

BY-LAWS

ARTICLE I PLACE OF BUSINESS

The name and address of the registered office of the corporation shall be:

ProAct, Inc.
3195 Neil Armstrong Blvd.
Eagan, MN 55121

The corporation may have such additional offices within the State of Minnesota, or other states, as may be from time to time determined by the Corporation.

ARTICLE II MEMBERSHIP

SECTION 2.1 Members The members of the Board of Directors of the corporation shall be the only members of the corporation and such persons shall have voting rights only as Directors. No immediate family member of an agency employee shall be eligible for membership to the Board of Directors except for individuals receiving services. The President/Chief Executive Officer is considered an Ex- Officio member and does not act as a voting member.

SECTION 2.2. Eligibility Any adult with a strong commitment to the mission of the agency shall be considered as a candidate for Director openings upon receipt of a letter requesting consideration.

SECTION 2.3. Property Rights No member shall have any right, title or interest in or to any property of the corporation.

ARTICLE III BOARD OF DIRECTORS

SECTION 3.1 Number of Directors The government of the corporation and the management of its affairs and property shall be vested in a Board of Directors of no less than nine (9) or more than fifteen (15) directors with the number to be determined from time to time by the Board of Directors. The term of office of each member of the board shall be for three (3) years, measured from the first day of the fiscal year with no more than five (5) director terms expiring at the end of any one fiscal year. Directors of this corporation shall be elected by a majority vote of the directors present at a meeting of the Board of Directors duly called for such purpose. Any vacancy occurring because of the death, resignation or removal of a director, or because of an increase in the number of members of the Board of Directors, shall be filled by the remaining directors for the unexpired term of such director. For terms commencing after July 1, 2020, no Director shall be eligible to serve more than three full consecutive terms.

SECTION 3.2 Removal Any member of the Board may be removed by a two-thirds (2/3) vote of the Board for neglect of duty, misconduct, or malfeasance after being given written statement of charges and an opportunity to be heard. The Board of Directors shall review attendance records of the Board members periodically. All directors who fail to attend three (3) consecutive regular Board meetings or accumulate four (4) unexcused absences in a twelve (12) month period, shall be required to provide to the board an explanation of his/her intent.

SECTION 3.3 Meetings Meetings of the Board of Directors, except such as are required by law to be transacted at the registered office, may be held at such place or places within the State of Minnesota as may be from time to time determined. The Board of Directors shall also have authority to fix regular meetings of the Board. There shall be a minimum of four Board meetings held in any given year. Special meetings of the Directors may be held at any time upon call of the Chairperson or any two (2) members of the Board of Directors.

SECTION 3.4. Notice Notice of all meetings of the Board of Directors shall be given by the Secretary or his/her designee to each Director by mail, telephone, or email, not less than two (2) business days prior to the date of the meeting.

SECTION 3.5 Quorum A number equal to thirty-three percent (33%) of the Board of Directors shall constitute a quorum at all Directors' meeting, but the directors present at any meeting, although less than a quorum, may adjourn the meeting from time to time. At all meetings of the Board of Directors, each director shall be entitled to cast one vote on any question coming before the meeting. A majority vote of the directors present at any meeting, if there be a quorum, shall be sufficient to transact any business, unless a greater number of votes is required by law or these Bylaws. A director shall not appoint a proxy for himself or herself or vote by proxy at a meeting of the Board of Directors. A director who is present at a meeting of the Board of Directors when an action is taken is presumed to have assented to the action unless the director votes against the action or is prohibited from voting on the action.

SECTION 3.6 Adjourned Meetings. When a meeting of the Board of Directors is adjourned to another time or place, notice of the adjourned meeting need not be given other than by announcement at the meeting at which adjournment is taken.

SECTION 3.7 Written Action. Any action that could be taken at a meeting of the Board of Directors may be taken by written action signed by all of the directors.

SECTION 3.8 Director Conflicts of Interest. This corporation shall not enter into any contract or transaction with (a) one or more of its directors, (b) a director of a related organization (within the meaning of Minnesota Statutes, section 317A.011, subd. 18), or (c) an organization in or of which a director is a director, officer or legal representative or has a material financial interest; unless the material facts as to the contract or transaction and as to the director's interest are fully disclosed or known to the Board of Directors, and the Board of Directors authorizes, approves, or ratifies the contract or transaction in good faith by the affirmative vote of a majority of the directors (without counting the interested director), at a meeting at which there is a quorum without counting the interested director. Failure to comply with the provisions of this Section 3.8 shall not invalidate any contract or transaction to which this corporation is a party. This Section does not authorize any act of "self-dealing" as defined in Section 4941 (a) of the Internal Revenue Code of 1986.

