent Past Chairman of the Corporation shall serve as chair of the Nominating Committee. If the immediate Past Chairman is unable or unwilling to serve as chair, the Board of Directors shall declare the position of chair of the Nominating Committee vacant, and the current Chairman shall with the approval of the Board of Directors appoint a person to serve as chair of the Nominating Committee until the Chairman succeeds to the office of Past Chairman in accordance with these Bylaws.

In addition to the Past Chairman, the Nominating Committee shall be composed of two (2) persons. At each Annual Meeting of the voting body of the Corporation in years when officers of the Board of Directors are not elected, one (1) member of this committee will be elected to a three-year term, to hold positions

described on the slate of nominees on the ballot followed in parentheses by the year in which the term of such position ends. A member of this committee elected by the Corporation may serve a single term on this committee, i.e., may not succeed himself/herself. A member of the Nominating Committee may not contemporaneously hold a position as an officer or director on the Board of Directors. The Board of Directors may declare vacant the position of any member of this committee who shall resign from the committee. In the event of a vacancy, the Board of Directors shall vote to fill the vacancy to bring the total number to two (2) members in addition to the chair by election of persons who shall serve in such positions until the next Annual Meeting of the Corporation in the year when that position is scheduled for election under these Bylaws, at which time the person appointed to a position by the Board of Directors due to a vacancy is eligible for election by the Corporation to that position or any other position as if that person had not been appointed to fill a vacancy.

#### **SECTION 2:**

The Nominating Committee shall report a slate of candidates for officers, directors and nominating committee members to the membership at least one month prior to the Annual Meeting, which may be done by publication in the newsletter. The slate of nominees for officers and directors shall comply with Article V, Section 6 of these Bylaws. The slate of nominees for nominating committee members shall comply with Article VII, Section 1 of these Bylaws.

#### **SECTION 3:**

Nominations from the floor at the Annual Meeting are not permitted. Any five (5) members in good standing may, at least one (1) month prior to the Annual Meeting, nominate another member in good standing for an officer or director position and such nomination shall be submitted to the Nominating Committee. Such nomination shall be submitted to the members at the Annual Meeting along with the slate nominated by the Nominating Committee. All nominees, whether on the slate of candidates or nominated by five (5) other members, shall give their consent to the nomination.

#### **SECTION 4:**

Not later than March 1 of each year, the Nominating Committee shall recommend to the Board of Directors a slate of candidates to fill those positions on the board of directors of The Arc of Fort Bend County Foundation due to become vacant on May 1 of that year. The Nominating Committee shall, within sixty (60) days of being notified of a vacancy on the board of directors of The Arc of Fort Bend County Foundation, recommend to the Board a candidate to fill the vacant position.

### **ARTICLE IX COMMITTEES OF THE BOARD**

#### **SECTION 1:**

The Chairman shall annually appoint committees, including the chair of each, as appropriate. Duties of each committee will be established by the Board. The chair of each committee may include committee members other than board members to accomplish the duties of the committee. The following committees may be appointed:

A committee or committees to be named by the Chairman with the approval of the Board of Directors to perform the Board's duty of care role on matters pertaining to the internal operations of the Corporation; and

**SECTION 2:**

The Chairman may appoint ad hoc committees to address issues of policy or governance or other needed tasks with the approval of the Board of Directors.

**SECTION 3:**

The terms of all committee chairs and members shall expire on June 30 each year. All committee chairs and members may be re-appointed to continue in those positions.

**ARTICLE X**

**CEO**

**SECTION 1:**

The Board may employ an CEO, establish the duties of the position and fix the salary. The CEO shall serve under the direction of the Board of Directors under an annual contractual agreement and shall function within the policies established by the Corporation and the Board of Directors.

**SECTION 2:**

The CEO shall be the administrative head of The Arc of Fort Bend County, serving at all times under the direction of the Board through the Chairman. The CEO shall be responsible for implementing and executing policies, programs and activities approved by the Board and the membership of The Arc of Fort Bend County; assist in developing goals and objectives and recommend policies, activities, and programs for the consideration of the Board and the members, to make full use of the energies and proficiencies of the membership in strengthening The Arc of Fort Bend County and carrying out its objectives. The CEO shall have the authority to employ, terminate and fix the duties and salaries of the other employees of The Arc of Fort Bend County, subject to the standards, rules, regulations and limitations adopted by the Board, and the Board shall approve the establishment of and position descriptions for persons in operation positions who report to the CEO.

