

BYLAWS OF
NORTH COUNTY TEEN COURT
an Illinois Not For Profit Corporation

ARTICLE I
GOVERNING LAWS

1.01 Introductory Definition of Bylaws

These Bylaws constitute the code of rules adopted by **NORTH COUNTY TEEN COURT** (the “Corporation”) for the regulation and management of its affairs.

1.02 Purposes and Powers

The Corporation shall have such purposes or powers as stated in its Articles of Incorporation. The Corporation shall also have such powers as are now or may be granted hereafter by the General Not For Profit Corporation Act of the State of Illinois, as amended from time to time (the “Act”), or any successor legislation; provided that such powers may be exercised only in furtherance of the purposes of the Corporation as stated in its Articles of Incorporation and consistent with its status as a corporation described in Section 501(c)(3) of the Internal Revenue Code, as from time to time amended (the “Code”).

The Corporation is organized to operate exclusively for civic, charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law) and, more specifically, to operate a community-based youth program focusing on prevention of violent crime and, through involvement of police agencies and adult-citizen volunteers, promotion of community and school safety for the benefit of the public welfare.

ARTICLE II
OFFICES AND AGENT

2.01 Offices

The Corporation shall have and continuously maintain a Registered Office in the State of Illinois and a Registered Agent at such office. In addition, the Corporation may maintain other offices either within or without the State of Illinois.

ARTICLE III
MEMBERSHIP

3.01 No Members

The Corporation shall not have members.

3.02 Effect of Prohibition.

Any action which by statute would require notice to, the presence of, or the vote, consent, approval or other action by the members shall only require notice to, the presence of, or the vote, consent, approval or other action by the Board of Directors.

3.03 Associates

Nothing in this Article III shall be construed as limiting the right of the Corporation to refer to persons associated with it as “members,” even though such persons are not members, and no such reference shall constitute anyone a member, within the meaning of Section 101.80 of the Act or corresponding section of any subsequent law. The Corporation may confer by amendment of these Bylaws some or all of the rights of a member as set forth in the Act on any person or persons who do not have the right to vote on changes to the Corporation’s Articles of Incorporation, or on a merger, consolidation, or dissolution of the Corporation, or on a distribution of the Corporation’s assets, or on a sale, lease, exchange or mortgage of assets, but no such person shall be a member within the meaning of Section 101.80 of the Act.

ARTICLE IV DIRECTORS

4.01 General Powers

The affairs of the Corporation shall be managed by or under the direction of the Board of Directors which shall be the governing body of the Corporation. The Board of Directors, in addition to the powers, authority and duties that may be granted or imposed by the Articles of Incorporation of the Corporation or elsewhere in these Bylaws, shall have all the powers, authority and duties prescribed or imposed by the Act for corporations organized under the Act which have no members. No Director may act by proxy on any matter. The Board of Directors may delegate functions to officers, employees, committees or others but retains full authority over, and responsibility for, all such functions.

4.02 Number of Directors

The number of Directors of the Corporation shall not be fewer than ten (10) at any time, nor more than seventeen (17). The number of Directors may be changed from time to time by amendment of these Bylaws, however the maximum number of Directors may not exceed the minimum number by more than seven (7) at any time, and the minimum number of Directors may never be fewer than seven (7).

4.03 Qualifications of Director

Each Director must be eighteen (18) years old. A Director need not be a resident of Illinois.

4.04 Terms of Directors

At each annual meeting, Directors shall be elected for concurrent one year terms. Each Director will hold office for the term for which elected and until a successor has been elected and qualified.

4.05 Registration of Directors

A Director may resign at any time by written notice delivered to the Board of Directors, the President or Secretary of the Corporation. A resignation is effective when the notice is delivered unless the notice specifies a certain date. The pending vacancy may be filled before the effective date, but the successor shall not take office prior to such effective date.

4.06 Removal of Director

A Director may be removed by the affirmative vote of a majority of the Directors then in office present and voting at a meeting of the Board of Directors at which a quorum is present.

