



## Joint Governing Board & Foundation Trustees Meeting Agenda

Monday, June 22, 2020

5 to 7 p.m.

Via Teams

- 5:00 p.m.**      **Convene** (David Boxberger, Board Chair; Miki Herman, Foundation Chair)
- 5:01**            **ACTION: Approve Consent Agenda**  
pp. 3-6            - Minutes of the April 20, 2020 Joint Governing Board & Foundation Trustees Meeting  
pp. 7-10          - CEO Written Report  
p. 11              - Proposed Meeting Schedule for FY2020-2021
- 5:05**            **Recognize Outgoing Board & Foundation Members** (Jeff Carr, All)
- John Thoma**  
Governing Board of Directors 2014-2020  
Board Chair, 2015-2017
- Catherine Bekooy**  
Foundation Board of Trustees, 2014-2020  
Christmas Ships Chair, 2014-2018  
Investment Committee Chair, 2018-2020
- David Boxberger**  
Governing Board of Directors since 2014  
Board Chair, 2018-2020  
Remaining as Immediate Past Board Chair through 2022
- 5:15**            **Review New Board Structure & Bylaws** (David Connell, Jeff Carr)
- pp. 12-15        **ACTION: Resolutions to be Adopted by the Board of Directors of Albertina Kerr Centers:**
- pp. 16-33        **1. Albertina Kerr Centers Amended and Restated Bylaws;**  
**2. Albertina Kerr Centers Foundation, Inc. Amendment to Articles of Incorporation;**
- pp. 34-56        **3. Albertina Kerr Centers Foundation, Inc. First Amended and Restated Bylaws**
- pp. 57-59        **ACTION: Resolutions to be Adopted by the Board of Trustees of Albertina Kerr Centers Foundation, Inc.:**
- p. 60              **1. First Amendment to Articles of Incorporation;**  
pp. 34-56        **2. Amended and Restated Bylaws**

5:45  
pp. 61

**Review Memberships & Slate of Officers** (Miki Herman, David Boxberger)

**ACTION: Governing Board Approve New Terms for Governing Board Members Starting FY2020-2021 through FY2023-2024**

**Craig Payne**  
**Karen Rasmussen**  
**Dennis Warneke**

**ACTION: Governing Board Approve Members of the Foundation Board of Trustees to Transition as New Governing Board Members for Terms Starting FY2020-2021 through FY2023-2024**

**Kim Curry – Program & Accreditation Committee**  
**Rod Malone – Finance, Audit & Compliance Committee**  
**Heidi Steeves – Program & Accreditation Committee**

**ACTION: Governing Board Approve the Slate of Officers**

**Miki Herman**, Governing Board Chair, FY2020-2021\*  
**David Lake**, Governing Board Chair Elect, FY2020-2021\*  
**Paul Litwinczuk**, Finance, Audit & Compliance Committee Chair Elect, FY2020-2021\*  
**Lisa Powell**, Program & Accreditation Committee Chair Elect, FY2020-2021\*

\*Officer Terms reflect Albertina Kerr Centers Bylaws Article V, 5.3.1

**ACTION: Foundation Trustees Approve New Members of the Foundation Board of Trustees**

**Jeff Carr**, ex-officio  
**Terry Donah**e, Trustee  
**Mary Lago**, Trustee  
**Sarah Robinson**, Trustee  
**Paul Litwinczuk**, Governing Board Representation on the Foundation

6:00  
pp. 62-69

**Review Operating, Capital & Cashflow Budgets as Recommended by the Finance, Audit & Compliance Committee for FY2020-2021** (Janice Jacobs)

**ACTION: Approve the FY2020-2021 Operating, Capital & Cashflow Budgets**

6:50

**Executive Session** (Miki Herman, David Boxberger)

7:00

**Adjourn** (Miki Herman, David Boxberger)

***Materials for Reference:***

*Kerr Fundraising Update, p.70*

*Kerr FY2019-2020 Fundraising Report & Preliminary FY2020-2021 Fundraising Budget, pp. 71-72*  
*Board Objectives Completed for FY2019-2020, p. 73*

**ALBERTINA KERR CENTERS**  
**Joint Governing Board & Foundation Trustees Meeting Minutes**  
**April 20, 2020**  
**5 to 7 p.m.**  
Via Teams

**Governing Board Members Present**

Teri Barichello, David Boxberger, David Connell, Miki Herman, Susan Hobbel, David Lake, Paul Litwinczuk, Melissa May, Jill Nickerson, Craig Payne, Lisa Powell, Karen Rasmussen, Laura Shipley, John Thoma, Dennis Warneke, David Wilson

**A quorum was present.**

**Foundation Members Present**

Catherine Bekooy, Jeff Carr, Kim Curry, Miki Herman, Rod Malone, Heidi Steeves, Sarah Robinson

**A quorum was present.**

**Staff Present**

Anne Adler, Van Fields, Owen Gibson, Janice Jacobs, Craig Rusch, Matthew Warner, Derrick Perry

**Convene** (David Boxberger, Governing Board Chair; Miki Herman, Foundation Chair)

Miki convened the meeting at 5:10 p.m.

**Approve Minutes of the January 31 – February 1, 2020 Joint Board & Foundation Meeting**

**ACTION: Miki Herman moved that the minutes be approved. Karen Rasmussen seconded. The motion passed via unanimous vote.**

**Approve Minutes of the February 26, 2020 Foundation Board of Trustees Meeting**

**ACTION: Heidi Steeves moved that the minutes be approved. Jeff Carr seconded. The motion passed via unanimous vote.**

**CEO Updates** (Jeff Carr)

Jeff provided a high level report of the state of Kerr during the evolving COVID-19 crises, an update on workforce housing, and a description of the budgeting process for FY2020-2021.

- A team of 17 key Kerr leaders meet via Teams at 9 a.m. every day to check in and exchange information and updates related to the COVID-19 situation. When the calls started in March, they lasted an hour or more with questions and concerns. The team has worked well together over the weeks and now covers business in about 15 minutes. Kerr has had no positive COVID-19 test results to date. Throughout Kerr, workgroups have gotten used to using video meetings and sharing information via tools available in Teams. By necessity, staff have been forced to use Lean management methods, such as daily huddles, and people are reporting faster decision making and less slow conversations via email. People are seeing each other more using Teams meetings and Teams “phone calls” with video.
- The workforce housing project has met the \$1.2 million fundraising goal from private donors. The City of Gresham sent out a Notice of Fund Available (NOFA) for their portion of the regional Metro Housing Bond Funds and Kerr is submitting the application for funding. All indications are that Kerr

is in a strong position to be approved. If approved, construction would likely start in the September/October timeframe.

- The budget process this year for FY2020-2021 will be a more truncated process than in years past. There are too many unknowns at this time to build a traditional budget. This year will look more like a forecasting model, using trends and rolling data as time goes on. Census and the number of full beds drive the budget, so performance and targets will depend on data on a developing basis, week over week and month over month. The State is giving I/DD Residential Group Home providers a 10% increase in rates for April through June of 2020. It is uncertain what will happen in July. The many moving parts will be managed by the forecasting model.

#### **Finance, Audit & Compliance Committee Update** (Karen Rasmussen, Chair)

Karen provided a recap of the most recent FAC Committee meeting. Discussion items included: review and feedback on updated finance policies; current financial report; 990 tax filings; and progress on key priorities in the Finance Department.

**ACTION: Janice Jacobs will follow up with the auditors regarding a question on lines 4A and 4B of the 990 tax filings and report back to the Board and Foundation members. (Update: Janice emailed the auditors' explanation Wednesday morning, April 21st.)**

**ACTION: Karen Rasmussen moved that the 990s be approved. The motion passed via unanimous vote.**

#### **Financial Update – March YTD FY2019-2020** (Janice Jacobs)

March MTD saw \$205k in losses in the programs. The bonus accrual was released back into operating funds, as bonuses will not be distributed this year given the uncertainty of the COVID-19 situation. Contract revenue for March was not good, although still strong YTD. YTD net shows \$589k in net losses. A \$500k+ gap in YTD funds between the operating budget and Foundation budget is being researched and is suspected to be an error in the complex intercompany transfers. The consolidated statement shows significant investment losses. A project code has been set up for COVID-19 related expenses. Purchase of personal protective equipment spiked. Staff hours that have been redeployed due to temporary program closures are being tracked via the project code. Staff who are self-isolating by doctor's orders out of caution are being tracked under a special code charged to Kerr rather than personal time off to ensure staff will stay home when sick. March is normally a high vacation use month. This year, 3,300 less vacation hours were used due to the virus situation, increasing vacation liability. Cash is being tracked on a seven-day rolling period to monitor the effects of the current situation. Bank of America stated they would approve an increase on the Line of Credit to \$2.3 million, as a precautionary move. Different scenarios are being reviewed for potential savings, and steps to make cuts in different areas may have to be implemented to conserve, such as suspension of 401(k) matches.

**ACTION: Jeff Carr moved that the Line of Credit be approved to increase from \$1 million to \$2.3 million. Susan Hobbel and Karen Rasmussen seconded. The motion passed via unanimous vote.**

#### **Kerr COVID-19 Impacts**

- Owen Gibson provided an overview of Kerr's Enterprise Emergency Management Plan and how it is guiding activities during the COVID-19 crisis.
  - Kerr key leaders meet daily to review status, communications and any new information to address the threat. Centralized communications start with Jeff so there is a single message going out to all Kerr staff.
  - Sanitation has been enhanced in all homes and facilities.

- Central sourcing and procurement of PPE has been established along with an inventory tracking system. Universal masking among staff has been implemented.
- Family visitations have been restricted and virtual conversations are being facilitated.
- Staff experiencing anxiety have been encouraged to use Kerr's employee assistance program for mental health services.
- While Kerr is to date still COVID-19 free, a quarantine plan is in place that utilizes the now empty 165<sup>th</sup> group home as an isolation facility should that become necessary.
- Lynne Wilford, Compliance Director, has been providing outstanding work on keeping up with enormous amounts of incoming information, temporary COVID-19 related updates to regulations, and guiding Kerr's compliance with all.
- Matthew Warner provided updates to HR support during the current crisis.
  - A special paid leave has been set up for Kerr staff to take paid time off for quarantine that does not take from regular vacation and sick time. This paid time off is covered by Kerr and is a way to encourage staff who might be sick to stay home.
  - Staff from PALS and Day and Employment services, that have been temporarily closed, have been deployed to other positions within Kerr.
  - Video town halls have been facilitated by Matt and Jeff for all employees twice per week, and one so far for managers only, to ensure consistent, calm and wellness-related messaging, and to allow all Kerr staff to ask questions and stay connected to the larger agency. Feedback has been very positive.
  - A question was asked about morale. People are doing as well as possible and working together very well. EAP is encouraged. Staff are also being encouraged to get creative, have some fun, and take breaks from thinking and hearing about the intensity of the current situation.
  - Some staff and clients have been tested for COVID-19 with no positive results to date. DSPs have been designated frontline health care providers and should have access to testing.
  - Matt has been the key producer of the town halls, video meetings and online presentations, and he has done a fantastic job. Thank you, Matt!
- Anne Adler provided an update on fundraising and events. Until the COVID-19 crisis occurred, all fundraising and events planning were going really well for the year, and even better than last year. A shortfall of \$665k in fundraising is projected for FY 2019-20. Contributing factors are event deferrals and cancellations and shortfalls in gifts and grants due to COVID-19, as well as the closing of the TOKNA shops. A Kerr Magic Moment Campaign has started, reaching out to donors and companies about ways to assist with COVID-19 relief opportunities. The Development team is entertaining the possibility of holding 24 Hours of Kerr in a virtual setting this year.

**ACTION: Board and Foundation members are asked to reach out to Anne with Magic Moment ideas, 24 Hours of Kerr ideas, and other ways and opportunities the Development team can connect and support making appeals.**

- Derrick Perry shared information about how the programs are doing and working during this time. Consistent communication, daily huddles, town halls and online channels to chat and share have been extremely helpful. Staff report feeling relieved and informed. Visitation to programs has been stopped as dictated by the State. Staff are having fun making masks and finding ways to be creative. A drop in referrals to subacute has occurred, but there is potential for an increase as family stressors increase. Some strategic priorities have been adjusted. Derrick sees this time as an opportunity to challenge people to find their strengths. Leaders will emerge. Integrating trauma informed care into the programs is a high focus item. This time has provided the challenge to concentrate on better ways to manage and communicate, and finding ways to support each other.

- Van Field described the personal protective equipment (PPE) procurement and newly created inventory tracking system. Sourcing and securing PPE became a challenge when COVID-19 became the focus of the entire country. The Facilities team had to figure what was needed first and then source the products, already in competition for procurement. Quarantine kits were conceptualized for group homes and for subacute with different items needed. An agency wide inventory was obtained and a system was developed to keep track of needs, items on hand, and items delivered as they arrived. A fully functioning inventory and distribution system is now in place. A list of needs was posted for Board and Foundation members to use in case of connections. Kerr is below the order of priorities for supplies.

**ACTION: Please notify Van if you know of or have access to the following items: alcohol wipes, germicidal wipes, disposable gowns, hand soap, N95 masks, thermometer covers.**

- Craig Rusch gave an update on the Epic implementation project. Mental health, Employment and Day Services, and 26 group homes are up and running on Epic. 27 group homes remain to be transitioned to Epic. No COVID-19 related changes have been added to Epic. Work is being done on streamlining referrals and shift changes, and also on reporting from the system. IT is looking at conducting remote training to continue the roll-out and onsite training will happen later. A question was asked about how the technology infrastructure is holding up as whole with increased use of video meetings and other technology utilization. Craig responded that things continue to work very well. Kudos were passed on to the whole IT team for their extraordinary work.

