

BYLAWS
OF
VETERANS CARE CENTERS OF OREGON
(A NON-PROFIT ORGANIZATION)

1. Name

The name of this Organization is **VETERANS CARE CENTERS OF OREGON**, hereinafter called the “**Organization**.”

2. Offices

a. Principal Office

The principal office of the Organization in the state of Oregon shall be located at 3155 River Road S., Suite 100, Salem, Oregon 97302, or at such other location as may be duly selected by the Board. The Organization may have such other offices, either within or without the state of Oregon, as the Board may designate or as the business of the Organization may from time to time require.

b. Registered Office

The registered office of the Organization required by the Oregon Nonprofit Corporation Act to be maintained in the state of Oregon may be, but need not be, identical with the principal office in the state of Oregon, and the address of the registered office may be changed from time to time by the Board.

3. Membership

This Organization shall have no members (as that term is defined in the Oregon Nonprofit Corporation Act).

4. Purpose

a. The purposes for which the Organization is organized are to engage in any lawful activity, none of which is for profit, for which corporations may be organized pursuant to the Oregon Nonprofit Corporation Act.

b. The Organization is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law). Said purposes particularly shall include, but shall not be limited to, fundraising and service activities in support of the Oregon Veterans’ Home in The Dalles, Oregon (the “**Oregon Veterans’ Home – The Dalles**”), **the Oregon Veterans’ Home in**

Lebanon, Oregon (The “Oregon Veterans’ Home – Lebanon”) management of these Oregon Veterans’ Homes under contract with the State of Oregon, acting by and through its Director of Veterans’ Affairs, *aka*, the Oregon Department of Veterans’ Affairs (collectively, “**ODVA**”), and fundraising and service activities in support of ODVA veterans’ programs all in accordance with the general objectives of providing housing and necessary health-related services to persons in or from Oregon who are in the Armed Forces or who have been in the Armed Forces, as well as their spouses or surviving spouses, and the promotion of the welfare of persons in or from Oregon who are in the Armed Forces or who have been in the Armed Forces in Oregon, as well as their spouses or surviving spouses

c. In furtherance of the management purposes specified herein and in the Articles of Incorporation, the Organization shall contract with *ODVA* for the operation of state veterans’ homes, including but not limited to the Oregon Veterans’ Home.

d. In furtherance of the fundraising and service purposes specified herein and in the Articles of Incorporation, the Organization shall conduct fundraising and service efforts in coordination with ODVA in support of veterans’ homes and ODVA veterans’ programs. Powers

This Organization shall have all of the powers permitted to corporations under the Oregon Nonprofit Corporation Act provided that such powers may only be exercised in the furtherance of the charitable purposes set forth in these Bylaws.

5. Board of Directors

a. Powers

The affairs of the Organization shall be managed by its Board of Directors (the “**Board**”). The Board shall have all powers provided by the Oregon Nonprofit Corporation Act to a board of directors.

b. Number, Qualification, and Tenure

- i.* The Board shall consist of thirteen (13) voting members (the “**Directors**”), the number of which may be adjusted from time to time by resolution of the Board, but shall never consist of less than three (3) persons. While Veterans are preferred for these board positions, being a Veteran is not a requirement. A passion to serve Veterans, support of the missions of both Veterans Care Centers of Oregon and the Oregon Department of Veterans Affairs, and an appreciation/understanding of military culture and values are, however, a necessity.
- ii.* All board members shall complete a conflicts of interest disclosure on an annual basis in the first quarter of the year. Should any

potential conflict of interest be revealed, that conflict will be reviewed by the board prior to the 2nd board meeting of the year, and a decision will be made as to appropriate significance and/or need for mitigation. If the conflict is significant and mitigation is not possible, the board member will be asked to step down from the board.

iii. The composition of the Board shall consist of the following members:

- (a) Two (2) persons who are members of a federally chartered veterans' organization within the State of Oregon, and nominated by the United Veterans Group of Oregon ("UVGO") with the concurrence by a majority vote of persons who are then current members of the ODVA Advisory Committee.
- (b) One (1) person who is a resident of the Mid-Columbia Region of Oregon. For purposes of these Bylaws, the term "Mid-Columbia Region of Oregon" shall refer to Wasco County, Oregon and that area of Oregon that otherwise is located within a radius of thirty (30) miles of the Oregon Veterans' Home.
- (c) One (1) person who is a resident of either Linn or Benton County Oregon.
- (d) One (1) person currently in, or previously a part of, the Oregon nursing home profession who has no interest in the current management company or any other contractor that supplies services or supplies to VCCO and or the Oregon Veterans' Homes.
- (e) Eight (8) persons at large who qualify under 5b(i-ii), above, and have skill-sets and/or experience that will add value to the VCCO board and thereby improve the lives of the Veterans that we serve.
- (f) In addition, the board shall be empowered to designate from time to time one or more emeritus non-voting Directors who, because of both their lifetime dedication to this nations' veterans and their dedication and service to the Veterans Care Centers of Oregon, the board wishes to honor. Such Emeritus Directors shall be notified of and invited to routine meetings of the board excepting executive sessions.

iv. After the initial term of a Director, each newly elected or re-elected Director shall serve a term of three (3) years with each term

commencing in January of the fiscal year following their election or re-election to the Board so that each year 4 Directors will be either appointed or re-appointed. A Director may hold successive terms of office.

- v. Any director with a conflict of interest, even though mitigated, shall recuse themselves from any vote by the board that may be related in any way to that conflict of interest.
- vi. Should the Veterans Care Centers of Oregon contract to operate additional State Veterans' Homes, the membership of the Board of Directors will be expanded by one (1) for each additional home contracted. These members shall be appointed from the local community/county/regional area in which the home is located.

c. Election

At the annual meeting of the Board of Directors, the Board of Directors shall receive the nominations consistent with these Bylaws and elect, by a majority consensus, successor Directors who have consented to serve to replace the Directors whose terms are expiring. The newly elected or re-elected Directors shall serve terms of three (3) years each, commencing in January of the fiscal year immediately following election.

d. Duties

In addition to such duties as a Director might have pursuant to the other provisions of these Bylaws and applicable law, each Director shall have the following duties.

- i.* To participate in the business of the Organization and attend meetings of the Board as provided in Section 6.d.ii-v, 6.f, and 6.i;
- ii.* To develop long range plans, goals, and objectives to carry out the purposes of the Organization;
- iii.* To propose new ideas, strategies, approaches, and concepts to further the dissemination, development, and enhancement of the Organization;
- iv.* To serve the Organization by assisting in seeking funding; and
- v.* To provide such other further service as the Board may from time to time determine by resolution, including participation in electronic communication with other members of the Board.

e. Vacancies

Any vacancy on the Board may, but need not be, filled by affirmative vote of a majority of the Board at a regular or special meeting of the Board of Directors. The appointed Director shall complete the remaining term of the Director whose vacancy he or she is filling.

f. Meetings

i. Annual Meetings

An annual meeting of the Board of Directors shall be held each year, on a day and at a time and place as is determined by the Board of Directors. Each Director shall be notified of the date, time and place for the annual meeting no fewer than thirty (30) days prior to the date of the meeting.

ii. Regular Meetings

The Board of Directors shall meet regularly at such time as the Board of Directors shall determine by resolution. The Secretary shall insure that each Director receives a copy of such resolution. Following such resolution, no specific notice of regular meetings need be given.

iii. Special Meetings

A special meeting of the Board may be called by any three Directors or by the a Veterans' Home Administrator/Chief Executive Officer upon seven (7) days advance written notice of the time and place of such meeting. Such special meetings may be conducted via a conference call where situations warrant. It shall be the responsibility of the Management Agent to arrange for the conference call and communicate the call-in information to the members of the Board.

iv. Meeting Participation/Attendance

While in-person meeting attendance is both preferable and encouraged, participation via phone is acceptable when weather and/or other considerations may make in-person attendance impossible. It shall be the responsibility of the person needing to participate via telephone to notify the Management Agent staff of this requirement so that conference call participation may be arranged. Minimum meeting attendance under these bylaws is interpreted as no less than fifty percent of all meetings. Should the attendance fall below 50% in a given year the non-participating board member will be subject to replacement, with the

understanding that mitigating circumstances will be reviewed by the Chair of the board and the Chair may make a recommendation to the board for an exception to the attendance requirement

g. Quorum and Manner of Acting

i. Quorum

The presence of fifty percent (50%) of current members of the Board of Directors shall be required as a quorum for the conduct of any business.