**SECTION 3:**

The CEO is authorized to speak for the Association, but not beyond such limits as may be established by the Board.

**SECTION 4:**

The CEO shall not enter contractual agreements without authorization of the Board.

**SECTION 5:**

The CEO, upon employment with The Arc of Fort Bend County, will acknowledge receipt of and compliance with the Code of Ethics and Conflict of Interest policies.

**ARTICLE XI****RELATIONSHIP WITH STATE AND NATIONAL COMPONENTS**

The Arc of Fort Bend County agrees to remain in good standing with the state and national components of The Arc, to work with these associations in every way and to adhere at all times to their policies and affiliation agreements as adopted or revised from time to time.

The Arc of Fort Bend County shall send to the state office and National Headquarters such reports, financial information, membership transmittals, etc., that are required and to support the activities of these associations in accordance with their stated policies.

**ARTICLE XII****PARLIAMENTARY AUTHORITY**

*Robert's Rules of Order – Newly Revised* shall govern the conduct of business in all cases in which they are applicable and not in conflict with the Constitution and Bylaws of the Corporation.

**ARTICLE XIII****AMENDMENTS**

These Bylaws may be amended with an affirmative vote of two-thirds (2/3) of those members present at the Annual Meeting or at a special meeting called for the purpose. Any proposed amendment shall have been presented in writing to each member at least three (3) weeks in advance of the meeting at which the vote is to be taken. No proposed amendments shall conflict with policies, positions or requirements of The Arc of Texas and the Arc of the United States. If and to the extent required by the bylaws of The Arc of Texas, all amendments must be approved by The Arc of Texas.

**ARTICLE XIV****INDEMNIFICATION OF DIRECTORS AND OFFICERS**

The Corporation shall have the full power to indemnify and advance or reimburse expenses pursuant to the provisions of the Texas Business Organizations Code to any person entitled to indemnification under the provisions of the Texas Business Organizations Code.

The Corporation shall purchase and maintain insurance or another arrangement on behalf of any person who is or was a member, director, officer, employee, or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, partner, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, employee benefit plan, other enterprise, or other entity, against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person, whether or not the Corporation would have the power to indemnify him or her against that liability. Without limiting the power of the Corporation to procure or maintain any kind of insurance or other arrangement, the Corporation may, for the benefit of persons indemnified by the Corporation, (1) create a trust fund; (2) establish any form of self-insurance; (3) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Corporation; or (4) establish a letter of credit, guaranty, or surety arrangement. The insurance or other arrangement may be procured, maintained, or established within the Corporation or with any insurer or other person deemed appropriate by the Board of Directors regardless of whether all or part of the stock or other securities of the insurer or other person are owned in whole or part by the Corporation. In the absence of fraud, the judgment of the Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive and the insurance or arrangement shall not be voidable and shall not subject the directors approving the insurance or arrangement to liability, on any ground, regardless of whether directors participating in the approval are beneficiaries of the insurance or arrangement.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

This Article constitutes a contract between the corporation and the indemnified officers, directors, and employees. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified officer, director, or employee under this Article shall apply to such officer, director, or employee with respect to those acts or omissions which occurred at any time prior to such amendment or repeal. The corporation shall purchase and maintain liability insurance for such persons to the fullest extent permitted by the Texas Business Organizations Code, as it may be from time to time amended.

These are the current Bylaws approved and adopted by the membership on May 18, 2020.