### **Board & Foundation Structure** (Melissa May, David Connell, Jeff Carr)

Jeff opened the conversation by restating the issue of the Board and Foundation structure as it was discussed at the Jan-Feb Board and Foundation Retreat. Afterward, Jeff met with David Connell and Melissa May, both attorneys, to look over the Board and Foundation bylaws and to discuss some options for reorganizing to address the concerns expressed at the retreat. Three options emerged:

1. Keep the same structure with two boards.
2. Blend both boards into the Governing Board and discontinue the Foundation Board.
3. Narrow the Foundation Board's focus to managing the investment funds and endowment, and essentially operate as the Investment Committee, meeting quarterly.

Option #3 is the recommended change. David and Melissa provided mark-ups of the bylaws that would be needed to effect changes reflecting option #3. Virtues of this option include: 1) it addresses the concerns that Foundation Trustees were raising money but did not have a voice in how that money was utilized; 2) intercompany transfers of funds between the Board and Foundation are complex, time-consuming, and need to be streamlined; and, 3) provides Foundation focus on managing investments and endowments along with professional advisors. Option #3 also satisfies the desire to keep the investments and operating entities separate.

**ACTION: Board and Foundation members are encouraged to ask questions, have conversations, and think about the proposed change to the structure. A formal vote will be held at the June Joint Board and Foundation meeting.**

### **Executive Session**

Board and Foundation members declined holding an executive session.

### **Adjourn**

David Boxberger adjourned the meeting at 7:03 p.m. Recorded by Holly Edgar, Corporate Secretary

# ALBERTINA KERR

June 22, 2020

Report to the Albertina Kerr Board

Jeff Carr, CEO

## **Introduction**

We continue to adapt our work at Kerr and live into the new reality that we currently find ourselves in; navigating our way through a global pandemic that is still with us, an economic crisis that threatens our financial stability as an organization, and a conversation about racism and the treatment of black people and other people of color that has galvanized our community and our country. Any one of these by themselves would be a challenge, but managing all three simultaneously creates additional stress on all of us. And yet, our task is to do just that. The people we support, our employees, and the broader Kerr community is counting on us to do so.

## **Staffing Updates**

We continue to maintain historically low employee vacancy rates and expect this to continue over the course of the next year with such a high national and state unemployment rate. We are also still searching for a Director of Children's Mental Health, an Outpatient MH Supervisor, and three Outpatient MH Therapists. We have budgeted accordingly on this low vacancy rate as you will see reflected in the FY 2020-21 budget.

## **Organizational Highlights**

### *FY 2020-21 Budget*

I want to begin by thanking Janice Jacobs and the SLT for working diligently to develop next year's budget in such an uncertain time. We have yet to know what will happen with the State of Oregon budget and what reductions may be required. We have assumed a 6% reduction in the rates for all our I/DD revenue, and we expect the Governor will call a Special Session of the Legislature sometime in the next few weeks to determine final reductions throughout state government. I have been involved in lobbying members of key Legislative Committees, the Governor, and the Department of Human Services, and I believe there is support for minimizing the cuts to the I/DD system, but we shall see. In addition, everyone I speak with is even more concerned about the impact the economic crisis will have on the next biennium (FY 2021-2023) State Budget. Therefore, it's likely next year (FY 2021-22) will be even more challenging.

I also want to thank Anne Adler and her team (and many of you) for the great work on our fundraising this past year. Even with COVID-19, we finished the year very positively in many areas of our fundraising, which has contributed to us being able to weather this crisis.

### *COVID-19 Exposures*

I have been so proud of the amazing work of our caregivers in implementing our safety precautions in all our facilities over the last three months. I believe it's been their good work, as well as a bit of good luck, that we made it so long without having any positive COVID-19 cases. That streak ended on June 4<sup>th</sup> in Marion County, as we had a staff in one of our group homes who became symptomatic and tested positive.

We implemented all our protocols and worked with Marion County Public Health to get our two clients and 5 staff who had exposure to this person tested over the weekend of June 6<sup>th</sup> and thankfully all of them tested NEGATIVE! We are continuing to monitor both clients and staff and will limit their contact with others at Kerr until June 19<sup>th</sup>, per instructions/protocols from Marion County Public Health. We did learn a few things about the limitations of the public health department (they gave us test kits, but we had to have one of our nurses actually gather the sample specimens), so we are doing an after-action meeting to talk about what we can do to better prepare in the case this happens again.

### *Updated By-Laws for Albertina Kerr Centers (AKC) and the Albertina Kerr Centers Foundation*

I want to begin by thanking both David Connell and Melissa May for their help in re-imagining the scope and work of the Foundation in relation to the Governing Board after our Board Retreat at the end of January/first of February. Additionally, David and his firm (Buchalter-Ater Wynn) did the final work that will be presented to the Board at our June 22 meeting to effectuate the changes we discussed at our last meeting, and to also make some necessary updates due to changes in the law in the State of Oregon. The updated by-laws for both AKC and the AKC Foundation are in your packet, along with the necessary resolutions, and David will walk us through them at the meeting. All this legal work was done on a pro bono basis, so thanks again to David and Melissa.

### *Programs*

Our programs continue to operate just like they do 24/7 outside of a pandemic. One significant decision we have made is to delay the opening of the 5<sup>th</sup> subacute unit at our 165<sup>th</sup> Street Group home on the Gresham campus. This delay was the result of the State budget crisis and the lack of funding to be able to fund this new service by OHA/DHS for kids who have co-occurring I/DD and mental health issues. As a result, in the short-term we are reopening 165<sup>th</sup> as a 4-Bed Kids I/DD group home and will move four kids from current 5-Bed homes and decrease our licenses in those four homes from 5 beds to 4 beds. This allows us to take



advantage of better rates, with little to no incremental costs and is part of how we expect to manage a reduction in rates from the State in this next fiscal year.

*Workforce & Inclusive Housing Update*

June 3<sup>rd</sup> was a significant day in our Workforce & Inclusive Housing project. We completed our Metro Housing Bond Application requesting nearly \$12.4 million to complete the financing required to begin construction. The City of Gresham expects to fund 1-2 projects and allocate \$12mm-\$20mm of their \$26.7 million bond funds in this first round. They expect to make awards in the July/August timeframe and we believe our application will be one of the strongest they will evaluate.

In addition, the City of Gresham Design Review Commission gave final approval of our 100% Design Development plans and we now have the clarity and approvals necessary from the City to begin construction documents and apply for our various building permits. This enables us to continue on schedule with a possible fall (October/November) construction start.

Below are two charts. The first is an update on our Phase 2 Budget and actual expenses that the Board approved at our Board Retreat and the second is what we expect to spend through closing on our financing.

**Kerr Workforce and Accessible Housing Predevelopment Budget Update June 2020**

Phase 2 - Additional Budget to get through Design Development

Month			
Line Item	Board Approved Budget	Actual	Difference
Architecture	\$188,800	\$231,483	-\$42,683
Legal	\$5,000	\$1,782	\$3,218
OHCS Bond Application Fees	\$5,250	\$0	\$5,250
Subtotal	\$199,050	\$233,265	-\$34,215
15% Contingency	\$28,950		\$28,950
<b>Total</b>	<b>\$228,000</b>	<b>\$233,265</b>	<b>-\$5,265</b>

Total approved by board to date is \$488,000. Total spent through May 2020 is \$486,190.

Phase 3 – Additional Budget Necessary to get to Close of Financing

	June 2020	July 2020	August 2020	September 2020	October 2020
<b>Line Item</b>					
Hard Cost (Design Build Fees)	17,150	51,465	43,465	18,965	18,965
Permits/Fees	100,000				
Architecture	84,117	60,475	60,475	60,475	60,475
Legal	2,500	2,500	2,500	2,500	2,500
OHCS Bond Application Fees	5,250				
Other Consultants					
Traffic	6,251				
Arborist	2,012				
Net Zero	14,259	4,000	4,000	4,000	4,000
<b>Subtotal</b>	<b>231,539</b>	<b>118,440</b>	<b>110,440</b>	<b>85,940</b>	<b>85,940</b>
5% Contingency	11,577	5,922	5,522	4,297	4,297
<b>Total</b>	<b>243,116</b>	<b>124,362</b>	<b>115,962</b>	<b>90,237</b>	<b>90,237</b>

It's exciting to think that we are coming down the home stretch after so many years of planning. Thanks to all of you for your support and commitment in seeing quality, affordable, housing for direct care workers and adults who experience an intellectual and/or developmental disability as a core part of our mission to support vulnerable Oregonians.

**1st Half FY2020-2021**

**July 2020**

Tue, Jul 21      Foundation/Investment  
Mon, Jul 27      Governing Board

**August 2020**

Tue, Aug 11      FAC  
Mon, Aug 24      Executive

**September 2020**

Wed, Sep 2      P&A  
Mon, Sep 21      Governing Board

**October 2020**

Tue, Oct 6      FAC  
Tue, Oct 20      Foundation/Investment  
Mon, Oct 26      Executive

**November 2020**

Tue, Nov 3      FAC  
Mon, Nov 16      Governing Board

**December 2020**

Wed, Dec 2      P&A  
Mon, Dec 14      Executive (if needed)

Rev June 2020

**2nd Half FY2020-2021**

**January 2021**

Tue, Jan 12      FAC  
Tue, Jan 19      Foundation/Investment  
Mon, Jan 25      Governing Board

**February 2021**

Mon, Feb 22      Executive

**March 2021**

Wed, Mar 3      P&A  
Tue, Mar 9      FAC

**April 2021**

Tue, Apr 20      Foundation/Investment  
Mon, Apr 26      Governing Board

**May 2021**

Tue, May 11      FAC  
Mon, May 24      Executive

**June 2021**

Wed, Jun 2      P&A  
Tue, Jun 8      FAC  
Mon, Jun 21      Governing Board/Foundation

**RESOLUTIONS TO BE ADOPTED BY  
THE BOARD OF DIRECTORS  
OF  
ALBERTINA KERR CENTERS**

*Albertina Kerr Centers Amended and Restated Bylaws*

1. RESOLVED, that the Board does hereby authorize and approve the Amended and Restated Bylaws of the Company, attached hereto as Exhibit A, and directs the Secretary to file it in the Company's corporate records.

*Albertina Kerr Centers Foundation, Inc. Amendment to Articles of Incorporation*

2. RESOLVED, that as sole member of the Albertina Kerr Centers Foundation, Inc. (the "**Foundation**"), the Board does hereby authorize and approve the First Amendment to the Foundation's Articles of Incorporation, in substantially the form attached hereto as Exhibit B.

*Albertina Kerr Centers Foundation, Inc. First Amended and Restated Bylaws*

3. RESOLVED, that as sole member of the Foundation, the Board does hereby authorize and approve the Amended and Restated Bylaws of the Foundation, attached hereto as Exhibit C.

**EXHIBIT A**  
**AMENDED AND RESTATED BYLAWS**  
**OF**  
**ALBERTINA KERR CENTERS**

(See Attached)

**EXHIBIT B**

**FIRST AMENDMENT TO ARTICLES OF INCORPORATION**

**OF**

**ALBERTINA KERR CENTERS FOUNDATION, INC.**

(See Attached)

**EXHIBIT C**

**AMENDED AND RESTATED BYLAWS**

**OF**

**ALBERTINA KERR CENTERS FOUNDATION, INC.**

(See attached)

~~THE~~ AMENDED AND RESTATED BYLAWS

OF

ALBERTINA KERR CENTERS

An Oregon Nonprofit Corporation

As revised and adopted ~~November 18, 2013~~ June 22, 2020

**ARTICLE I  
PURPOSE AND POWERS**

The purpose for which the corporation is formed shall be as provided in its Articles of Incorporation. The corporation shall have all statutory powers.

**ARTICLE II  
NAME, OFFICES AND SEAL**

2.1 Name. The name of this corporation (the “corporation”) shall be Albertina Kerr Centers, which shall be a nonprofit, public benefit, non-membership corporation organized under ORS Chapter 65 (the “Act”) and Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future federal income tax laws.

2.2 Offices. The principal office for the transaction of the business of the corporation shall be established by the Board of Directors in the state of Oregon. The corporation also may have another office or offices within or without the state of Oregon, as the Board of Directors may from time to time establish.

2.3 Seal. A corporate seal is not required on any instrument executed for the corporation. If a corporate seal is used, it shall have inscribed thereon the words “Albertina Kerr Centers.”

**ARTICLE III  
NO MEMBERSHIP**

The corporation shall have no members.

**ARTICLE IV  
BOARD OF DIRECTORS**

4.1 Powers. Subject to any limitation in the Articles of Incorporation, ~~and Oregon law, all powers of the corporation shall be exercised by and under the authority of the Board of Directors, and the business and affairs of the corporation shall be managed under the direction of~~ shall exercise, or delegate or otherwise authorize the exercise of, all corporate powers and shall direct the management of the corporation’s affairs. The Board of Directors shall retain authority over an exercise of corporate powers that the Board of Directors delegates or authorizes under these Bylaws.