4.07 Vacancies in the Board

Any vacancy occurring in the Board of Directors, or any directorship to be filled by reason of an increase in the number of Directors, shall be filled by a majority of the Directors then in office. The new Director so elected to fill the vacancy shall serve for the unexpired term of his or her predecessor in office, or until the next annual meeting. The nomination for a Director will be made by the Directors in Office.

4.08 Quorum of Directors

A majority of Directors then in office shall constitute a quorum. If less than such a majority is present at a meeting, a majority of the Directors present at a meeting may adjourn the meeting to another time without further notice. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Articles of Incorporation or these Bylaws.

4.09 Place of Directors' Meetings

Meetings of the Board of Directors, regular or special, will be held at the registered office of the Corporation or at any other place within or without the State of Illinois, as the President designates by written notice to the Board of Directors or as the Board of Directors designates by resolution duly adopted.

4.10 Notice of Directors' Meeting

- (a) Meetings of the Board of Directors will be held upon written notice to the Board of Directors from the President, or as the Board of Directors designates by resolution duly adopted, stating the place, day and hour of such meeting. Written notice will be delivered to each Director not less than five (5) nor more than thirty (30) days before the day of the meeting, either personally, by mail or by email. If mailed, such notice will be deemed delivered when deposited in the United States mail, postage prepaid, addressed to the Directors at the addresses as they appear in the records of the Corporation.
- (b) Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, except that no special meeting of Directors may remove a Director unless written notice of the proposed removal is delivered to all Directors at least twenty days (20) prior to such meeting.

4.11 Directors' Meetings

The annual meeting of the Board of Directors shall be held on a date before the last day in January each year. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings without other notice. The Board of Directors will accept resignations, and nominate new Directors to fill vacancies. The election of officers for the coming year will take place at this meeting.

A special meeting of the Board of Directors may be called either by the President or any two members of the Board of Directors.

4.12 Committees of the Board

- (a) The Board of Directors may create one or more committees and appoint Directors, or such other persons as the Board may designate, to serve on a committee. Each committee shall have two or more Directors, a majority of its membership shall be Directors, and all committee members shall serve at the pleasure of the Board.
- (b) Unless the appointment by the Board requires a greater number, a majority of any committee shall constitute a quorum, and a majority of committee members present and voting at a meeting at which a quorum is present is necessary for committee action. A committee may act by unanimous consent in writing without a meeting and the committee by majority vote of its members shall determine the time and place of meetings and the notice required therefore.
- (c) The Board may delegate to a committee specific and prescribed authority of the Board and each committee may exercise the authority of the Board provided, however, a committee may not:
 - (1) Adopt a plan for the distribution of the assets of the Corporation, or for its dissolution;
 - (2) Fill vacancies on the Board or any of its committees;
 - (3) Elect, appoint or remove any Officer or Director or member of any committee, or fix compensation of any member of a committee;
 - (4) Adopt, amend or repeal these Bylaws or the Articles of Incorporation of this Corporation;
 - (5) Adopt a plan of merger or adopt a plan of consolidation with another corporation, or authorize the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the Corporation: or
 - (6) Amend, alter, repeal or take action inconsistent with any resolution or action of the Board of Directors unless the resolution or action of the Board of Directors provides by its terms that it may be amended, altered or repealed by action of a committee.
- (d) The Board of Directors may create and appoint persons to a commission, advisory body or other such body which may or may not have Directors as members, which body may not act on behalf of the Corporation or bind it to any action but may make recommendations to the Board of Directors or to the officers.

4.13 Informal Action

Any action required to, or which may, be taken at a meeting of the Board of Directors or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors and all off any non-director committee members entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be.

The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more Directors or committee members. All the approvals evidencing the consent shall be delivered to the Secretary to be filed in the corporate records. The action taken shall be effective when all the Directors or the committee members, as the case may be, have approved the consent unless the consent specifies a different effective date.

Any such consent signed by all the Directors or all the committee members, as the case may be, shall have the same effect as a unanimous vote and may be stated as such in any document filed with the Secretary of State under the Act.