ii. Manner of Acting

An act of more than fifty percent (50%) of the Directors present at a meeting at which a quorum is present shall be the act of the Board except with respect to any change in Subsection 6.b. of these Bylaws, which shall require a two-thirds majority vote of such present Directors.

h. Presumption of Assent

A Director of the Organization who is present at a meeting of the Board when action is taken is deemed to have assented to the action taken unless (a) the Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to the holding of the meeting or transacting business at the meeting; or (b) the Director's dissent or abstention from the action taken is entered in the minutes of the meeting; or (c) the Director delivers written notice of dissent or abstention to the Board members present at the meeting before its adjournment. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

i. Action without Meeting

Any action that may be taken at a meeting of the Board may be taken without a meeting if the action is taken by all members of the Board. The action must be evidenced by one or more written consents describing the action taken, signed by each Director, and included in the minutes or filed with the corporate records reflecting the action taken. Such consent shall have the same force and effect as a unanimous vote, and may be described as such. Action may be taken via the use of E-Mail where the evidence of all votes are retained in the minutes in the form of a hard-copy print-out, inclusive of the senders e-mail transmission information, of each e-mail vote received on the action item. The actual e-mail vote must be preceded by an e-mail disseminated to all members of the board with confirmed receipt and opening to assure that all members were fully

apprised of the proposed action, and had full opportunity to cast their ballot on the action.

j. Resignation and Removal

i. Resignation

Any Director of the Organization may resign at any time by giving written notice of such resignation to the Organization or the Board, provided however, that no Director may resign if doing so will result in leaving the Organization without any elected Directors who have agreed to serve. A resignation shall be effective when received or at a subsequent effective date stated in the resignation which is acceptable to the Board. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board.

ii. Removal

A Director may be removed from office, with or without cause, by a two-thirds majority vote of the Board of Directors.

iii. Termination of Management Agent

In the event the management contract among the Organization and the Management Agent is terminated, or otherwise not renewed by the Organization and/or ODVA, the Directors appointed by the Management Agent shall each tender their resignation to the Organization as provided herein. Any vacancies created by such removal shall be filled by the new management agent contracting with the Organization and/or ODVA to manage and operate the Oregon Veterans' Home. Each newly appointed Director shall complete the remaining term of the Director whose vacancy he or she is filling.

k. Telephonic and Virtual Meetings

The Board may permit any or all Directors to participate in any meeting by, or conduct the meeting through, use of any means of communication by which all Directors participating may simultaneously hear each other or otherwise communicate with each other during the meeting, e.g., electronic mail (e-mail) or telephone conference calls are permissible, in the discretion of the Board. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

6. Officers

a. Officers

The officers of the Organization shall consist of the President, Treasurer, and Secretary. In addition, there shall be an Administrator/Chief Executive Officer of each Veterans' Home that is managed by VCCO. Such other officers, assistant officers, and agents as may be deemed necessary may be appointed and installed by the Board of Directors. One or more of such offices may be held by the same person at the same time.

b. Appointment and Term of Office

The officers shall be appointed and installed annually by the Board of Directors at its annual meeting. The new officers shall serve a one-year term corresponding to the fiscal year of the Organization. Each officer shall hold office until their successor has been duly elected and qualified, or until the officer's death, resignation, or removal from office in the manner hereinafter provided.

c. Resignation and Removal

- i.* An officer may resign at any time by delivering written notice to the Organization, or the Board, or the President. A resignation shall be effective when received or at a subsequent effective date which is stated in the resignation and acceptable to the Board. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board.
- ii.* An officer may be removed with or without cause by a two-thirds majority vote of the Board of Directors.
- iii.* Resignation or removal of an officer does not affect the contract rights, if any, of the Organization or the officer. Appointment of an officer or agent shall not itself create contract rights.

d. Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term for the vacant office.

e. Duties of Officers

The duties of the officers shall be as follows:

- i.* **President**

The President shall be the chair of the Board of Directors, and shall, in general, supervise and control all of the affairs of the Board. The President shall also have the following duties:

- (a) Preside over all meetings of the Board of Directors.
- (b) Ensure nominations of the officers as required by these Bylaws, or any other provisions of applicable law.
- (c) Ensure that the Board of Directors functions in accordance with these Bylaws, or any other provisions of applicable law.
- (d) Recommend to the Board of Directors such matters and make such suggestions as may be deemed necessary to the business of the Organization.
- (e) Attend, or designate a member of the Board to attend, meetings of such other organizations as may be necessary to collect and provide information on resources or services, or shall be of interest to the business of the Organization.
- (f) Serve in an ex-officio capacity on all committees.
- (g) In general, perform all duties incident to the office of President and such other duties as may from time to time be prescribed by the Board of Directors.
- (h) Provide secondary signature authority for all official documents, including check drafts.

ii. Treasurer

If a Treasurer has been appointed by the Board of Directors, the Treasurer is responsible for the following, which shall be performed either in person by the Treasurer or under such officer's supervision:

- (a) Assure funds received are deposited.
- (b) Review bookkeeping/accounting procedures at least annually with appropriate staff members.
- (c) Review complete financial reports as prepared by the Board of Directors annually prior to meeting presentation.
- (d) In general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be

prescribed to the Treasurer by the President or the Board of Directors.

iii. Secretary

The Secretary is responsible for the following, which shall be performed either in person by the Secretary or under such officer's supervision:

- (a) Ensure that the agenda is prepared for each meeting of the Board of Directors.
- (b) Oversee the recording of minutes for each Board of Directors meeting.
- (c) Sign any contracts or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Organization, or shall be required by law to be otherwise signed or executed.
- (d) Be one of the approved signatures for all official documents.
- (e) Serve as the Treasurer if a Treasurer is not specifically appointed.
- (f) In general, perform all duties incident to the office of Secretary and such other duties as from time to time may be prescribed by the President or the Board of Directors.

iv. Administrator/Chief Executive Officer ("CEO")

Each CEO shall be the principal officer of the Veterans' Home for which they are the Designated Administrator, subject to the supervision of the Board, and shall, in general, be responsible for the business and affairs of that portion of the Organization. The CEO is responsible for the following, which shall be performed either in person by the CEO or under such officer's supervision:

- (a) Recommend to the Board of Directors such matters and make such suggestions as may be deemed necessary to the business of the Organization.
- (b) Serve in an ex-officio capacity on the Board of Directors and other committees designated by the Board.

- (c) Sign any contracts or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Organization, or shall be required by law to be otherwise signed or executed.
- (d) Provide primary signature authority for all official documents, including check drafts.
- (e) Serve as the official representative and contact for the Organization.
- (f) Conduct the day to day business activities of their segment of the Organization, consistent with all policies and regulations of the Organization and authority granted by the Board of Directors.
- (g) Employ and supervise staff as appropriate to support the business and affairs of the Organization.

In general, perform all duties incident to the office of CEO and such other duties as may be prescribed by the Board of Directors from time to time.

(h)

v. *Other Officer Positions*

Other officer positions may be established by the Board of Directors.

7. Committees

The routine business of the Organization may be conducted in part by utilization of certain committees, the membership and functions of which shall be determined by the Board of Directors or the CEO. Committees shall maintain records of any actions or proceedings, and shall submit a written or oral report to the Board at its regular meeting.

8. Contracts and Fiscal Matters

a. Contracts

The Board of Directors may authorize any officer, chairperson, agent, or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Organization. Such authority may be in general or confined to specific instances.

b. Loans to the Organization

No loans shall be contracted on behalf of the Organization and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

c. Loans to Directors

The Organization may not lend money to, or guarantee the obligation of, a Director of the Organization.

d. Compensation

Except as otherwise provided by these bylaws, no Director of the Organization shall receive any compensation for his or her services to the Organization; provided, however, on prior specific approval by the Board, a Director, officer, or employee shall receive reimbursement or payment of reasonable expenses incurred by the Director, officer or employee in connection with his or her services in the business of the Organization.

e. Books and Records

The Organization shall keep correct and complete books and records of account, shall keep minutes of all meetings of its Board and a record of all actions by the Board conducted without a meeting, and shall keep at its registered office a record containing the names and addresses of all Directors. These records shall be available for inspection by any Director on reasonable notice during regular business hours.