4.2 Number of Directors. The number of directors of the corporation shall be at least nine (9) and no more than thirty (30). The Board of Directors may fix or change from time to time the number of directors within such minimum and maximum number. The President and Chief Executive Officer may be an elected member of the Board of Directors, but if not, shall be an *ex officio*, non-voting member of the Board of Directors. ~~A director on leave of absence shall not be considered a member of the Board of Directors entitled to a vote during the period of such leave for receiving notices, for the purpose of determining a quorum, or for any other purposes.~~

4.3 Election of Directors, Qualifications, and Basic Responsibilities. The incumbent Board of Directors shall nominate and elect individuals as required to fill vacancies on the Board of Directors. Directors shall be elected and/or re-elected at any regularly scheduled meeting of the Board of Directors. It is a goal that the Board of Directors will have, in aggregate, expertise in areas of health care, finance, law, general management, public affairs and consumer affairs, in order to assure appropriate direction and governance of the corporation. Each director shall actively participate in corporate governance including service on at least one committee and support and participate in the major fund development activities of the corporation.

~~4.4 — Required Members. The Board of Directors shall include the person holding the office of Chairperson of Albertina Kerr Centers Foundation, Inc.~~

~~4.4~~ 4.5 Term: Staggered Terms. Each director shall be appointed and serve for a term of three (3) years, or until his/her successor is elected or he/she dies, is disqualified, resigns, or is removed. There shall be no mandatory term limits, but it is expected that directors will normally serve not more ~~that than~~ six (6) years. Such three year terms shall be staggered so that approximately one-third (1/3) of the total number of directors then in office shall be elected during each calendar year. It is a goal, but not a requirement, that the number of directors in each group will be approximately equal.

~~4.5~~ 4.6 Quorum and Manner of Acting. One-third (1/3) of the directors in office immediately before the meeting begins shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of a 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 law, the Articles of Incorporation, or these Bylaws. The Board Chair shall have the right to vote on all matters. Proxy voting by directors is not permitted.

~~4.6~~ 4.7 Resignations. Any director may resign at any time by giving written notice to the Chief Executive Officer, the Board Chair, or the Board of Directors. The notice shall set forth the effective date of the resignation. Resignation as a director of the corporation shall also constitute a resignation as a member of all standing committees of the Board of Directors.

~~4.7~~ 4.8 Removal. A director may be removed with or without cause by a vote of two-thirds (2/3) of the directors then in office. A director may also be removed for one of the following reasons: conviction in a court of law of a criminal offense involving a felony or a misdemeanor involving moral turpitude, conduct which brings or threatens to discredit the reputation of the corporation, breach of director's duty of loyalty to the corporation, and acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of

the law. A director may be removed for one of the listed reasons only if a majority of the directors then in office vote for the removal.

4.8 ~~4.9~~ Place of Meetings. ~~All~~ Except as otherwise permitted by Sections 4.13 and 4.17 of these Bylaws, all meetings of the Board of Directors shall be held at the principal office of the corporation or at such other place as may be designated for that purpose from time to time by the Board of Directors.

4.9 ~~4.10~~ Annual Meeting. The annual meeting of the Board of Directors shall be held each year, typically in ~~October~~ June, in the state of Oregon at a time and place to be determined by the Board of Directors.

4.10 ~~4.11~~ Regular Meetings. The Board of Directors shall hold regular meetings at least quarterly at such times and places as may be designated by the Board of Directors. No notice of any regular meeting of the Board of Directors need be given if it has so fixed the time and place of such meetings.

4.11 ~~4.12~~ Special Meetings. Special meetings of the Board of Directors may be called for any purpose at any time by the President and Chief Executive Officer, the Board Chair, the Executive Committee, if any, or any five (5) directors.

4.12 ~~4.13~~ Notice of, Waiver of Notice for, Special Directors' Meeting. Notice of any special directors' meeting shall be given at least two (2) days before the meeting either orally or by electronic mail or facsimile. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, except that no motion to remove a director shall be presented unless it was specified in the notice or waiver of notice of such meeting

Any director may at any time waive notice at any meeting. Except as provided in the next sentence, the waiver must be in writing, signed by the director entitled to notice, and filed with the minutes or corporate records. The attendance of a director at a 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 and at the beginning of the meeting (or promptly upon the director's arrival) objects to holding the meeting or transacting business at the meeting, and does not thereafter vote for or assent to the action taken at the meeting.

4.13 ~~4.14~~ Participation in Meetings by Conference Telephone. ~~Directors~~ Any or all directors may participate in a meeting of the Board of Directors, or any committee of the Board of Directors, through the use of conference telephone or any other ~~similar communications~~ means of communication, as long as all directors participating in such a meeting can simultaneously ~~hear one another~~ communicate during the meeting. A director's participation in ~~a telephonic~~ such a meeting shall constitute that director's presence in person at such a meeting for all purposes, including determining whether a quorum exists.

4.14 ~~4.15~~ Presumption of Assent. A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action unless:

4.14.1 ~~4.15.1~~ The director objects at the beginning of the meeting (or promptly upon the director's arrival) to holding it or transacting business at the meeting;

4.14.2 ~~4.15.2~~ The director's dissent or abstention from the action taken is entered in the minutes of the meeting; or

4.14.3 ~~4.15.3~~ The director delivers written notice of the director's dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting.

The right of dissent or abstention is not available to a director who votes in favor of an action taken.

4.15 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any Board of Directors' meeting to another time and place. Notice of the time and place of holding as adjourned meeting need not be given to absent directors if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

4.16 Directors' Action without a Meeting. Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if all the directors take the action, each one signs a written consent (which may include one transmitted by electronic mail or facsimile with signature) describing the action taken, and the consents are filed with the records of the corporation. Action taken by consent is effective when the last director signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be so described in any document.

~~4.17 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any Board of Directors' meeting to another time and place. Notice of the time and place of holding as adjourned meeting need not be given to absent directors if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.~~

4.17 Use of Electronic Means to Take Action. Unless the Articles of Incorporation provide otherwise, the Board of Directors may use electronic mail or other electronic means to take action without a meeting, by an affirmative vote of a majority of directors who hold office at the time of the action, unless the Articles of Incorporation or these Bylaws require an affirmative vote of a greater number of directors, provided that before taking such action: (i) the corporation shall send an announcement to the electronic mail address provided by each director that includes a description of the matter on which the Board of Directors will take action, and

specifies a deadline of not less than forty-eight (48) hours for each director to vote on such matter, and (ii) the corporation includes the electronic mail announcement and a record of the directors' votes in the minutes for the directors' meeting or other documents that reflect the action taken by the Board of Directors. A director may change the director's vote at any time before the deadline set forth in the electronic mail announcement described in clause (i) of the preceding sentence. Action by the Board of Directors under this Section 4.17 has the effect of a meeting vote and the Corporation may describe the action as a meeting vote in any document. The Board of Directors' action under this Section 4.17 is effective on the deadline specified in the electronic mail announcement provided to the directors for voting on the matter, unless the announcement specifies a different effective date or time.

4.18 Directors' Compensation. Directors shall receive no compensation.

4.19 Emeritus Directors. A person may be elected Emeritus director of the Board of Directors in recognition of extraordinary service rendered to the corporation over an extended period of time. Emeritus directors serve at the pleasure of the Board of Directors. An Emeritus director shall be entitled to attend all meetings of the Board of Directors, subject to exclusion if necessary to preserve the attorney-client privilege. Emeritus directors are not entitled to vote, are not considered to be directors in office, and will not be counted to determine whether or not a quorum is present for the transaction of business.

4.20 Honorary Directors. A person may be elected Honorary director of the Board of Directors to acknowledge their continuing willingness to lend name and influence to the cause of the corporation. Honorary directors serve at the pleasure of the Board of Directors. Honorary directors are not entitled to vote, are not considered to be directors in office, and will not be counted to determine whether or not a quorum is present for the transaction of business.

## ARTICLE V OFFICERS

5.1 Officers of the Board. The officers of the Board of Directors shall be the Chairperson and the Chairperson-elect, and other officers of the Board as the Board of Directors shall from time to time deem advisable. Each officer of the Board shall be a member of the Board of Directors at the time of his or her election and during his or her term of office.

5.2 Officers of the Corporation. The ~~officer~~officers of the corporation shall be a President, who shall be the Chief Executive Officer; a Secretary; a Treasurer, who shall also be the Chief Financial Officer unless otherwise determined by the Board of Directors; and such other officers of the corporation as the Board of Directors shall from time to time deem advisable. Officers of the corporation are not required to be members of the Board of Directors. An individual may hold more than one office, provided that the same person may not serve simultaneously as the President, Secretary and Treasurer.

5.3 Election, Term, Resignation, Removal, and Vacancy of Officers.

5.3.1 The Board Chairperson and other Board and corporate officers shall be elected for one (1) year terms by the Board of Directors at its ~~May or June~~annual meeting. The official year of service shall commence on the first day of the fiscal year and end on the last day

of the fiscal year. There shall be no term limits and no automatic progression through the officer positions; however, it is expected that the Board Chairperson will normally serve for two (2) consecutive terms.

5.3.2 Each officer of the Board and officer of the corporation shall hold office at the pleasure of the Board (but removal shall not affect the rights, if any, of any officer under contract of employment) and until his or her successor shall be elected and shall have qualified.

5.3.3 The resignation or removal of any officer shall automatically terminate his or her position as an officer. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled for the unexpired term at any meeting of the Board of Directors.

5.4 Board Chairperson. The Board Chairperson, or in his/her absence, the Board Chairperson-elect shall preside at all meetings of the Board of Directors and exercise and perform such other powers and duties as may from time to time be assigned by the Board of Directors. ~~The Chairperson or the Chairperson's designee shall serve as the official spokesperson for the corporation.~~

5.5 President and Chief Executive Officer. Subject to control of the Board of Directors, the President and Chief Executive Officer shall have general supervision, direction and control of the business and affairs of the corporation. He/she shall be an advisory member of all the committees of the Board of Directors, and shall have the general powers and duties of management usually vested in the office of the President of a corporation, as well as such other powers and duties as may be prescribed by the Board of Directors and these Bylaws. The President and Chief Executive Officer shall provide regular written reports to the Board of Directors on the activities of the corporation, and shall provide monthly financial reports and annual audited financial reports to the Board of Directors. The Chief Executive Officer or the Chief Executive Officer's designee shall serve as the official spokesperson for the corporation.

5.6 Secretary. The Secretary shall keep, or cause to be kept, at the principal office of the corporation, the original or a copy of the Articles of Incorporation and Bylaws as amended. The Secretary also shall keep, or cause to be kept at the principal office, or at such other place as the Board of Directors may order, a book of minutes of all meetings of the directors. The Secretary shall give or cause to be given notice of all meetings of the Board of Directors required by these Bylaws or law, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

5.7 Treasurer and Chief Financial Officer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receivables, payables, profits and losses. The books of account shall at all times be open to inspection by any director. The Treasurer shall use such depositories as may be designated by the Board of Directors and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors and these Bylaws.

5.8 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the Chief Executive Officer, or the Board Chairperson. Any such resignation shall take effect on the date of receipt of such notice or any later time specified therein and the acceptance of such resignation shall not be necessary to make it effective.

5.9 Removal. Any officer elected or appointed may be removed, with or without cause, by the Board of Directors whenever in their judgment the best interests of the corporation will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed.

5.10 Vacancies. Any vacancy in an office shall be filled as they occur and not on an annual basis. Should a vacancy occur in any office, the Board of Directors may delegate the powers and duties of such office to any officer or director until such time as a successor officer has been elected or appointed.

## **ARTICLE VI COMMITTEES**

The Board of Directors may appoint such committees as it seems appropriate or necessary and shall define the duties of such committees. No committee may: (a) authorize distributions; (b) approve dissolution, merger or the sale, pledge or transfer of all or substantially all of the corporation's assets; (c) elect, appoint or remove directors or fill vacancies on the Board of Directors or on any of its committees; or (d) adopt, amend or repeal the Articles of Incorporation of the corporation or these Bylaws.

## **ARTICLE VII GENERAL PROVISIONS**

7.1 Checks, Drafts, Etc. All checks, drafts and other orders for payment of money, notes and other evidences of indebtedness issued in the name of or payable to the corporation, and any and all securities owned or held by the corporation requiring signatures for transfer, shall be signed or endorsed by such persons and in such a manner as from time to time shall be determined by the Board of Directors.

7.2 Fiscal Year. The fiscal year of the corporation shall be determined by the Board of Directors.

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

7.4 Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

7.5 Audits. Annually, the accounts of Albertina Kerr Centers, Inc. will be audited by a reputable Certified Public Accountant, whose report shall be submitted to each member of the Board.

7.6 Severability. Any determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

## ARTICLE VIII INDEMNIFICATION

Albertina Kerr Centers shall 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 Albertina Kerr Centers, by reason of the fact that he or she is or was an Officer, Director, employee or agent of Albertina Kerr Centers or is or was serving at the request of Albertina Kerr Centers as an Officer, Director, employee, or agent or another corporation, against expenses including attorney fees, judgment, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of Albertina Kerr Centers, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful. Albertina Kerr Centers shall similarly indemnify any person described in the foregoing sentence against any threatened, pending or completed action or suit by or in the right of Albertina Kerr Centers if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of Albertina Kerr Centers. The foregoing indemnification provisions are adopted pursuant to ORS 65.414 as additional provisions to those provided for in ORS 65.387 to 65.411.