ARTICLE V OFFICERS

5.01 Roster of Officers

The Officers of the Corporation will consist of the following:

- (a) An Executive Director (hereinafter also referred to as “President”)
- (b) A Deputy Director (hereinafter also referred to as “Vice Presidents”) and such number of Vice President(s) as the Board shall determine;
- (c) a Treasurer;
- (d) a Secretary; and
- (e) such other Officers as the Board shall determine.

Two or more officers may be held by the same person, except one person may not serve simultaneously as President and Secretary.

5.02 Selection of Officers

Each of the Officers of the Corporation shall be elected annually by the Board of Directors. Each Officer shall be a member of the Board of Directors and will remain in office until a successor to such office has been elected or qualified. Such election will take place at the annual meeting of the Board of Directors in January each year.

5.03 President

The President shall be Chief Executive Officer of the Corporation and, subject to the direction and control of the Board of Directors, shall have general and active management of the affairs of the Corporation. The President shall see that all orders, resolutions and directives of the Board of Directors are carried into effect, except in those instances in which that responsibility is assigned to some other person by the Board of Directors. The President shall execute the bonds, mortgages and other contracts requiring a seal under the seal of the Corporation. He or she shall have general superintendence of all other Officers of the Corporation and shall see that their duties are properly performed, except in those instances in which the authority to execute is expressly delegated to another Officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board of Directors or these Bylaws. The President shall from time to time report to the Board of Directors all matters within his or her knowledge which the interests of the Corporation may require to be brought to their notice. The President shall also perform such other duties as may be assigned from time to time by the Board of Directors.

5.04 Vice Presidents

The (or one of the) Vice President(s) elected by the Board of Directors will perform all duties and exercise all powers of the President when the President is absent or otherwise unable to act. In addition, the Vice President(s) will perform such other duties as may be prescribed from time to time by the Board of Directors.

5.05 Secretary

The Secretary will keep minutes of all meetings of the Board of Directors, will be the custodian of the corporate records, and generally will perform all other duties incident to such office and such other duties as may be prescribed from time to time by the Board of Directors. In addition, the Secretary shall have the authority to certify the Bylaws, resolutions of the Board of Directors and committees thereof, and other documents of the Corporation as true and correct copies thereof.

5.06 Treasurer

The Treasurer will have charge and custody of all funds of the Corporation, will deposit the funds as required by the Board of Directors, will keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, will render reports and accountings to the Directors as required by the Board and, generally, will perform all duties as may be provided in these Bylaws or as may be prescribed from time to time by the Board of Directors.

5.07 Removal of Officers

Any Officer may be removed by an affirmative vote of a majority of the Board of Directors then in office, exclusive of such Officer, with or without cause, whenever in their judgment the best interest of the Corporation will be served by such removal.

ARTICLE VI INDEMNIFICATION OF EMPLOYEES AND AGENTS

6.01 Claim Brought By Third Party

The Corporation may indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner in which he or she reasonably believed to be in or not opposed to the best interest of the Corporation or, with respect to any criminal action or proceeding that the person had reasonable cause to believe that his or her conduct was unlawful.

** A plea by which a defendant in a criminal prosecution accepts conviction as though a guilty plea had been entered but does not admit guilt.*

6.02 Claim By or in the Right of the Corporation

The Corporation may indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as an employee or agent to another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Corporation, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall be adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

6.03 Successful Defense

To the extent that a present or former director, officer, employee or agent of the Corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 6.01 or 6.02 of these Bylaws, or in the defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith; if that person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Corporation.

6.04 Determination of Conduct

Any indemnification under Section 6.01 or 6.02 of these Bylaws (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in said Section 6.01 or 6.02. Such determination shall be made by a majority vote of the Board of Directors who were not parties to such action, suit or proceeding, even though less than a quorum, and if there are no such Directors, by independent legal counsel.

6.05 Insurance

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against liability under the provisions of this Article VI.

ARTICLE VII OPERATIONS

7.01 Fiscal Year

For accounting, tax and related purposes, the Corporation shall operate, and its records shall end, on December 31 of each year.