Signed: \_\_\_\_\_, Chairman  
Charles Huber

Signed: \_\_\_\_\_, Secretary  
Sharon Lee

As Amended: (insert dates of any amendments)

Revised 4/2000	Approved 06/25/07
Approved 6/29/2001	Revised 05/23/12
Revised 4/2003	Approved 06/25/12
Approved 6/23/2003	Revised 05/03/2013
Revised 4/19/2004	Approved 06/24/2013
Approved 6/28/2004	Revised 04/28/2014
Revised 4/18/05	Approved 06/30/2014
Approved 6/16/05	Revised 03/27/2017
Revised 03/20/06	Approved 05/22/2017
Approved 06/26/06	Approved 05/20/2019
Revised 08/31/06	Revised 04/28/2020
	Approved 06/22/2020



## **THE ARC OF FORT BEND COUNTY**

### **CODE OF ETHICS**

#### ***I. Purpose of This Code of Ethics***

The Arc of Fort Bend County's ability to carry out its mission is dependent in part upon its reputation and credibility, which are based on the good judgment, ethical standards and personal integrity of every individual associated with The Arc. As The Arc continues to serve the community, it is paramount that it conduct its activities in an ethical and responsible manner. We can do no less for the people we are helping in Fort Bend County.

#### ***II. Scope of This Code of Ethics Limited to Conflicts Adversely Affecting The Arc***

The board of directors of The Arc recognizes that persons associated with The Arc have outside business, professional, personal and advocacy interests, and may have a wide range of personal beliefs, values and commitments. Such interests, beliefs, values and commitments are a conflict of interest if they prevent individuals associated with The Arc from acting in good faith for the sole benefit of The Arc in matters that may affect The Arc adversely.

#### ***III. Persons to Whom This Code of Ethics Directly Applies***

The Arc's board of directors adopts this Code of Ethics and directly applies it to members of the board of directors, committee members, and staff. A volunteer is covered under this Policy if that person has been granted significant independent decision-making authority with respect to financial or other resources of The Arc. Persons covered under this Policy are hereinafter referred to as "interested parties". It is the responsibility of the interested parties to act honestly, ethically and in a fiscally responsible manner, and to exercise their best skill, care and judgment for the sole benefit of The Arc of Fort Bend County in matters that may adversely affect The Arc.

#### ***IV. Notice of and Application of This Code of Ethics to Others Associated with The Arc***

Periodically but not less than annually, The Arc shall give notice of its policy in this Code of Ethics to other persons associated with The Arc, including volunteers and members of the association who are not "interested parties" as defined above. This notice shall be given by a method reasonably calculated to inform these others of the existence of and general description of this Code of Ethics, and that The Arc expects that persons associated with The Arc will comply with the Code of Ethics. Such notice may be given in the newsletter and may refer to the Code of Ethics that may be inspected at The Arc office, and offer to provide a copy of the Code of Ethics on request. Contractors and consultants who provide goods or services to The Arc shall in any contract or purchase order or similar document agree to comply with The Arc's Code of Ethics, which either shall be attached to the contract or similar document, or the document or

purchase order shall have stamped or typed on it a notice similar to “The Code of Ethics of The Arc of Fort Bend County applies to services provided under this agreement, and a copy will be provided on request.”

***V. Duty to Inform Volunteers Assisting at Events or Programs***

Volunteers of The Arc assisting at events or programs at which The Arc is a sponsor or the sole sponsor shall comply with this Code of Ethics, and it is the duty of The Arc’s employees or staff at such events or programs to ensure that volunteers understand and comply with this Code of Ethics. In the absence of employees or staff of The Arc at such events or programs, the “lead” volunteer or person who coordinated The Arc’s involvement in or sponsorship of the event or program has this duty.

***VI. Policy Adopted***

In adopting this Code of Ethics, it is the established policy of The Arc to prohibit and forbid any unethical behavior or any material conflict of interest by an interested party adversely affecting The Arc.

***VII. Obligation to Act in Good Faith***

Interested parties shall exercise the utmost good faith in all matters touching on their association with The Arc of Fort Bend County and its programs, services and properties. In their dealings with and on behalf of The Arc, interested parties are held to a strict rule of honesty and fair dealing between themselves and The Arc, and shall not use their position or knowledge gained because of the position to create or further a conflict of interest which may affect The Arc adversely.