## ARTICLE IX CONFLICTS OF INTEREST

### 9.1 Director and Officer Conflicts of Interest.

9.1.1 A contract or other transaction between the corporation and (a) one or more of its directors or officers, ~~or~~ (b) any other entity in which one or more of the corporation's directors or officers are directors, officers or members, or (c) a person who is related to one or more of the corporation's directors or a business associate of one or more directors is a party, is or are financially interested is valid, notwithstanding such relationship or interest or because any such director or officer is present at the meeting of the Board of Directors or a committee of the Board which authorizes, approves or ratifies such contract or transaction or because his/her votes are counted for such purpose, if ~~an of the following applies:~~ the contract or transaction is fair to the corporation at the time the contract or transaction is entered into by the corporation.

9.1.2 ~~(a)The~~ A contract or transaction is presumed to be fair if the material facts of the transaction and the director's or officer's relationship or interest are disclosed or known to the Board of Directors or committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of those interested directors; ~~and.~~

~~(b)The contract or transaction is fair and reasonable to the corporation at the time the contract or transaction is authorized, approved, or ratified in the light of the circumstances known to those entitled to vote on the matter at that time.~~

9.2 Conflict of Interest and Acknowledgement of Standards of Conduct Statements.  
Upon appointment and re-appointment to the Board of Directors each such director shall be required to execute a ~~“Board Member Job Description” and a “Board Member Code of Ethics”~~ statement affirming a director’s commitment to ~~act in the best interest of the corporation and~~ abide by its conflict of interest policies. Each director shall immediately report to the corporation in writing any statement or facts which are, or might be construed to be, in conflict with the interests of the corporation.

## ARTICLE X DISSOLUTION

Upon the dissolution or liquidation of the corporation, the assets of the corporation shall be distributed according to the Articles of Incorporation.

## ARTICLE XI AMENDMENTS

These Bylaws, or any part thereof, may be amended or repealed and new Bylaws may be adopted only by affirmative vote of two-thirds (2/3) of the Board of Directors then in office, at a meeting at which a quorum of three-fourths (3/4) of the directors are present.

## CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly appointed and acting Secretary of Albertina Kerr Centers, an Oregon nonprofit, public benefit corporation; and
2. That the foregoing Bylaws constitute the Amended and Restated Bylaws of the corporation as duly adopted by the Board of Directors.

IN WITNESS WHEREOF, I have executed this Certificate as of this ~~18th~~ 22<sup>nd</sup> day of ~~November~~ June, ~~2013~~ 2020.

~~Barbara Farringer~~ Holly Edgar, Corporate Secretary



**AMENDED AND RESTATED BYLAWS**

**OF**

**ALBERTINA KERR CENTERS**

An Oregon Nonprofit Corporation

As revised and adopted June 22, 2020

**ARTICLE I  
PURPOSE AND POWERS**

The purpose for which the corporation is formed shall be as provided in its Articles of Incorporation. The corporation shall have all statutory powers.

**ARTICLE II  
NAME, OFFICES AND SEAL**

2.1 Name. The name of this corporation (the “corporation”) shall be Albertina Kerr Centers, which shall be a nonprofit, public benefit, non-membership corporation organized under ORS Chapter 65 (the “Act”) and Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future federal income tax laws.

2.2 Offices. The principal office for the transaction of the business of the corporation shall be established by the Board of Directors in the state of Oregon. The corporation also may have another office or offices within or without the state of Oregon, as the Board of Directors may from time to time establish.

2.3 Seal. A corporate seal is not required on any instrument executed for the corporation. If a corporate seal is used, it shall have inscribed thereon the words “Albertina Kerr Centers.”

**ARTICLE III  
NO MEMBERSHIP**

The corporation shall have no members.

**ARTICLE IV  
BOARD OF DIRECTORS**

4.1 Powers. Subject to any limitation in the Articles of Incorporation and Oregon law, the Board of Directors shall exercise, or delegate or otherwise authorize the exercise of, all corporate powers and shall direct the management of the corporation’s affairs. The Board of Directors shall retain authority over an exercise of corporate powers that the Board of Directors delegates or authorizes under these Bylaws.

4.2 Number of Directors. The number of directors of the corporation shall be at least nine (9) and no more than thirty (30). The Board of Directors may fix or change from time to time the number of directors within such minimum and maximum number. The President and Chief Executive Officer may be an elected member of the Board of Directors, but if not, shall be an *ex officio*, non-voting member of the Board of Directors.

4.3 Election of Directors, Qualifications, and Basic Responsibilities. The incumbent Board of Directors shall nominate and elect individuals as required to fill vacancies on the Board of Directors. Directors shall be elected and/or re-elected at any regularly scheduled meeting of the Board of Directors. It is a goal that the Board of Directors will have, in aggregate, expertise in areas of health care, finance, law, general management, public affairs and consumer affairs, in order to assure appropriate direction and governance of the corporation. Each director shall actively participate in corporate governance including service on at least one committee and support and participate in the major fund development activities of the corporation.

4.4 Term: Staggered Terms. Each director shall be appointed and serve for a term of three (3) years, or until his/her successor is elected or he/she dies, is disqualified, resigns, or is removed. There shall be no mandatory term limits, but it is expected that directors will normally serve not more than six (6) years. Such three year terms shall be staggered so that approximately one-third (1/3) of the total number of directors then in office shall be elected during each calendar year. It is a goal, but not a requirement, that the number of directors in each group will be approximately equal.

4.5 Quorum and Manner of Acting. One-third (1/3) of the directors in office immediately before the meeting begins shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of a 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 law, the Articles of Incorporation, or these Bylaws. The Board Chair shall have the right to vote on all matters. Proxy voting by directors is not permitted.

4.6 Resignations. Any director may resign at any time by giving written notice to the Chief Executive Officer, the Board Chair, or the Board of Directors. The notice shall set forth the effective date of the resignation. Resignation as a director of the corporation shall also constitute a resignation as a member of all standing committees of the Board of Directors.

4.7 Removal. A director may be removed with or without cause by a vote of two-thirds (2/3) of the directors then in office. A director may also be removed for one of the following reasons: conviction in a court of law of a criminal offense involving a felony or a misdemeanor involving moral turpitude, conduct which brings or threatens to discredit the reputation of the corporation, breach of director's duty of loyalty to the corporation, and acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law. A director may be removed for one of the listed reasons only if a majority of the directors then in office vote for the removal.

4.8 Place of Meetings. Except as otherwise permitted by Sections 4.13 and 4.17 of these Bylaws, all meetings of the Board of Directors shall be held at the principal office of the

corporation or at such other place as may be designated for that purpose from time to time by the Board of Directors.

4.9 Annual Meeting. The annual meeting of the Board of Directors shall be held each year, typically in June, in the state of Oregon at a time and place to be determined by the Board of Directors.

4.10 Regular Meetings. The Board of Directors shall hold regular meetings at least quarterly at such times and places as may be designated by the Board of Directors. No notice of any regular meeting of the Board of Directors need be given if it has so fixed the time and place of such meetings.

4.11 Special Meetings. Special meetings of the Board of Directors may be called for any purpose at any time by the President and Chief Executive Officer, the Board Chair, the Executive Committee, if any, or any five (5) directors.

4.12 Notice of, Waiver of Notice for, Special Directors' Meeting. Notice of any special directors' meeting shall be given at least two (2) days before the meeting either orally or by electronic mail or facsimile. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, except that no motion to remove a director shall be presented unless it was specified in the notice or waiver of notice of such meeting

Any director may at any time waive notice at any meeting. Except as provided in the next sentence, the waiver must be in writing, signed by the director entitled to notice, and filed with the minutes or corporate records. The attendance of a director at a 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 and at the beginning of the meeting (or promptly upon the director's arrival) objects to holding the meeting or transacting business at the meeting, and does not thereafter vote for or assent to the action taken at the meeting.

4.13 Participation in Meetings by Conference Telephone. Any or all directors may participate in a meeting of the Board of Directors, or any committee of the Board of Directors, through the use of conference telephone or any other means of communication, as long as all directors participating in such a meeting can simultaneously communicate during the meeting. A director's participation in such a meeting shall constitute that director's presence in person at such a meeting for all purposes, including determining whether a quorum exists.

4.14 Presumption of Assent. A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action unless:

4.14.1 The director objects at the beginning of the meeting (or promptly upon the director's arrival) to holding it or transacting business at the meeting;

4.14.2 The director's dissent or abstention from the action taken is entered in the minutes of the meeting; or

4.14.3 The director delivers written notice of the director's dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting.

The right of dissent or abstention is not available to a director who votes in favor of an action taken.

4.15 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any Board of Directors' meeting to another time and place. Notice of the time and place of holding as adjourned meeting need not be given to absent directors if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

4.16 Directors' Action without a Meeting. Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if all the directors take the action, each one signs a written consent (which may include one transmitted by electronic mail or facsimile with signature) describing the action taken, and the consents are filed with the records of the corporation. Action taken by consent is effective when the last director signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be so described in any document.

4.17 Use of Electronic Means to Take Action. Unless the Articles of Incorporation provide otherwise, the Board of Directors may use electronic mail or other electronic means to take action without a meeting, by an affirmative vote of a majority of directors who hold office at the time of the action, unless the Articles of Incorporation or these Bylaws require an affirmative vote of a greater number of directors, provided that before taking such action: (i) the corporation shall send an announcement to the electronic mail address provided by each director that includes a description of the matter on which the Board of Directors will take action, and specifies a deadline of not less than forty-eight (48) hours for each director to vote on such matter, and (ii) the corporation includes the electronic mail announcement and a record of the directors' votes in the minutes for the directors' meeting or other documents that reflect the action taken by the Board of Directors. A director may change the director's vote at any time before the deadline set forth in the electronic mail announcement described in clause (i) of the preceding sentence. Action by the Board of Directors under this Section 4.17 has the effect of a meeting vote and the Corporation may describe the action as a meeting vote in any document. The Board of Directors' action under this Section 4.17 is effective on the deadline specified in the electronic mail announcement provided to the directors for voting on the matter, unless the announcement specifies a different effective date or time.

4.18 Directors' Compensation. Directors shall receive no compensation.

4.19 Emeritus Directors. A person may be elected Emeritus director of the Board of Directors in recognition of extraordinary service rendered to the corporation over an extended period of time. Emeritus directors serve at the pleasure of the Board of Directors. An Emeritus director shall be entitled to attend all meetings of the Board of Directors, subject to exclusion if

necessary to preserve the attorney-client privilege. Emeritus directors are not entitled to vote, are not considered to be directors in office, and will not be counted to determine whether or not a quorum is present for the transaction of business.

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## **ARTICLE V OFFICERS**

5.1 Officers of the Board. The officers of the Board of Directors shall be the Chairperson and the Chairperson-elect, and other officers of the Board as the Board of Directors shall from time to time deem advisable. Each officer of the Board shall be a member of the Board of Directors at the time of his or her election and during his or her term of office.

5.2 Officers of the Corporation. The officers of the corporation shall be a President, who shall be the Chief Executive Officer; a Secretary; a Treasurer, who shall also be the Chief Financial Officer unless otherwise determined by the Board of Directors; and such other officers of the corporation as the Board of Directors shall from time to time deem advisable. Officers of the corporation are not required to be members of the Board of Directors. An individual may hold more than one office, provided that the same person may not serve simultaneously as the President, Secretary and Treasurer.

### 5.3 Election, Term, Resignation, Removal, and Vacancy of Officers.

5.3.1 The Board Chairperson and other Board and corporate officers shall be elected for one (1) year terms by the Board of Directors at its annual meeting. The official year of service shall commence on the first day of the fiscal year and end on the last day of the fiscal year. There shall be no term limits and no automatic progression through the officer positions; however, it is expected that the Board Chairperson will normally serve for two (2) consecutive terms.

5.3.2 Each officer of the Board and officer of the corporation shall hold office at the pleasure of the Board (but removal shall not affect the rights, if any, of any officer under contract of employment) and until his or her successor shall be elected and shall have qualified.

5.3.3 The resignation or removal of any officer shall automatically terminate his or her position as an officer. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled for the unexpired term at any meeting of the Board of Directors.

5.4 Board Chairperson. The Board Chairperson, or in his/her absence, the Board Chairperson-elect shall preside at all meetings of the Board of Directors and exercise and perform such other powers and duties as may from time to time be assigned by the Board of Directors.

5.5 President and Chief Executive Officer. Subject to control of the Board of Directors, the President and Chief Executive Officer shall have general supervision, direction and control of the business and affairs of the corporation. He/she shall be an advisory member of all the committees of the Board of Directors, and shall have the general powers and duties of management usually vested in the office of the President of a corporation, as well as such other powers and duties as may be prescribed by the Board of Directors and these Bylaws. The President and Chief Executive Officer shall provide regular written reports to the Board of Directors on the activities of the corporation, and shall provide monthly financial reports and annual audited financial reports to the Board of Directors. The Chief Executive Officer or the Chief Executive Officer's designee shall serve as the official spokesperson for the corporation.

5.6 Secretary. The Secretary shall keep, or cause to be kept, at the principal office of the corporation, the original or a copy of the Articles of Incorporation and Bylaws as amended. The Secretary also shall keep, or cause to be kept at the principal office, or at such other place as the Board of Directors may order, a book of minutes of all meetings of the directors. The Secretary shall give or cause to be given notice of all meetings of the Board of Directors required by these Bylaws or law, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

5.7 Treasurer and Chief Financial Officer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receivables, payables, profits and losses. The books of account shall at all times be open to inspection by any director. The Treasurer shall use such depositories as may be designated by the Board of Directors and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors and these Bylaws.