7.02 Execution of Documents

Except as otherwise provided by law, checks, drafts, promissory notes, orders of the payment of money and other evidences of indebtedness of the Corporation in an amount in excess of five-hundred dollars (\$500.00) and contracts, leases or other instruments executed in the name of and on behalf of the Corporation will be signed by at least two of the Officers of the Corporation.

7.03 Books and Records

The Corporation will keep correct and complete books and records of account and will also keep minutes of the proceedings of its Board of Directors and any committee of the Board of Directors, which books, records of account and minutes shall be kept at the Corporation's principal office or at such other place as the Board of Directors shall from time to time determine.

7.04 Inspection of Books and Records

All books and records of the Corporation may be inspected by a Director, or his or her agent or attorney, for any purpose at any mutually agreed upon time.

7.05 Not For Profit Operation

The Corporation will not have or issue shares of stock. No dividend shall be paid, and no part of the money, property or other assets of the Corporation will be distributed to its Directors or Officers. However, the Corporation may pay compensation in a reasonable amount to Officers or Directors for services rendered, other than as an Officer or Director.

7.06 Loans to Management

The Corporation will make no loans to any of its Directors or Officers.

7.07 Gifts

The Officers or Board of Directors may accept on behalf of the Corporation any contributions, gifts, bequests or devises for the general purpose or for any specific purpose of the Corporation.

7.08 Dissolution Clause

Upon the dissolution of the **NORTH COUNTY TEEN COURT**, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. Assets shall be distributed to the Local Governmental bodies that are active with the **NORTH COUNTY TEEN COURT** at the time of dissolution. Allocations of said assets will be based upon contributions made by the active Local Governmental bodies in the three (3) years prior to the dissolution of the **NORTH COUNTY TEEN COURT**.

**ARTICLE VIII
CONFLICT OF INTEREST POLICY**

8.01 Purpose

The purpose of the conflict of interest policy is to protect the tax-exempt interest of the **NORTH COUNTY TEEN COURT** when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the **NORTH COUNTY TEEN COURT** or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

8.02 Definitions

Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the **NORTH COUNTY TEEN COURT** has a transaction or arrangement,
- b. A compensation arrangement with the **NORTH COUNTY TEEN COURT** or with any entity or individual with which the **NORTH COUNTY TEEN COURT** has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the **NORTH COUNTY TEEN COURT** is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article VIII, Section 8.03, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

8.03 Procedures

Duty of Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the **NORTH COUNTY TEEN COURT** can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the best interest, for its own benefit, and whether it is fair and reasonable for the **NORTH COUNTY TEEN COURT**. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

8.04 Records of Proceedings

The minutes of the governing board and all committees with board delegated power shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the decision by the governing board or committee as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

8.05 Compensation

A voting member of the governing board who receives compensation, directly or indirectly, from the **NORTH COUNTY TEEN COURT** for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the **NORTH COUNTY TEEN COURT** for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the **NORTH COUNTY TEEN COURT**, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

8.06 Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,

- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the **NORTH COUNTY TEEN COURT** is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

8.07 Periodic Reviews

To ensure the **NORTH COUNTY TEEN COURT** operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the results of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the **NORTH COUNTY TEEN COURT** written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

8.08 Use of Outside Experts

When conducting the periodic reviews as provided for in Section 8.07, the **NORTH COUNTY TEEN COURT** may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE IX AMENDMENT

9.01 Modification of Bylaws

The affirmative vote of a majority of the Board of Directors then in office is required to amend, repeal, alter or adopt new Bylaws. Such action may be taken at a regular or special meeting provided written notice of the purpose shall be given prior to said meeting. The Bylaws may contain any provision for the regulation and management of the affairs of the Corporation not inconsistent with the Act, law or the Corporation's stated purpose.

Date of Amended Bylaws: January 22, 2018

Signature: Karen Hoffek

Title: Executive Director

ANNUAL CONFLICT OF INTEREST STATEMENT

I _____ have received and read the By-laws including the Conflict of Interest policy for the **NORTH COUNTY TEEN COURT**.

I understand and agree to comply with the **NORTH COUNTY TEEN COURT** Conflict of Interest policy.

I understand the **NORTH COUNTY TEEN COURT** is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Signature

Date

Signature

Date