***VIII. Obligation to Act for the Benefit of The Arc***

All actions of interested parties shall be for the sole benefit of The Arc of Fort Bend County in any dealings that may affect The Arc adversely. Interested parties shall avoid directly or indirectly participating in any discussion, arrangement, agreement, investment or other activity which could result in a personal benefit, or benefit another organization at the expense of The Arc’s interests.

***IX. Prohibition on Soliciting or Accepting Benefits Unless Agreed***

No interested party shall solicit or accept any payments, gifts, loans, services, favors or any other thing of value in the performance or conduct of their association with The Arc from any vendor, contractor, consumer, family member, relative, guardian, volunteer, staff member, employee or other person or entity doing business, seeking to do business, associated with or seeking to be associated with The Arc, excepting only the agreed compensation and benefits received by the interested party as part of a contract or employment agreement or as otherwise permitted under the Conflict of Interest Policy which is hereby incorporated into the Code of Ethics.

## ***X. Required and Prohibited Conduct***

All interested parties shall:

1. Maintain confidentiality regarding consumer, personal, family, member, volunteer, donor and other private or sensitive information and records, including The Arc's business records and information.
2. Refrain from the illegal use of alcohol or use of illegal drugs while on any property or facility of The Arc of Fort Bend County.
3. Refrain from sexual harassment, which includes unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature.
4. Refrain from harassment and/or discrimination against individuals based on race, color, religion, national origin, gender, sexual orientation, marital status, age, veteran status, illnesses or disabilities.
5. Refrain from attempting to influence others with personal or religious beliefs or political advocacy or values unrelated to the mission or goals of The Arc while engaged in the performance of conduct or activities associated with or on behalf of The Arc of Fort Bend County, except that interested parties may be advocates for and attempt to influence others with beliefs or values that are part of the mission and goals of The Arc of Fort Bend County, The Arc of Texas or The Arc of the United States.
6. Refrain from soliciting business from staff or employees of The Arc of Fort Bend County.
7. Refrain from seeking preferential treatment in the operations or activities of The Arc of Fort Bend County, including in employment, client services or business relationships.
8. Refrain from establishing relationships with The Arc of Fort Bend County's clients and their families, and staff and employees, that are intimate, sexual or personal in nature to an extent that impairs the ability of the interested party to objectively perform the activities or tasks for The Arc, or that gives the appearance of providing preferential treatment.
9. Refrain from any illegal or unethical behavior which diminishes an individual's or The Arc's reputation or credibility.
10. Refrain from soliciting, attempting to secure, or securing any compensation or benefit for an immediate family member, other than reimbursement of reasonable out-of-pocket expenses, and refrain from accepting a position as or serving as an officer, director, employee or staff if an immediate family member holds or accepts any of those positions, and for these purposes an "immediate family member" is a spouse, former spouse, parent, stepparent, sibling, stepsibling, child or stepchild; however, it is not a violation of this specific provision for immediate family members to hold positions as committee members or chairs if the first family member holds a position as an officer, director, employee or staff.

## ***XI. Prohibition Against Participation in Actions or Decisions, and Required Disclosure***

No interested party shall participate by discussion, voting or any other action taken by the board of directors or any committee of the board in the adoption of or the defeat of a motion or resolution that relates to any matter with a person or entity for whom the

interested party is utilized as an employee, volunteer, officer, director, trustee, or receives compensation or benefits, or otherwise has a significant interest; except as otherwise permitted under the Conflict of Interest Policy which is hereby incorporated into the Code of Ethics.. In cases in which any such matter may be discussed at a meeting, the interested party shall disclose any such interest promptly, and shall not participate in any vote on such matter even if the presence of the interested party is necessary to constitute a quorum, and at the discretion of the chair of the meeting the interested party shall leave the meeting during discussion and voting on the matter.

***XII. Disclosure of Potential Conflicts Before Beginning Association with The Arc***

All interested parties shall, before beginning or consummating any association or activity or agreement with The Arc of Fort Bend County, make a full disclosure of all facts that may be perceived to violate this Code of Ethics, or may be perceived to be a conflict of interest, to the Audit Committee, a standing committee of the board of directors, so an objective assessment may be made about whether such association or activity violates this Code of Ethics. The Arc of Fort Bend County maintains a Conflicts of Interest policy which is hereby incorporated into the Code of Ethics.