5.8 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the Chief Executive Officer, or the Board Chairperson. Any such resignation shall take effect on the date of receipt of such notice or any later time specified therein and the acceptance of such resignation shall not be necessary to make it effective.

5.9 Removal. Any officer elected or appointed may be removed, with or without cause, by the Board of Directors whenever in their judgment the best interests of the corporation will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed.

5.10 Vacancies. Any vacancy in an office shall be filled as they occur and not on an annual basis. Should a vacancy occur in any office, the Board of Directors may delegate the powers and duties of such office to any officer or director until such time as a successor officer has been elected or appointed.

## **ARTICLE VI COMMITTEES**

The Board of Directors may appoint such committees as it seems appropriate or necessary and shall define the duties of such committees. No committee may: (a) authorize

distributions; (b) approve dissolution, merger or the sale, pledge or transfer of all or substantially all of the corporation's assets; (c) elect, appoint or remove directors or fill vacancies on the Board of Directors or on any of its committees; or (d) adopt, amend or repeal the Articles of Incorporation of the corporation or these Bylaws.

## **ARTICLE VII GENERAL PROVISIONS**

7.1 Checks, Drafts, Etc. All checks, drafts and other orders for payment of money, notes and other evidences of indebtedness issued in the name of or payable to the corporation, and any and all securities owned or held by the corporation requiring signatures for transfer, shall be signed or endorsed by such persons and in such a manner as from time to time shall be determined by the Board of Directors.

7.2 Fiscal Year. The fiscal year of the corporation shall be determined by the Board of Directors.

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

7.4 Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

7.5 Audits. Annually, the accounts of Albertina Kerr Centers, Inc. will be audited by a reputable Certified Public Accountant, whose report shall be submitted to each member of the Board.

7.6 Severability. Any determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

## **ARTICLE VIII INDEMNIFICATION**

Albertina Kerr Centers shall 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 Albertina Kerr Centers, by reason of the fact that he or she is or was an Officer, Director, employee or agent of Albertina Kerr Centers or is or was serving at the request of Albertina Kerr Centers as an Officer, Director, employee, or agent or another corporation, against expenses including attorney fees, judgment, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of Albertina Kerr Centers, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful. Albertina Kerr Centers shall similarly indemnify any person described in the foregoing sentence against any threatened, pending or

completed action or suit by or in the right of Albertina Kerr Centers if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of Albertina Kerr Centers. The foregoing indemnification provisions are adopted pursuant to ORS 65.414 as additional provisions to those provided for in ORS 65.387 to 65.411.

## **ARTICLE IX CONFLICTS OF INTEREST**

### 9.1 Director and Officer Conflicts of Interest.

9.1.1 A contract or other transaction between the corporation and (a) one or more of its directors or officers, (b) any other entity in which one or more of the corporation's directors or officers are directors, officers or members, or (c) a person who is related to one or more of the corporation's directors or a business associate of one or more directors is a party, is or are financially interested is valid, notwithstanding such relationship or interest or because any such director or officer is present at the meeting of the Board of Directors or a committee of the Board which authorizes, approves or ratifies such contract or transaction or because his/her votes are counted for such purpose, if the contract or transaction is fair to the corporation at the time the contract or transaction is entered into by the corporation.

9.1.2 A contract or transaction is presumed to be fair if the material facts of the transaction and the director's or officer's relationship or interest are disclosed or known to the Board of Directors or committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of those interested directors.

9.2 Conflict of Interest and Acknowledgement of Standards of Conduct Statements. Upon appointment and re-appointment to the Board of Directors each such director shall be required to execute a statement affirming a director's commitment to abide by its conflict of interest policies. Each director shall immediately report to the corporation in writing any statement or facts which are, or might be construed to be, in conflict with the interests of the corporation.

## **ARTICLE X DISSOLUTION**

Upon the dissolution or liquidation of the corporation, the assets of the corporation shall be distributed according to the Articles of Incorporation.

## **ARTICLE XI AMENDMENTS**

These Bylaws, or any part thereof, may be amended or repealed and new Bylaws may be adopted only by affirmative vote of two-thirds (2/3) of the Board of Directors then in office, at a meeting at which a quorum of three-fourths (3/4) of the directors are present.



## CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly appointed and acting Secretary of Albertina Kerr Centers, an Oregon nonprofit, public benefit corporation; and
2. That the foregoing Bylaws constitute the Amended and Restated Bylaws of the corporation as duly adopted by the Board of Directors.

IN WITNESS WHEREOF, I have executed this Certificate as of this 22<sup>nd</sup> day of June, 2020.

---

Holly Edgar, Corporate Secretary

~~THE~~ AMENDED AND RESTATED BYLAWS

OF

~~OF~~

ALBERTINA KERR CENTERS FOUNDATION, INC.

An Oregon Nonprofit Corporation

As revised and adopted ~~November 18, 2013~~ June 22, 2020

~~ARTICLE I~~

ARTICLE I  
NAME

The name of the corporation is Albertina Kerr Centers Foundation, Inc. (hereinafter sometimes referred to as “**corporation**” or “**Foundation**”), which shall be a nonprofit, public benefit corporation organized under the Oregon Nonprofit Corporation Act (the “**Act**”) and Section 501(c)(3) of the Internal Revenue Code of 1986, as amended or the corresponding provision or provisions of any future federal income tax laws.

~~ARTICLE II~~

ARTICLE II  
PURPOSES

The purposes for which this corporation is organized and operated shall be as set forth in Article III of the Articles of Incorporation of this corporation. Subject to those limitations and conditions set forth in ~~Article III~~, Section ~~2 below~~ 3.2 of these Bylaws, the corporation shall have all statutory powers.

~~ARTICLE III~~

ARTICLE III  
MEMBER

3.1 ~~1. Designation.~~ The sole member of this corporation is Albertina Kerr Centers, Inc.

3.2 ~~2. Reserve~~ Reserved Powers. Notwithstanding anything to the contrary in these Bylaws, neither the Board of Trustees nor any committee, officer, employee or agent of this corporation may take any of the following actions without approval of the member:

3.2.1 ~~2.1~~—Amendment or restatement of the Articles of Incorporation or the Bylaws of this corporation.

3.2.2 ~~2.2~~ Purchase, sale, lease, disposition, hypothecation, exchange, gift, pledge or encumbrance of any interest in real or personal property, except in accordance with the established policies for such matters approved from time-to-time by the member.

3.2.3 ~~2.3~~ Election and removal of ~~51%~~ a majority of the Trustees of this corporation.

3.2.4 ~~2.4~~ Aggregate borrowing of this corporation for periods of one (1) year or less for any purpose in excess of a dollar amount to be established by the member from time-to-time; and aggregate borrowing for more than one (1) year for any purpose in excess of a dollar amount to be established by the member from time-to-time. For purposes hereof, the term “borrowing” shall include any commitment for the payment of money pursuant to any contract.

3.2.5 ~~2.5~~ Any change in the formal or informal expressions of philosophy or purpose of this corporation.

3.2.6 ~~2.6~~ Merger, consolidation, reorganization or dissolution of this corporation.

3.2.7 ~~2.7~~ Sale, lease, mortgage, pledge or other disposition of all or substantially all assets of this corporation.

3.2.8 ~~2.8~~ Creation of any subsidiary of this corporation or its participation in any business entity, including, without limitation, any corporation, unincorporated association, partnership, joint venture, consortium or cooperative.

3.2.9 ~~2.9~~ Approval or adoption of annual operating and capital budgets.

3.2.10 ~~2.10~~ Any unbudgeted capital expenditure in excess of a dollar amount to be determined by the member from time-to-time.

3.2.11 ~~2.11~~ Appointment of the independent auditor and corporate counsel.

3.2.12 ~~2.12~~ Any transaction of this corporation in which a trustee or officer of this corporation has a material financial interest ~~3~~.

3.3 Policy. The member shall also have the discretion to review any proposed transaction of this corporation which the member deems to involve significant questions of policy or would have a substantial impact, financial or otherwise, upon this corporation or the member, and to approve or disapprove such transaction.

3.4 4-Disputes. In all cases of dispute of authority or uncertainty of the meaning of these Bylaws, the decision of the member shall be dispositive ~~5~~.

3.5 No Liability. The member shall not be liable to the creditors of the corporation, or otherwise be liable, and all creditors and claimants shall only look to the assets of the corporation for payment.

3.6 ~~6.~~ No Transfer. The member shall not transfer its membership interest without the prior written consent of the corporation.

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~~ARTICLE IV~~

ARTICLE IV  
**BOARD OF TRUSTEES**

4.1 ~~1.~~ General. Subject to the rights of the member, ~~the affairs of the corporation shall be managed by a Board of Trustees. any limitation in the Articles of Incorporation and Oregon law, the Board of Trustees shall exercise, or delegate or otherwise authorize the exercise of, all corporate powers and shall direct the management of the corporation's affairs. The Board of Trustees shall retain authority over an exercise of corporate powers that the Board of Trustees delegates or authorizes under these Bylaws.~~ The Board of Trustees shall consist of not fewer than ~~7~~5 nor more than ~~30~~10 persons, as shall be established from time to time by the Board of Trustees. ~~All Trustees shall have equal and full voting responsibilities as members of the Board of Trustees. A trustee on leave of absence shall not be considered a member of the Board of Trustees entitled to a vote during the period of such leave for receiving notices, for the purpose of determining a quorum, or for any other purposes.~~2.

4.2 Election of Trustees, Qualifications, and Basic Responsibilities.

4.2.1 ~~2.1~~ The incumbent Board of Trustees shall nominate individuals as required to fill vacancies on the Board of Trustees. Trustees shall be elected and/or re-elected at any regularly scheduled meeting of the Board of Trustees.

~~2.2 Each trustee shall actively participate in corporate governance including service on at least one committee and support and participate in the major fund development activities of the corporation.~~

4.2.2 ~~2.3~~ Fifty-one percent (51%) of the Trustees, to the nearest whole number, shall be elected by Albertina Kerr Centers, Inc. from among the candidates nominated and forty-nine percent (49%) of the Trustees, to the nearest whole number, shall be elected by the Board of Trustees from among the candidates nominated by the incumbent Board of Trustees. The President/CEO of Albertina Kerr Centers, Inc. shall serve as a member of the Board of Trustees, ex officio, with the right to vote, and shall be one of the trustees elected by Albertina Kerr Centers, Inc. ~~Up to three (3) representatives of The Old Kerr Nursery Association, as designated by~~ One member of the Board of Directors of Albertina Kerr Centers, Inc., shall serve as ~~members~~ a member of the Board of Trustees, with the right to vote, and shall be ~~three~~ one of the trustees elected by Albertina Kerr Centers, Inc.

4.3 ~~a.~~ Term: Staggered Terms. Each trustee shall be appointed and serve for a term of three (3) years or until his/her successor is elected; or he/she dies, is disqualified, resigns, or is removed. There shall be no mandatory term limits, but it is expected that trustees will normally serve not more than six (6) years. Such three year terms shall be staggered so that approximately one-third (1/3) of the total number of trustees then in office shall be elected during each calendar

year. It is a goal, but not a requirement, that the number of trustees in each group will be approximately equal.

4.4 ~~b.~~ Quorum and Manner of Acting. ~~One-third (1/3)~~ One-half (1/2) of the trustees in office immediately before the meeting begins shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees. The act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees, unless the act of a greater number is required by law, the Articles of Incorporation, or these Bylaws. The Board Chair shall have the right to vote on all matters. Proxy voting by trustees is not permitted.

4.5 ~~e.~~ Removal. A trustee may be removed with or without cause by a vote of two-thirds (2/3) of the trustees then in office. A trustee may also be removed for one of the following reasons: conviction in a court of law of a criminal offense involving a felony or a misdemeanor involving moral turpitude, conduct which brings or threatens to discredit the reputation of the corporation, breach of trustee's duty of loyalty to the corporation, and acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law. A trustee may be removed for one of the listed reasons only if a majority of the trustees then in office vote for the removal.

4.6 ~~d.~~ Place of Meetings. ~~All~~ Except as otherwise permitted by Sections 4.11 and 4.15 of these Bylaws, all meetings of the Board of Trustees shall be held at the principal office of the corporation or at such other place as may be designated for that purpose from time to time by the Board of Trustees.

4.7 ~~e.~~ Annual Meeting. The annual meeting of the Board of Trustees and the member shall be held each year, typically in ~~October~~ June, in the state of Oregon at a time and place to be determined by the Board of Trustees.

4.8 ~~f.~~ Regular Meetings. The Board of Trustees shall hold regular meetings at least quarterly at such times and places as may be designated by the Board of Trustees.

4.9 ~~g.~~ Special Meetings. Special meetings of the Board of Trustees may be called for any purpose at any time by the Board Chair or any ~~five (5)~~ three (3) trustees.

4.10 ~~h.~~ Notice of Meetings; Attendance.

4.10.1 ~~10.1~~—Regular scheduled meetings of the Board of Trustees, fixed by an express provision of the Bylaws or by a standing resolution of the Board of Trustees, may be held without additional notice of the date, time, place or purpose of the meeting. Notice of the date, time and place of each meeting of the Board of Trustees not fixed by an express provision of the Bylaws or by a standing resolution of the Board of Trustees shall be given to each trustee not less than two (2) days before the date of the meeting by any means permitted by the Act, including communication in person, by telephone, by mail, by electronic mail, by facsimile, or other means of electronic transmission.