SECTION 3.9 Duties of the Board of Directors The duties of the Board of Directors shall include, but not be limited to, the following:

- a. Accept ultimate legal authority for the agency.
- b. Establish a clear mission for the organization.
- c. Formulate a strategic plan to accomplish the mission.
- d. Hire a competent President/Chief Executive Officer and support that individual in the position.
- e. Ensure a fair system of policies and procedures for human resource management.
- f. Commission, receive, and act upon an annual audit.
- g. Establish an effective structure, with active appropriate committees to meet the agency's functions and needs.
- h. Review its own make-up to ensure representation of all appropriate constituencies and skills.
- i. Evaluate the performance of the President/Chief Executive Officer.
- j. Take appropriate corrective action in all of the above.

ARTICLE IV OFFICERS

SECTION 4.1 Election of Officers The officers shall be elected by the Board of Directors at the first full Board meeting of the new fiscal year. The officers of this corporation shall be a Chairperson, a Vice Chairperson, a Secretary, a Treasurer and such other officers as the Board of Directors may from time to time designate. Officers shall be elected by the Board of Directors to serve for terms of one year and until their respective successors are chosen and have qualified. Any officer may at any time be removed by the Board of Directors with or without cause. The same person may hold more than one office at the same time, except the offices of Chairperson and Vice Chairperson.

SECTION 4.2. Chairperson The Chairperson, or, in his/her absence the Vice Chairperson, shall preside at all meetings of the Board of Directors. The Chairperson, under the direction of the Board of Directors, shall have general charge of the business of the corporation. The Chairperson shall execute on behalf of this corporation, or such other persons as may be designated by the Board of Directors shall execute, all contracts, deeds, conveyances and other instruments in writing which may be required or authorized by the Board of Directors for the proper and necessary transaction of the business of this corporation.

SECTION 4.3. Vice Chairperson The Vice Chairperson shall have such powers and shall perform such duties as may be assigned by the Board of Directors. In the absence of the Chairperson or the inability of the Chairperson to act, the Vice Chairperson shall have the powers herein delegated to the Chairperson.

SECTION 4.4. Secretary The Secretary shall insure that a record of all meetings of the Board of Directors and Executive Committee are kept and shall review and approve the same and if requested, furnish copies of the minutes of each meeting to the members of the Board of Directors. The Secretary shall perform such other duties as may be assigned to the Secretary in the Articles of Incorporation or by the Board of Directors.

SECTION 4.5 Treasurer The Treasurer shall be the Chair of any Finance Committee and establish policy for the custody of the funds and property of the corporation, and when necessary and proper, shall endorse for payment or collection on behalf of the corporation, checks and notes that the Board of Directors may designate. He/she shall establish policy to keep a full and accurate account of all receipts and disbursements of the corporation. He/she shall have signature authority to sign receipts, and issue checks and vouchers for the corporation.

ARTICLE V COMMITTEES

SECTION 5.1. Committees The Board of Directors may use Standing Committees and Advisory Committees to make decisions when necessary to carry out operations, review information, analyze alternatives and make recommendations to the Board related to legally binding agreements or contracts. Each such committee shall have such duties and responsibilities as are granted to it from time to time by the Board of Directors. Each such committee shall at all times be subject to the control and direction of the Board of Directors. Membership of Standing Committees shall be primarily Board members supported by staff, consultants, and advisors as deemed necessary. Membership of Advisory Committees shall vary depending on the function of the Committee. The Committee membership shall be Board members, staff, or volunteers. Specific duties of the Board Committees shall be established by the Board of Directors.

SECTION 5.2 Executive Committee The Board of Directors may designate an Executive Committee composed of at least three directors. The Executive Committee shall have the authority of the Board of Directors in the management of the business of this corporation in the interval between meetings of the Board of Directors. The Executive Committee shall at all times be subject to the control and direction of the Board of Directors.

SECTION 5.3 Finance Committee The Board of Directors may designate a Finance Committee composed of the Treasurer and two directors. The Treasurer will be the Chairperson of the Finance Committee. The Finance Committee shall have the authority of the Board of Directors in the management of business of this corporation relating to audits in the interval between meetings of the Board of Directors. The Finance Committee shall at all times be subject to the control and direction of the Board of Directors.

SECTION 5.4 Meetings and Voting Meetings of each committee may be held at such time and place as are announced at a previous meeting of the committee. Meetings of any committee may also be called at any time by the chair of the committee or by the Chairperson of the Board of

Directors, on at least five days' notice by mail, or two days' oral notice by telephone or in person. Appearance at a meeting is deemed to be a waiver of notice unless the committee member objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and the committee member does not participate in the meeting. At all meetings of a committee of this corporation each member thereof shall be entitled to cast one vote on any question coming before such meeting. The presence of a majority of the membership of any committee of this corporation shall constitute a quorum at any meeting thereof, but the members of a committee present at any such meeting, although less than a quorum, may adjourn the meeting from time to time. A majority vote of the members of a committee of this corporation present at any meeting thereof, if there be a quorum, shall be sufficient for the transaction of the business of such committee. Any action that could be taken at a committee meeting may be taken by written action signed by all members of the committee.