***XIII. Acknowledgement of Receipt of Code of Ethics***

Each interested party shall, initially upon beginning an association with The Arc of Fort Bend County and then annually, sign an acknowledgment of receipt of a copy of this Code of Ethics with a full disclosure of all facts known to them which may be perceived to be a violation of this Code of Ethics so an objective assessment may be made before beginning the association with The Arc and periodically during the association.

***XIV. Procedure for Determination of Conflicts and Enforcement of Code of Ethics***

The Audit Committee of The Arc of Fort Bend County, a standing committee of the board of directors, shall at the first reasonable opportunity following the receipt of information about any perceived violation of this Code of Ethics or any perceived conflict of interest that may adversely affect The Arc, review and investigate that information so an objective assessment may be made as to whether The Arc is adversely interested, and then report its findings and any recommendations to the board of directors of The Arc so that the board may take such action as it may deem appropriate.

This Code of Ethics was adopted by the board of directors of The Arc of Fort Bend County on May 19, 2003.

This Code of Ethics was amended or revised on: August 16, 2010, \_\_\_\_\_,  
\_\_\_\_\_.

**THE ARC OF FORT BEND COUNTY  
ACKNOWLEDGMENT OF RECEIPT OF CODE OF ETHICS**

I acknowledge receipt of a copy of the Code of Ethics of The Arc of Fort Bend County adopted by its Board of Directors.

I wish to report that to the best of my knowledge, information and belief, I am not currently involved in a matter that might be construed as placing me in possible violation of the Code of Ethics of The Arc of Fort Bend County as applied to its programs and services, and/or its properties except for the matters I am disclosing below so an objective assessment may be made about whether a conflict of interest actually exists. I also understand I have a continuing obligation to disclose matters that might possibly violate the Code of Ethics that arise during the course of my involvement or activities with The Arc of Fort Bend County, again so an objective assessment may be made about whether a conflict of interest exists. I am describing here any matters that currently exist (describe or enter "none"):

I am a (check all that apply):

Current officer or member of the board of directors: ☐Yes ☐No

May serve on the board of directors: ☐Yes ☐No

Current or potential committee chair or member: ☐Yes ☐No

Current staff/employee: ☐Yes ☐No

Applying for employment: ☐Yes ☐No

Other (describe) \_\_\_\_\_: ☐Yes ☐No

I shall report any new matters under my continuing disclosure obligation to The Arc of Fort Bend County.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **The Arc of Fort Bend County Conflict of Interest Policy**

### **I. Application of Policy**

This Conflict of Interest Policy (the “Policy”) applies to board members, staff and certain volunteers of The Arc of Fort Bend County (“The Arc”). A volunteer is covered under this Policy if that person has been granted significant independent decision-making authority with respect to financial or other resources of The Arc. Persons covered under this Policy are hereinafter referred to as “interested parties.”

### **II. Conflicts of Interest**

A conflict of interest may exist when the interests or concerns of an interested party may be seen to be competing with the interests or concerns of The Arc. There are a variety of situations which raise conflict of interest concerns including, but not limited to, the following:

**Financial Interests** - A conflict may exist where an interested party, or a relative or business associate of an interested party, directly or indirectly benefits or profits as a result of a decision made or transaction entered into by The Arc. Examples include situations where:

- The Arc contracts to purchase or lease goods, services, or properties from an interested party, or a relative, or business associate of an interested party;
- The Arc purchases an ownership interest in or invests in a business entity owned by an interested party, or by a relative or business associate of an interested party;
- The Arc offers employment to an interested party, or a relative, or business associate of an interested party, other than a person who is already employed by the organization;
- an interested party, or a relative or business associate of an interested party, is provided with a gift, gratuity or favor, of a value in excess of \$100.00, from a person or entity which does business, or seeks to do business, with The Arc; or
- an interested party, or a relative or business associate of an interested party, is gratuitously provided use of the facilities, property, or services of The Arc.