4.10.2 ~~10.2~~—Notice of any special meeting of the Board of Trustees shall be given at least two (2) days before the meeting by any means permitted by the Act, including communication in person, by telephone, by mail, by electronic mail, by facsimile, or other means of

electronic transmission. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Trustees need be specified in the notice or waiver of notice of such meeting, except that no motion to remove a trustee shall be presented unless it was specified in the notice or waiver of notice of such meeting

4.10.3 ~~10.3~~—Notice of a meeting of the Board of Trustees delivered orally is effective when communicated if communicated in a comprehensible manner. Notice of a meeting of the Board of Trustees delivered by electronic mail or other means of electronic transmission is effective when transmitted to an electronic mail address, facsimile number or other manner authorized in writing by the trustee. Any written authorization by a trustee to the corporation specifying means of delivering notice by electronic mail or other means of electronic transmission shall be effective until revoked or modified by a trustee in writing. Notice of a meeting of the Board of Trustees delivered by mail is effective at the earliest of (i) when received, or (ii) five (5) days after its postmark, if mailed by United States mail correctly addressed and with first class postage affixed

4.10.4 ~~10.3~~—Any trustee may at any time waive notice at any meeting. Except as provided in the next sentence, the waiver must be in writing, signed by the trustee entitled to notice, and filed with the minutes or corporate records. The attendance of a trustee at a meeting shall constitute a waiver of notice of such meeting, except where a trustee attends a meeting for the express purpose of objecting to the transaction of any business and at the beginning of the meeting (or promptly upon the trustee’s arrival) objects to holding the meeting or transacting business at the meeting, and does not thereafter vote for or assent to the action taken at the meeting.

4.11 ~~i~~—Participation in Meetings by Conference Telephone. Any or all Trustees may participate in a meeting of the Board of Trustees, or any committee of the Board of Trustees, through the use of conference telephone or any other ~~similar communications~~means of communication, as long as all trustees participating in such a meeting can simultaneously ~~hear one another~~communicate during the meeting. A trustee’s participation in ~~a telephonic~~ such a meeting shall constitute that trustee’s presence in person at such a meeting for all purposes, including determining whether a quorum exists.

4.12 ~~j~~—Presumption of Assent. A trustee who is present at a meeting of the Board of Trustees or a committee of the Board of Trustees when corporate action is taken is deemed to have assented to the action unless:

4.12.1 ~~12.1~~The trustee objects at the beginning of the meeting (or promptly upon the trustee’s arrival) to holding it or transacting business at the meeting;

4.12.2 ~~12.2~~The trustee’s dissent or abstention from the action taken is entered in the minutes of the meeting; or

4.12.3 ~~12.3~~The trustee delivers written notice of the trustee’s dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting.

The right of dissent or abstention is not available to a trustee who votes in favor of an action taken.

4.13 Adjournment. A majority of the trustees present, whether or not a quorum is present, may adjourn any Board of Trustees' meeting to another time and place. Notice of the time and place of holding as adjourned meeting need not be given to absent trustees if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given prior to the time of the adjourned meeting to the trustees who were not present at the time of the adjournment.

4.14 ~~k~~-Trustees' Action without a Meeting. Any action required or permitted to be taken by the Board of Trustees at a meeting may be taken without a meeting if all the trustees take the action, each one signs a written consent (which may include one transmitted by electronic mail or facsimile with signature) describing the action taken, and the consents are filed with the records of the corporation. Action taken by consent is effective when the last trustee signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be so described in any document.

~~1.—Adjournment. A majority of the trustees present, whether or not a quorum is present, may adjourn any Board of Trustees' meeting to another time and place. Notice of the time and place of holding as adjourned meeting need not be given to absent trustees if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty four (24) hours, notice of any adjournment to another time and place shall be given prior to the time of the adjourned meeting to the trustees who were not present at the time of the adjournment.~~

4.15 Use of Electronic Means to Take Action. Unless the Articles of Incorporation provide otherwise, the Board of Trustees may use electronic mail or other electronic means to take action without a meeting, by an affirmative vote of a majority of trustees who hold office at the time of the action, unless the Articles of Incorporation or these Bylaws require an affirmative vote of a greater number of trustees, provided that before taking such action: (i) the corporation shall send an announcement to the electronic mail address provided by each trustee that includes a description of the matter on which the Board of Trustees will take action, and specifies a deadline of not less than forty-eight (48) hours for each director to vote on such matter, and (ii) the corporation includes the electronic mail announcement and a record of the trustees' votes in the minutes for the trustees' meeting or other documents that reflect the action taken by the Board of Trustees. A trustee may change the trustee's vote at any time before the deadline set forth in the electronic mail announcement described in clause (i) of the preceding sentence. Action by the Board of Trustees under this Section 4.15 has the effect of a meeting vote and the Corporation may describe the action as a meeting vote in any document. The Board of Trustees' action under this Section 4.15 is effective on the deadline specified in the electronic mail announcement provided to the trustees for voting on the matter, unless the announcement specifies a different effective date or time.

4.16 ~~m~~-Trustees' Compensation. Trustees shall receive no compensation.

~~ARTICLE V~~

ARTICLE V  
**OFFICERS**

5.1 ~~1.~~ Officers of the Board. The officers of the Board of Trustees shall be the Chairperson and the Chairperson-elect, and other officers of the Board as the Board of Trustees shall from time to time deem advisable. Each officer of the Board shall be a member of the Board of Trustees at the time of his or her election and during his or her term of office.

5.2 ~~a.~~ Officers of the Corporation. The officers of the corporation shall be a President, who shall be the Chief Executive Officer; a Secretary; a Treasurer, who shall also be the Chief Financial Officer unless otherwise determined by the Board of Trustees; and such other officers of the corporation as the Board of Trustees shall from time to time deem advisable. Officers of the corporation are not required to be members of the Board of Trustees. An individual may hold more than one office, provided that the same person may not serve simultaneously as the President, Secretary and Treasurer.

5.3 ~~b.~~ Election, Term, Resignation, Removal, and Vacancy of Officers.

5.3.1 ~~3.1~~ The Board Chairperson and other Board and corporate officers shall be elected for one (1) year terms by the Board of Trustees at its ~~May or June~~ annual meeting. The official year of service shall commence on the first day of the fiscal year and end on the last day of the fiscal year. There shall be no term limits and no automatic progression through the officer positions; however, it is expected that the Board Chairperson will normally serve for two (2) consecutive terms.

5.3.2 ~~3.2~~ Each officer of the Board and officer of the corporation shall hold office at the pleasure of the Board (but removal shall not affect the rights, if any, of any officer under contract of employment) and until his or her successor shall be elected and shall have qualified.

5.3.3 ~~3.3~~ The resignation or removal of any officer shall automatically terminate his or her position as an officer. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled for the unexpired term at any meeting of the Board of Trustees.

5.4 ~~e.~~ Board Chairperson. The Board Chairperson, or in his/her absence, the Board Chairperson-elect shall preside at all meetings of the Board of Trustees and exercise and perform such other powers and duties as may from time to time be assigned by the Board of Trustees. ~~The Chairperson or the Chairperson's designee shall serve as the official spokesperson for the corporation. The Chairperson is a required and voting member of the Board of Directors of Albertina Kerr Centers, Inc.~~

5.5 ~~d.~~ President and Chief Executive Officer. Subject to control of the Board of Trustees, the President and Chief Executive Officer shall have general supervision, direction and control of the business and affairs of the corporation. He/she shall be an advisory member of all the committees of the Board of Trustees, and shall have the general powers and duties of management usually vested in



the office of the President of a corporation, as well as such other powers and duties as may be prescribed by the Board of Trustees and these Bylaws. The President and Chief Executive Officer shall provide regular written reports to the Board of Trustees on the activities of the corporation, and shall provide monthly financial reports and annual audited financial reports to the Board of Trustees. The Chief Executive Officer or the Chief Executive Officer's designee shall serve as the official spokesperson for the corporation.

5.6 ~~e.~~ Secretary. The Secretary shall keep, or cause to be kept, at the principal office of the corporation, the original or a copy of the Articles of Incorporation and Bylaws as amended. The Secretary also shall keep, or cause to be kept at the principal office, or at such other place as the Board of Trustees may order, a book of minutes of all meetings of the trustees. The Secretary shall give or cause to be given notice of all meetings of the Board of Trustees required by these Bylaws or law, and shall have such other powers and perform such other duties as may be prescribed by the Board of Trustees or these Bylaws.

5.7 ~~f.~~ Treasurer and Chief Financial Officer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receivables, payables, profits and losses. The books of account shall at all times be open to inspection by any trustee. The Treasurer shall use such depositories as may be designated by the Board of Trustees and shall have such other powers and perform such other duties as may be prescribed by the Board of Trustees and these Bylaws.

5.8 ~~g.~~ Resignation. Any officer may resign at any time by giving written notice to the Board of Trustees, the Chief Executive Officer, or the Board Chairperson. Any such resignation shall take effect on the date of receipt of such notice or any later time specified therein and the acceptance of such resignation shall not be necessary to make it effective.

5.9 ~~h.~~ Removal. Any officer elected or appointed may be removed, with or without cause, by the Board of Trustees whenever in their judgment the best interests of the corporation will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed.

5.10 ~~i.~~ Vacancies. Any vacancy in an office shall be filled as they occur and not on an annual basis. Should a vacancy occur in any office, the Board of Trustees may delegate the powers and duties of such office to any officer or trustee until such time as a successor officer has been elected or appointed.

## ARTICLE VI

### ARTICLE VI COMMITTEES

The Board of Trustees may appoint such committees as it seems appropriate or necessary and shall define the duties of such committees. The committee shall consist of one (1) or more trustees, who will serve at the pleasure of the Board. No committee may: (a) authorize distributions; (b) approve or recommend to the member dissolution, merger or the sale, pledge or transfer of all or

substantially all of the corporation's assets; (c) elect, appoint or remove trustees or fill vacancies on the Board of Trustees or on any of its committees; or (d) adopt, amend or repeal the Articles of Incorporation of the corporation or these Bylaws.

## ARTICLE VII

### ARTICLE VII GENERAL PROVISIONS

7.1 ~~1.~~ Authorization. The Board of Trustees may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Trustees.

7.2 ~~2.~~ Funds. All funds of the corporation not otherwise employed shall be deposited to the credit of the corporation in such banks, trust companies or other depositories as the Board of Trustees may select.

7.3 ~~3.~~ Acceptance of Gifts. The Board of Trustees may accept for the benefit of the member any contribution, gift, bequest or devise for any purpose of the corporation. From time to time, as it deems appropriate, the Board of Trustees will review the corporation's gift policies and make any changes it deems necessary.

7.4 Investment Oversight. The Board of Trustees will (a) review the Foundation's Investment Policy annually and may revise it from time to time; (b) review the performance of the Foundation's investment advisors quarterly regarding compliance with the Investment Policy and performance against agreed upon benchmark comparisons; (c) periodically, but at least every 4 years, review the qualification and performance of the investment advisors and determine whether to retain the current investment advisor or select a new advisor; and (d) annually review requirements under the Uniform Prudent Management of Institutional Funds Act (UPMIFA) or other applicable law and current standards.

7.5 Spending Rate. The Board of Trustees annually will determine a spending rate up to a maximum of 7% of the endowment investment portfolio based on a 13 quarter trailing average. Consideration will be given to the needs -of Albertina Kerr Centers, Inc., investment goals, and to the fiduciary responsibility under UPMIFA or other applicable law and current standards.

7.6 ~~4~~ Distribution of Income. Endowments and property to be managed will be retained and managed by the Foundation. The net income from the endowments and property being managed will be distributed in accordance with the approved annual budget of the member-.

7.7 Planned Giving. The Board of Trustees will monitor and evaluate the corporation's planned giving plan and recommend changes to such plan as it deems necessary.

7.8 ~~5.~~ Audits. Annually, the accounts of the Foundation will be audited by a reputable Certified Public Accountant, whose report shall be submitted to each member of the Board.~~6.~~

7.9 Bond. At the direction of the Board of Trustees, any officer or employee of the corporation shall be bonded. The expense of furnishing any such bond shall be paid by the corporation.

7.10 ~~a.~~ Fiscal Year. The fiscal year of the corporation shall be determined by the Board of Trustees.

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

~~e. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Trustees may select.~~

7.12 ~~d.~~ Severability. Any determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

## **ARTICLE VIII**

### **ARTICLE VIII** **INDEMNIFICATION**

The Foundation shall 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 Foundation, by reason of the fact that he or she is or was an Officer, Trustee, employee or agent of the Foundation or is or was serving at the request of the Foundation as an Officer, Trustee, employee, or agent or another corporation, against expenses including attorney fees, judgment, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Foundation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful. The Foundation shall similarly indemnify any person described in the foregoing sentence against any threatened, pending or completed action or suit by or in the right of the Foundation if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Foundation. The foregoing indemnification provisions are adopted pursuant to ORS 65.414 as additional provisions to those provided for in ORS 65.387 to 65.411.

~~ARTICLE IX~~

ARTICLE IX  
CONFLICTS OF INTEREST

9.1 ~~1.~~ Trustee and Officer Conflicts of Interest.