ARTICLE VI PRESIDENT/CHIEF EXECUTIVE OFFICER

The Board of Directors shall hire a President/CEO who shall be the Chief Executive Officer and delegate to such President/CEO the duties necessary to manage and direct the agency in accordance with Board's policies, procedures, and directives.

ARTICLE VII DISTRIBUTION OF ASSETS UPON DISSOLUTION

Upon dissolution of the corporation and after payment of all costs and expenses incidental thereto, and payment of all liabilities and obligations of the corporation, the assets remaining shall not be diverted from the use or purpose of this corporation, but shall be transferred or conveyed to one or more organizations which are exempt under Section 501(c)(3) of the Internal Revenue Code, or shall be transferred or conveyed to the State of Minnesota for a public purpose as designated by the Board of Directors.

ARTICLE VIII AMENDMENTS TO BY LAWS

The Board of Directors of this Corporation may make, adopt, and alter the By-laws of this Corporation. An addition or amendment to the By-laws shall occur in the following sequence:

- a. A proposed addition or amendment shall be presented as a "first reading" at any meeting of the Board of Directors.
- b. The proposed change is made available to all persons requesting a copy.
- c. Vote for adoption shall occur at a second meeting of the Board of Directors held at least a full two weeks after the meeting at which the first reading occurred.
- d. All changes must pass by two-thirds majority vote with the allowance of electronic voting.

ARTICLE IX INDEMNIFICATION

To the full extent permitted by any applicable law, this corporation shall indemnify each person made or threatened to be made a party to any threatened, pending or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of this corporation, by reason of the former or present capacity of the person as -

- (a) a director, officer, employee or member of a committee of this corporation or,
- (b) a director, officer, partner, trustee, employee or agent of another organization or employee benefit plan, who while a director, officer or employee of this corporation, is or was serving the other corporation at the request of this corporation or whose duties as a director, officer or employee of this corporation involve or involved such service to the other corporation,

against judgments, penalties, fines (including, without limitation, excise taxes assessed against the person with respect to an employee benefit plan), settlements, and reasonable attorneys' fees and disbursements, incurred by the person in connection with the proceeding.

Indemnification provided by this section shall continue as to a person who has ceased to be a director, officer, employee or committee member, shall inure to the benefit of the heirs, executors and administrators of such person and shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this section. Any indemnification realized other than under this section shall apply as a credit against any indemnification provided by this section.

This corporation may, to the full extent permitted by applicable law from time to time in effect, purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or a member of a committee of this corporation against any liability asserted against such person and incurred by such person in any such capacity.

ARTICLE X MISCELLANEOUS

SECTION 10.1 Fiscal year Unless otherwise fixed by the Board of Directors, the fiscal year of this corporation shall begin on July 1st and end on the succeeding June 30th.

SECTION 10.2 Corporate seal This corporation shall have no seal.

SECTION 10.3 Electronic communications A director or committee member may participate in a meeting by any means of communication through which such person, other persons so participating, and all persons physically present at the meeting may simultaneously hear each

other during the meeting. Participation in a meeting by that means constitutes presence in person at the meeting. A conference among directors or committee members by any means of communication through which such persons may simultaneously hear each other during the conference is a meeting of the Board of Directors or committee, as the case may be, if the same notice is given of the conference as would be required for a meeting, and if the number of persons participating in the conference would be sufficient to constitute a quorum at a meeting. Participation in a meeting by that means constitutes presence in person at the meeting.

SECTION 10.4 Authority to Borrow, Encumber Assets No director, officer, agent or employee of this corporation shall have any power or authority to borrow money on its behalf, to pledge its credit or to mortgage or pledge its real or personal property except within the scope and to the extent of the authority delegated by resolutions adopted from time to time by the Board of Directors. Authority may be given by the Board of Directors for any of the above purposes and may be general or limited to specific instances.

SECTION 10.5 Deposit of Funds All funds of this corporation shall be deposited from time to time to the credit of this corporation in such banks, trust companies or other depositories as the Board of Directors may approve or designate, and all such funds shall be withdrawn only in the manner or manners authorized by the Board of Directors from time to time.

**ARTICLE XI
PARLIAMENTARY PROCEDURE**

The parliamentary procedure known as "Roberts Rules of Order" shall be the governing authority for meetings of the Board of Directors.

These By Laws have been adopted by the Board of Directors following the second reading thereof on this 4th day of June, 2024.

DocuSigned by:

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Secretary

6/27/2024
Date