**Other Interests** - A conflict may also exist where an interested party, or a relative or business associate of an interested party, obtains a non-financial benefit or advantage that they would not have obtained absent their relationship with The Arc, or where their duty or responsibility owed to The Arc conflicts with a duty or responsibility owed to some other organization. Examples include where:

- an interested party seeks to obtain preferential treatment by The Arc for himself, or a relative, or business associate;

- an interested party seeks to make use of confidential information obtained from The Arc for their own benefit, or for the benefit of a relative, business associate, or other organization; or
- an interested party seeks to take advantage of an opportunity, or enable a relative, business associate or other organization to take advantage of an opportunity, which they have reason to believe would be of interest to The Arc.

### **III. Disclosure of Actual or Potential Conflicts of Interest**

An interested party is under a continuing obligation to disclose any actual or potential conflict of interest as soon as it is known, or reasonably should be known. This obligation extends to any circumstance in which the perception of a conflict of interest might be created.

An interested party shall complete the Conflict of Interest Questionnaire, in the form attached hereto, to fully and completely disclose the material facts about any actual or potential conflicts of interest. The Conflict of Interest Questionnaire shall be completed upon their association with the organization, and shall be updated annually thereafter. An additional disclosure statement shall be filed at such time as an actual or potential conflict arises.

For board members, the Conflict of Interest Questionnaires shall be provided to the Chairman of the Audit Committee of The Arc, or in the case of the Audit Committee Chairman's Conflict of Interest Questionnaire, it shall be provided to the Chairman of the Board. Copies shall also be provided to the Executive Director of The Arc.

In the case of staff or volunteers with significant decision-making authority, the Conflict of Interest Questionnaires shall be provided to the Executive Director of The Arc, or in the case of the Executive Director's Conflict of Interest Questionnaire, it shall be provided to the Chairman of the Board.

The Secretary of the Board of Directors shall file copies of all Conflict of Interest Questionnaires with the official corporate records of The Arc.

### **IV. Procedures for Review of Actual or Potential Conflicts - Generally**

Whenever there is reason to believe that an actual or potential conflict of interest exists between The Arc and any board member, the Audit Committee will recommend to the Board of Directors the appropriate organizational response. This shall include, but not necessarily be limited to, invoking the procedures described in Section V, below, with respect to a specific proposed action or transaction.

Where the actual or potential conflict involves an interested party (other than a board member) other than the Executive Director, the Executive Director shall, in the first instance, be responsible for reviewing the matter and may take appropriate action as necessary to protect the interests of The Arc. The Executive Director shall report to the Chairman of the Audit Committee of the Board of Directors the results of any review and the action taken. The Chairman of the Audit Committee, in consultation with the Chairman of the Board of Directors of The Arc, shall determine if any further board review or action is required.

## **V. Procedures for Addressing Conflicts of Interest - Specific Transactions**

Where an actual or potential conflict exists between the interests of The Arc and an interested party with respect to a specific proposed action or transaction, The Arc shall refrain from the proposed action or transaction until such time as the proposed action or transaction has been approved by the disinterested members of the board of directors of The Arc. The following procedures shall apply:

- An interested party who has an actual or potential conflict of interest with respect to a proposed action or transaction of The Arc shall not participate in anyway in, or be present during, the deliberations and decision-making of The Arc with respect to such action or transaction. The interested party may, upon request, be available to answer questions or provide material factual information about the proposed action or transaction.
- The disinterested members of the board of directors may approve the proposed action or transaction upon finding that it is in the best interests of The Arc. The board shall consider whether the terms of the proposed transaction are fair and reasonable to the organization and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a party or entity that is not an interested party.
- Approval by the disinterested members of the board of directors shall be by vote of a majority of directors in attendance at a meeting at which a quorum is present. An interested party shall not be counted for purposes of determining whether a quorum is present, nor for purposes of determining what constitutes a majority vote of directors in attendance.
- The minutes of the meeting shall reflect that the conflict disclosure was made, the vote taken and, where applicable, the abstention from voting and participation by the interested party.