9.1.1 ~~1.1~~ A contract or other transaction between the corporation and (a) one or more of its trustees or officers, ~~or~~ (b) any other entity in which one or more of the corporation's trustees or officers are directors, trustees, officers or members, or (c) a person who is related to one or more of the corporation's trustees or a business associate of one or more trustees is a party, is or are financially interested is valid, notwithstanding such relationship or interest or because any such trustee or officer is present at the meeting of the Board of Trustees or a committee of the Board which authorizes, approves or ratifies such contract or transaction or because his/her votes are counted for such purpose, if ~~any of the following applies:~~ the contract or transaction is fair to the corporation at the time the contract or transaction is entered into by the corporation.

9.1.2 ~~i.~~ A contract or transaction is presumed to be fair if the material facts of the transaction and the trustee's or officer's relationship or interest are disclosed or known in advance to the Board of Trustees or committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of those interested trustees; ~~and.~~

~~ii. The contract or transaction is fair and reasonable to the corporation at the time the contract or transaction is authorized, approved, or ratified in the light of the circumstances known to those entitled to vote on the matter at that time.~~

9.2 ~~a.~~ Conflict of Interest and Acknowledgement of Standards of Conduct Statements. Upon appointment and re-appointment to the Board of Trustees each such trustee shall be required to execute a ~~"Board Member Job Description" and a "Board Member Code of Ethics"~~ statement affirming ~~a~~ the trustee's commitment to ~~act in the best interest of the corporation and~~ abide by ~~its~~ the corporation's conflict of interest policies. Each trustee shall immediately report to the corporation in writing any statement or facts which are, or might be construed to be, in conflict with the interests of the corporation.

~~ARTICLE X~~

ARTICLE X  
DISSOLUTION

Upon the dissolution or liquidation of the corporation, the assets of the corporation shall be distributed according to the Articles of Incorporation.

~~ARTICLE XI~~

ARTICLE XI  
AMENDMENTS

Subject to the limitations set forth in ~~Article III~~, Section 23.2 of these Bylaws, these Bylaws, or any part thereof, may be amended or repealed and new Bylaws may be adopted only by affirmative vote of two-thirds (2/3) of the Board of Trustees then in office, at a meeting at which a quorum of three-fourths (3/4) of the trustees are present.

~~ARTICLE XII~~

ARTICLE XII  
SEAL

A corporate seal is not required on any instrument executed for the corporation. If a corporate seal is used, it shall have inscribed thereon the words "Albertina Kerr Centers Foundation."

**CERTIFICATE OF SECRETARY**

I, the undersigned, do hereby certify:

1. That I am the duly appointed and acting Secretary of Albertina Kerr Centers Foundation, Inc., an Oregon nonprofit, public benefit corporation; and
2. That the foregoing Bylaws constitute the Amended and Restated Bylaws of the corporation as duly adopted by the Board of Trustees.

IN WITNESS WHEREOF, I have executed this Certificate as of this ~~18th~~ 22<sup>nd</sup> day of ~~November~~ June, ~~2013~~ 2020.

~~Barbara Farringer~~ Holly Edgar, Corporate Secretary

Revised and approved by the Trustees of  
Albertina Kerr Centers Foundation, Inc.

**AMENDED AND RESTATED BYLAWS**  
**OF**  
**ALBERTINA KERR CENTERS FOUNDATION, INC.**

An Oregon Nonprofit Corporation

As revised and adopted June 22, 2020

**ARTICLE I**  
**NAME**

The name of the corporation is Albertina Kerr Centers Foundation, Inc. (hereinafter sometimes referred to as “**corporation**” or “**Foundation**”), which shall be a nonprofit, public benefit corporation organized under the Oregon Nonprofit Corporation Act (the “**Act**”) and Section 501(c)(3) of the Internal Revenue Code of 1986, as amended or the corresponding provision or provisions of any future federal income tax laws.

**ARTICLE II**  
**PURPOSES**

The purposes for which this corporation is organized and operated shall be as set forth in Article III of the Articles of Incorporation of this corporation. Subject to those limitations and conditions set forth in Section 3.2 of these Bylaws, the corporation shall have all statutory powers.

**ARTICLE III**  
**MEMBER**

3.1 Designation. The sole member of this corporation is Albertina Kerr Centers, Inc.

3.2 Reserved Powers. Notwithstanding anything to the contrary in these Bylaws, neither the Board of Trustees nor any committee, officer, employee or agent of this corporation may take any of the following actions without approval of the member:

3.2.1 Amendment or restatement of the Articles of Incorporation or the Bylaws of this corporation.

3.2.2 Purchase, sale, lease, disposition, hypothecation, exchange, gift, pledge or encumbrance of any interest in real or personal property, except in accordance with the established policies for such matters approved from time-to-time by the member.

3.2.3 Election and removal of a majority of the Trustees of this corporation.

3.2.4 Aggregate borrowing of this corporation for periods of one (1) year or less for any purpose in excess of a dollar amount to be established by the member from time-to-time; and aggregate borrowing for more than one (1) year for any purpose in excess of a dollar amount to be

established by the member from time-to-time. For purposes hereof, the term “borrowing” shall include any commitment for the payment of money pursuant to any contract.

3.2.5 Any change in the formal or informal expressions of philosophy or purpose of this corporation.

3.2.6 Merger, consolidation, reorganization or dissolution of this corporation.

3.2.7 Sale, lease, mortgage, pledge or other disposition of all or substantially all assets of this corporation.

3.2.8 Creation of any subsidiary of this corporation or its participation in any business entity, including, without limitation, any corporation, unincorporated association, partnership, joint venture, consortium or cooperative.

3.2.9 Approval or adoption of annual operating and capital budgets.

3.2.10 Any unbudgeted capital expenditure in excess of a dollar amount to be determined by the member from time-to-time.

3.2.11 Appointment of the independent auditor and corporate counsel.

3.2.12 Any transaction of this corporation in which a trustee or officer of this corporation has a material financial interest.

3.3 Policy. The member shall also have the discretion to review any proposed transaction of this corporation which the member deems to involve significant questions of policy or would have a substantial impact, financial or otherwise, upon this corporation or the member, and to approve or disapprove such transaction.

3.4 Disputes. In all cases of dispute of authority or uncertainty of the meaning of these Bylaws, the decision of the member shall be dispositive.

3.5 No Liability. The member shall not be liable to the creditors of the corporation, or otherwise be liable, and all creditors and claimants shall only look to the assets of the corporation for payment.

3.6 No Transfer. The member shall not transfer its membership interest without the prior written consent of the corporation.

## **ARTICLE IV BOARD OF TRUSTEES**

4.1 General. Subject to the rights of the member, any limitation in the Articles of Incorporation and Oregon law, the Board of Trustees shall exercise, or delegate or otherwise authorize the exercise of, all corporate powers and shall direct the management of the corporation’s affairs. The Board of Trustees shall retain authority over an exercise of corporate powers that the

Board of Trustees delegates or authorizes under these Bylaws. The Board of Trustees shall consist of not fewer than 5 nor more than 10 persons, as shall be established from time to time by the Board of Trustees. All Trustees shall have equal and full voting responsibilities as members of the Board of Trustees.

#### 4.2 Election of Trustees, Qualifications, and Basic Responsibilities.

4.2.1 The incumbent Board of Trustees shall nominate individuals as required to fill vacancies on the Board of Trustees. Trustees shall be elected and/or re-elected at any regularly scheduled meeting of the Board of Trustees.

4.2.2 Fifty-one percent (51%) of the Trustees, to the nearest whole number, shall be elected by Albertina Kerr Centers, Inc. from among the candidates nominated and forty-nine percent (49%) of the Trustees, to the nearest whole number, shall be elected by the Board of Trustees from among the candidates nominated by the incumbent Board of Trustees. The President/CEO of Albertina Kerr Centers, Inc. shall serve as a member of the Board of Trustees, ex officio, with the right to vote, and shall be one of the trustees elected by Albertina Kerr Centers, Inc. One member of the Board of Directors of Albertina Kerr Centers, Inc. shall serve as a member of the Board of Trustees, with the right to vote, and shall be one of the trustees elected by Albertina Kerr Centers, Inc.

4.3 Term: Staggered Terms. Each trustee shall be appointed and serve for a term of three (3) years or until his/her successor is elected; or he/she dies, is disqualified, resigns, or is removed. There shall be no mandatory term limits, but it is expected that trustees will normally serve not more than six (6) years. Such three year terms shall be staggered so that approximately one-third (1/3) of the total number of trustees then in office shall be elected during each calendar year. It is a goal, but not a requirement, that the number of trustees in each group will be approximately equal.

4.4 Quorum and Manner of Acting. One-half (1/2) of the trustees in office immediately before the meeting begins shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees. The act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees, unless the act of a greater number is required by law, the Articles of Incorporation, or these Bylaws. The Board Chair shall have the right to vote on all matters. Proxy voting by trustees is not permitted.

4.5 Removal. A trustee may be removed with or without cause by a vote of two-thirds (2/3) of the trustees then in office. A trustee may also be removed for one of the following reasons: conviction in a court of law of a criminal offense involving a felony or a misdemeanor involving moral turpitude, conduct which brings or threatens to discredit the reputation of the corporation, breach of trustee's duty of loyalty to the corporation, and acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law. A trustee may be removed for one of the listed reasons only if a majority of the trustees then in office vote for the removal.

4.6 Place of Meetings. Except as otherwise permitted by Sections 4.11 and 4.15 of these Bylaws, all meetings of the Board of Trustees shall be held at the principal office of the corporation



or at such other place as may be designated for that purpose from time to time by the Board of Trustees.

4.7 Annual Meeting. The annual meeting of the Board of Trustees and the member shall be held each year, typically in June, in the state of Oregon at a time and place to be determined by the Board of Trustees.

4.8 Regular Meetings. The Board of Trustees shall hold regular meetings at least quarterly at such times and places as may be designated by the Board of Trustees.

4.9 Special Meetings. Special meetings of the Board of Trustees may be called for any purpose at any time by the Board Chair or any three (3) trustees.

4.10 Notice of Meetings; Attendance.

4.10.1 Regular scheduled meetings of the Board of Trustees, fixed by an express provision of the Bylaws or by a standing resolution of the Board of Trustees, may be held without additional notice of the date, time, place or purpose of the meeting. Notice of the date, time and place of each meeting of the Board of Trustees not fixed by an express provision of the Bylaws or by a standing resolution of the Board of Trustees shall be given to each trustee not less than two (2) days before the date of the meeting by any means permitted by the Act, including communication in person, by telephone, by mail, by electronic mail, by facsimile, or other means of electronic transmission.

4.10.2 Notice of any special meeting of the Board of Trustees shall be given at least two (2) days before the meeting by any means permitted by the Act, including communication in person, by telephone, by mail, by electronic mail, by facsimile, or other means of electronic transmission. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Trustees need be specified in the notice or waiver of notice of such meeting, except that no motion to remove a trustee shall be presented unless it was specified in the notice or waiver of notice of such meeting

4.10.3 Notice of a meeting of the Board of Trustees delivered orally is effective when communicated if communicated in a comprehensible manner. Notice of a meeting of the Board of Trustees delivered by electronic mail or other means of electronic transmission is effective when transmitted to an electronic mail address, facsimile number or other manner authorized in writing by the trustee. Any written authorization by a trustee to the corporation specifying means of delivering notice by electronic mail or other means of electronic transmission shall be effective until revoked or modified by a trustee in writing. Notice of a meeting of the Board of Trustees delivered by mail is effective at the earliest of (i) when received, or (ii) five (5) days after its postmark, if mailed by United States mail correctly addressed and with first class postage affixed

4.10.4 Any trustee may at any time waive notice at any meeting. Except as provided in the next sentence, the waiver must be in writing, signed by the trustee entitled to notice, and filed with the minutes or corporate records. The attendance of a trustee at a meeting shall constitute a waiver of notice of such meeting, except where a trustee attends a meeting for the

express purpose of objecting to the transaction of any business and at the beginning of the meeting (or promptly upon the trustee's arrival) objects to holding the meeting or transacting business at the meeting, and does not thereafter vote for or assent to the action taken at the meeting.

4.11 Participation in Meetings by Conference Telephone. Any or all Trustees may participate in a meeting of the Board of Trustees, or any committee of the Board of Trustees, through the use of conference telephone or any other means of communication, as long as all trustees participating in such a meeting can simultaneously communicate during the meeting. A trustee's participation in such a meeting shall constitute that trustee's presence in person at such a meeting for all purposes, including determining whether a quorum exists.

4.12 Presumption of Assent. A trustee who is present at a meeting of the Board of Trustees or a committee of the Board of Trustees when corporate action is taken is deemed to have assented to the action unless:

4.12.1 The trustee objects at the beginning of the meeting (or promptly upon the trustee's arrival) to holding it or transacting business at the meeting;

4.12.2 The trustee's dissent or abstention from the action taken is entered in the minutes of the meeting; or

4.12.3 The trustee delivers written notice of the trustee's dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting.

The right of dissent or abstention is not available to a trustee who votes in favor of an action taken.

4.13 Adjournment. A majority of the trustees present, whether or not a quorum is present, may adjourn any Board of Trustees' meeting to another time and place. Notice of the time and place of holding as adjourned meeting need not be given to absent trustees if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given prior to the time of the adjourned meeting to the trustees who were not present at the time of the adjournment.