9. Indemnification, Insurance, and Limitation of Liability

a. Definitions

- i.* The term "**Indemnified Person**" shall mean any person who is or was:

 - (a) a Director, officer, member of a committee, employee, or to the extent authorized by the Board of Directors in any specific case, an agent of the Organization;
 - (b) a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the Organization; or
 - (c) serving at the request of the Organization as a Director, officer, or fiduciary of an employee benefit plan of another corporation, partnership, joint venture, trust, or other enterprise, whether or not serving in such capacity at the

time any liability or expenses incurred for which indemnification or advancement of expenses can be provided under this Article.

- ii.* The term "**Proceeding**" shall include any threatened, pending, or completed action, suit or proceeding, whether brought in the right of the Organization or otherwise and whether of a civil, criminal, administrative or investigative nature, in which an Indemnified Person may be or may have been involved as a party or otherwise by reason of the fact that the person is an Indemnified Person.

b. Indemnification

The Organization shall indemnify to the fullest extent allowed by law any Indemnified Person who was or is a party, or is threatened to be made a party to any Proceeding, against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Indemnified Person in connection with the Proceeding.

c. Advancement of Expenses

Expenses incurred by an Indemnified Person in defending a Proceeding shall, in all cases, be paid by the Organization in advance of the final disposition of such Proceeding at the written request of such Indemnified Person, if the Indemnified Person furnishes the Organization with the following:

- i.* A written affirmation of the Indemnified Person's good faith belief that he is entitled to be indemnified by the Organization under this Article or under any other indemnification rights granted by the Organization to him; and
- ii.* A written undertaking by or on behalf of him to repay such advance to the extent it is ultimately determined by a court that he is not entitled to be indemnified by the Organization under this Article or under any other indemnification rights granted by the Organization to him.
- iii.* Such advances shall be made without regard to the Indemnified Person's ability to repay such advances and without regard to the Indemnified Person's ultimate entitlement to indemnification under this Article or otherwise.

d. Non-Exclusivity and Continuity of Rights

The indemnification and entitlement to advancement of expenses provided by this Article are not exclusive of any other rights to which an Indemnified Person may be entitled under the Articles of Incorporation or any statute, agreement, general or specific action of the Board of Directors, or otherwise. Such

indemnification and entitlement to advancement of expenses provided by this Article shall continue as to a person who has ceased to be a person described within the definition of Indemnified Person, shall inure to the benefit of the heirs, executors and administrators of such an Indemnified Person, and shall extend to all claims for indemnification of advancement of expenses made after the adoption of this Article. The Organization may enter into agreements to indemnify any Indemnified Person.

e. Amendments

Any repeal of this Article shall be only prospective and no repeal, amendment or modification hereof shall adversely affect the rights under this Article in effect at the time of the alleged occurrence of any act or omission to act that is the cause of any Proceeding.

f. Limitation of Liability

The civil liability of Directors, officers, and agents of the Organization shall be limited to the fullest extent permitted under the Oregon Nonprofit Corporation Act.

g. Insurance

The Organization is authorized to purchase and maintain in effect a policy or policies of insurance covering any liability of Directors, officers, committee members, employees and agents of the Organization, regardless of whether the Organization would have the power to indemnify such persons against the liability so insured.

10. Dissolution

Upon the dissolution of the Organization, and after paying or making provision for the payment of all the liabilities of this Organization, assets shall be distributed for charitable, scientific, literary, or educational purposes or for the prevention of cruelty to children or animals within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or corresponding provisions of any future United States Internal Revenue Law) to one or more organizations which are organized and operated exclusively for such purposes, as selected by the Board of Directors.

11. Earnings

No part of the net earnings of the Organization shall inure to the benefit of, or be distributed to the Directors, trustees, officers or other private person, except that the Organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the goals and objectives of, or reasonable and necessary expenses incurred on behalf of, the Organization's purposes set forth in paragraph 4 hereof.

12. Restrictions

Notwithstanding any other provision of these Bylaws or the Articles of Incorporation, the Organization shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

13. Non-Discrimination Policy

This Organization and its Board of Directors shall not discriminate or knowingly allow employees or consultants to discriminate in any manner prohibited by federal, state, local or common law.

14. Amendments

These Bylaws may be amended, altered or repealed by a majority vote of the Board of Directors at any meeting where a quorum is present, provided that written notice with the proposed changes shall be given to all the Directors at least ten (10) days prior to the meeting.

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