## **VI. Violations of Conflict of Interest Policy**

If the board of directors has reason to believe that an interested party has failed to disclose an actual or potential conflict of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the interested party and making such further investigation as may be warranted in the circumstances, the board determines that the interested party has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **VII. Public Concerns over Conflicts of Interest.**

It is the policy of The Arc to be transparent in all matters concerning actual or perceived conflicts of interest. To that end, The Arc welcomes enquiries from anyone having dealings with or an interest in The Arc on any matter involving conflicts of interest. Such enquiries are to be referred to the Executive Director of The Arc or to any board member.

This Conflict of Interest Policy was adopted by the board of directors of The Arc of Fort Bend County on September 20, 2010.



**The Arc of Fort Bend County  
Conflict of Interest Policy**

**Annual Affirmation of Compliance and Conflict of Interest Questionnaire**

I have received and carefully read the Conflict of Interest Policy for board members, staff and volunteers of The Arc of Fort bend County ("The Arc"). and have considered not only the literal expression of the policy, but also its intent. By signing this affirmation of compliance, I hereby affirm that I understand and agree to comply with the Conflict of Interest Policy. I further understand that The Arc is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Except as otherwise indicated in the Conflict of Interest Questionnaire and attachments, if any, below, I hereby state that I do not, to the best of my knowledge, have any conflict of interest that may be seen as competing with the interests of The Arc, nor does any relative or business associate have such an actual or potential conflict of interest.

If any situation should arise in the future which I think may involve me in a conflict of interest, I will promptly and fully disclose the circumstances to the Chairman of the Board of Directors of The Arc or to the Executive Director, as applicable.

I further certify that the information set forth in the Conflict of Interest Questionnaire and attachments, if any, is true and correct to the best of my knowledge, information and belief.

Name (please print): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Conflict of Interest Questionnaire

Please complete the questionnaire, below, indicating any actual or potential conflicts of interest. If you answer “yes” to any of the questions, please provide a written description of the details of the specific action or transaction in the space allowed. Attach additional sheets as needed.

**Financial Interests** - A conflict may exist where an interested party, or a relative or business associate of an interested party, directly or indirectly benefits or profits as a result of a decision made or transaction entered into by The Arc.

Please indicate, during the past 12 months:

1. Has The Arc contracted to purchase or lease goods, services, or property from you, or from any of your relatives or business associates? No\_\_\_ Yes\_\_\_

*If yes, please describe:*

2. Has The Arc purchased an ownership interest in or invested in a business entity owned by you, or owned by any of your relatives or business associates? No\_\_\_ Yes\_\_\_

*If yes, please describe:*

3. Has The Arc offered employment to you, or to any of your relatives or business associates, other than a person who was already employed by The Arc? No\_\_\_ Yes\_\_\_

*If yes, please describe:*

4. Have you, or have any of your relatives or business associates, been provided with a gift, gratuity or favor, valued in excess of \$100.00, from a person or entity which does business, or seeks to do business, with The Arc? No\_\_\_ Yes\_\_\_

*If yes, please describe:*

5. Have you, or any of your relatives or business associates, been gratuitously provided use of the facilities, property, or services of The Arc? No\_\_\_ Yes\_\_\_

*If yes, please describe:*

*-[add additional examples, if any]*

**Other Interests** - A conflict may also exist where an interested party, or a relative or business associate of an interested party, obtains a non-financial benefit or advantage that he would not have

obtained absent his/her relationship with The Arc, or where his/her duty or responsibility owed to The Arc conflicts with a duty or responsibility owed to some other organization.

Please indicate if at anytime during the past twelve months:

6. Did you obtain preferential treatment by The Arc for yourself, or for any of your relatives or business associates? No\_\_ Yes\_\_

*If yes, please describe:*

7. Did you make use of confidential information obtained from The Arc for your own benefit, or for the benefit of a relative, business associate, or other organization? No\_\_ Yes\_\_

*If yes, please describe:*

8. Did you take advantage of an opportunity, or enable a relative, business associate or other organization to take advantage of an opportunity, which you had reason to believe would be of interest to The Arc? No\_\_ Yes\_\_

*If yes, please describe:*

*-[add additional examples if any]*