4.14 Trustees' Action without a Meeting. Any action required or permitted to be taken by the Board of Trustees at a meeting may be taken without a meeting if all the trustees take the action, each one signs a written consent (which may include one transmitted by electronic mail or facsimile with signature) describing the action taken, and the consents are filed with the records of the corporation. Action taken by consent is effective when the last trustee signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be so described in any document.

4.15 Use of Electronic Means to Take Action. Unless the Articles of Incorporation provide otherwise, the Board of Trustees may use electronic mail or other electronic means to take action without a meeting, by an affirmative vote of a majority of trustees who hold office at the time of the

action, unless the Articles of Incorporation or these Bylaws require an affirmative vote of a greater number of trustees, provided that before taking such action: (i) the corporation shall send an announcement to the electronic mail address provided by each trustee that includes a description of the matter on which the Board of Trustees will take action, and specifies a deadline of not less than forty-eight (48) hours for each director to vote on such matter, and (ii) the corporation includes the electronic mail announcement and a record of the trustees' votes in the minutes for the trustees' meeting or other documents that reflect the action taken by the Board of Trustees. A trustee may change the trustee's vote at any time before the deadline set forth in the electronic mail announcement described in clause (i) of the preceding sentence. Action by the Board of Trustees under this Section 4.15 has the effect of a meeting vote and the Corporation may describe the action as a meeting vote in any document. The Board of Trustees' action under this Section 4.15 is effective on the deadline specified in the electronic mail announcement provided to the trustees for voting on the matter, unless the announcement specifies a different effective date or time.

4.16 Trustees' Compensation. Trustees shall receive no compensation.

## **ARTICLE V OFFICERS**

5.1 Officers of the Board. The officers of the Board of Trustees shall be the Chairperson and the Chairperson-elect, and other officers of the Board as the Board of Trustees shall from time to time deem advisable. Each officer of the Board shall be a member of the Board of Trustees at the time of his or her election and during his or her term of office.

5.2 Officers of the Corporation. The officers of the corporation shall be a President, who shall be the Chief Executive Officer; a Secretary; a Treasurer, who shall also be the Chief Financial Officer unless otherwise determined by the Board of Trustees; and such other officers of the corporation as the Board of Trustees shall from time to time deem advisable. Officers of the corporation are not required to be members of the Board of Trustees. An individual may hold more than one office, provided that the same person may not serve simultaneously as the President, Secretary and Treasurer.

5.3 Election, Term, Resignation, Removal, and Vacancy of Officers.

5.3.1 The Board Chairperson and other Board and corporate officers shall be elected for one (1) year terms by the Board of Trustees at its annual meeting. The official year of service shall commence on the first day of the fiscal year and end on the last day of the fiscal year. There shall be no term limits and no automatic progression through the officer positions; however, it is expected that the Board Chairperson will normally serve for two (2) consecutive terms.

5.3.2 Each officer of the Board and officer of the corporation shall hold office at the pleasure of the Board (but removal shall not affect the rights, if any, of any officer under contract of employment) and until his or her successor shall be elected and shall have qualified.

5.3.3 The resignation or removal of any officer shall automatically terminate his or her position as an officer. A vacancy in any office because of death, resignation, removal,

disqualification or otherwise, may be filled for the unexpired term at any meeting of the Board of Trustees.

5.4 Board Chairperson. The Board Chairperson, or in his/her absence, the Board Chairperson-elect shall preside at all meetings of the Board of Trustees and exercise and perform such other powers and duties as may from time to time be assigned by the Board of Trustees.

5.5 President and Chief Executive Officer. Subject to control of the Board of Trustees, the President and Chief Executive Officer shall have general supervision, direction and control of the business and affairs of the corporation. He/she shall be an advisory member of all the committees of the Board of Trustees, and shall have the general powers and duties of management usually vested in the office of the President of a corporation, as well as such other powers and duties as may be prescribed by the Board of Trustees and these Bylaws. The President and Chief Executive Officer shall provide regular written reports to the Board of Trustees on the activities of the corporation, and shall provide monthly financial reports and annual audited financial reports to the Board of Trustees. The Chief Executive Officer or the Chief Executive Officer's designee shall serve as the official spokesperson for the corporation.

5.6 Secretary. The Secretary shall keep, or cause to be kept, at the principal office of the corporation, the original or a copy of the Articles of Incorporation and Bylaws as amended. The Secretary also shall keep, or cause to be kept at the principal office, or at such other place as the Board of Trustees may order, a book of minutes of all meetings of the trustees. The Secretary shall give or cause to be given notice of all meetings of the Board of Trustees required by these Bylaws or law, and shall have such other powers and perform such other duties as may be prescribed by the Board of Trustees or these Bylaws.

5.7 Treasurer and Chief Financial Officer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receivables, payables, profits and losses. The books of account shall at all times be open to inspection by any trustee. The Treasurer shall use such depositories as may be designated by the Board of Trustees and shall have such other powers and perform such other duties as may be prescribed by the Board of Trustees and these Bylaws.

5.8 Resignation. Any officer may resign at any time by giving written notice to the Board of Trustees, the Chief Executive Officer, or the Board Chairperson. Any such resignation shall take effect on the date of receipt of such notice or any later time specified therein and the acceptance of such resignation shall not be necessary to make it effective.

5.9 Removal. Any officer elected or appointed may be removed, with or without cause, by the Board of Trustees whenever in their judgment the best interests of the corporation will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed.

5.10 Vacancies. Any vacancy in an office shall be filled as they occur and not on an annual basis. Should a vacancy occur in any office, the Board of Trustees may delegate the powers

and duties of such office to any officer or trustee until such time as a successor officer has been elected or appointed.

## **ARTICLE VI COMMITTEES**

The Board of Trustees may appoint such committees as it seems appropriate or necessary and shall define the duties of such committees. The committee shall consist of one (1) or more trustees, who will serve at the pleasure of the Board. No committee may: (a) authorize distributions; (b) approve or recommend to the member dissolution, merger or the sale, pledge or transfer of all or substantially all of the corporation's assets; (c) elect, appoint or remove trustees or fill vacancies on the Board of Trustees or on any of its committees; or (d) adopt, amend or repeal the Articles of Incorporation of the corporation or these Bylaws.

## **ARTICLE VII GENERAL PROVISIONS**

7.1 Authorization. The Board of Trustees may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Trustees.

7.2 Funds. All funds of the corporation not otherwise employed shall be deposited to the credit of the corporation in such banks, trust companies or other depositories as the Board of Trustees may select.

7.3 Acceptance of Gifts. The Board of Trustees may accept for the benefit of the member any contribution, gift, bequest or devise for any purpose of the corporation. From time to time, as it deems appropriate, the Board of Trustees will review the corporation's gift policies and make any changes it deems necessary.

7.4 Investment Oversight. The Board of Trustees will (a) review the Foundation's Investment Policy annually and may revise it from time to time; (b) review the performance of the Foundation's investment advisors quarterly regarding compliance with the Investment Policy and performance against agreed upon benchmark comparisons; (c) periodically, but at least every 4 years, review the qualification and performance of the investment advisors and determine whether to retain the current investment advisor or select a new advisor; and (d) annually review requirements under the Uniform Prudent Management of Institutional Funds Act (UPMIFA) or other applicable law and current standards.

7.5 Spending Rate. The Board of Trustees annually will determine a spending rate up to a maximum of 7% of the endowment investment portfolio based on a 13 quarter trailing average.

Consideration will be given to the needs of Albertina Kerr Centers, Inc., investment goals, and to the fiduciary responsibility under UPMIFA or other applicable law and current standards.

7.6 Distribution of Income. Endowments and property to be managed will be retained and managed by the Foundation. The net income from the endowments and property being managed will be distributed in accordance with the approved annual budget of the member.

7.7 Planned Giving. The Board of Trustees will monitor and evaluate the corporation's planned giving plan and recommend changes to such plan as it deems necessary.

7.8 Audits. Annually, the accounts of the Foundation will be audited by a reputable Certified Public Accountant, whose report shall be submitted to each member of the Board.

7.9 Bond. At the direction of the Board of Trustees, any officer or employee of the corporation shall be bonded. The expense of furnishing any such bond shall be paid by the corporation.

7.10 Fiscal Year. The fiscal year of the corporation shall be determined by the Board of Trustees.

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

7.12 Severability. Any determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

## **ARTICLE VIII INDEMNIFICATION**

The Foundation shall 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 Foundation, by reason of the fact that he or she is or was an Officer, Trustee, employee or agent of the Foundation or is or was serving at the request of the Foundation as an Officer, Trustee, employee, or agent or another corporation, against expenses including attorney fees, judgment, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Foundation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful. The Foundation shall similarly indemnify any person described in the foregoing sentence against any threatened, pending or completed action or suit by or in the right of the Foundation if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Foundation. The foregoing indemnification provisions are adopted pursuant to ORS 65.414 as additional provisions to those provided for in ORS 65.387 to 65.411.

## **ARTICLE IX CONFLICTS OF INTEREST**

### 9.1 Trustee and Officer Conflicts of Interest.

9.1.1 A contract or other transaction between the corporation and (a) one or more of its trustees or officers, (b) any other entity in which one or more of the corporation's trustees or officers are directors, trustees, officers or members, or (c) a person who is related to one or more of the corporation's trustees or a business associate of one or more trustees is a party, is or are financially interested is valid, notwithstanding such relationship or interest or because any such trustee or officer is present at the meeting of the Board of Trustees or a committee of the Board which authorizes, approves or ratifies such contract or transaction or because his/her votes are counted for such purpose, if the contract or transaction is fair to the corporation at the time the contract or transaction is entered into by the corporation.

9.1.2 A contract or transaction is presumed to be fair if the material facts of the transaction and the trustee's or officer's relationship or interest are disclosed or known in advance to the Board of Trustees or committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of those interested trustees.

9.2 Conflict of Interest and Acknowledgement of Standards of Conduct Statements. Upon appointment and re-appointment to the Board of Trustees each such trustee shall be required to execute a statement affirming the trustee's commitment to abide by the corporation's conflict of interest policies. Each trustee shall immediately report to the corporation in writing any statement or facts which are, or might be construed to be, in conflict with the interests of the corporation.

## **ARTICLE X DISSOLUTION**

Upon the dissolution or liquidation of the corporation, the assets of the corporation shall be distributed according to the Articles of Incorporation.

## **ARTICLE XI AMENDMENTS**

Subject to the limitations set forth in Section 3.2 of these Bylaws, these Bylaws, or any part thereof, may be amended or repealed and new Bylaws may be adopted only by affirmative vote of two-thirds (2/3) of the Board of Trustees then in office, at a meeting at which a quorum of three-fourths (3/4) of the trustees are present.

## **ARTICLE XII SEAL**

A corporate seal is not required on any instrument executed for the corporation. If a corporate seal is used, it shall have inscribed thereon the words "Albertina Kerr Centers Foundation."

## CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly appointed and acting Secretary of Albertina Kerr Centers Foundation, Inc., an Oregon nonprofit, public benefit corporation; and
2. That the foregoing Bylaws constitute the Amended and Restated Bylaws of the corporation as duly adopted by the Board of Trustees.

IN WITNESS WHEREOF, I have executed this Certificate as of this 22<sup>nd</sup> day of June, 2020.

---

Holly Edgar, Corporate Secretary

Revised and approved by the Trustees of  
Albertina Kerr Centers Foundation, Inc.



**RESOLUTIONS TO BE ADOPTED BY  
THE BOARD OF TRUSTEES  
OF  
ALBERTINA KERR CENTERS FOUNDATION, INC.**

*First Amendment to Articles of Incorporation*

1. RESOLVED, that the Board does hereby authorize and approve the First Amendment to the Foundation's Articles of Incorporation, in substantially the form attached hereto as Exhibit A (the "**First Amendment**").
2. RESOLVED FURTHER, that the Foundation's officers are hereby authorized to cause the First Amendment to be filed with the appropriate officer of the State of Oregon Secretary of State and to take all such further actions as they may deem necessary or appropriate to cause the First Amendment to become effective.

*Amended and Restated Bylaws*

3. RESOLVED, that the Board does hereby authorize and approve the Amended and Restated Bylaws, attached hereto as Exhibit B, and directs the Secretary to file it in the Foundation's corporate records.

**EXHIBIT A**  
**FIRST AMENDMENT TO ARTICLES OF INCORPORATION**

(See Attached)

**EXHIBIT B**

**AMENDED AND RESTATED BYLAWS**

(See attached)

**EXHIBIT A**

**FIRST AMENDMENT TO  
ARTICLES OF INCORPORATION  
OF  
ALBERTINA KERR CENTERS FOUNDATION, INC.**

The Articles of Incorporation of Albertina Kerr Centers Foundation, Inc. are hereby amended as follows:

Article VIII is hereby deleted in its entirety and amended to read as follows:

Subject to the rights of the member as provided in the Bylaws, any limitation in these Articles of Incorporation and Oregon law, the Board of Trustees shall exercise, or delegate or otherwise authorize the exercise of, all corporate powers and shall direct the management of the corporation's affairs. The Board of Trustees shall retain authority over an exercise of corporate powers that the Board of Trustees delegates or authorizes under the Bylaws. The Board of Trustees shall consist of not fewer than 5 nor more than 10 persons, as shall be established from time to time by the Board of Trustees. All Trustees shall serve until their terms shall expire and until their successors are elected or appointed. All Trustees shall have equal and full voting responsibilities as members of the Board of Trustees. The procedure for elections of persons of the Board of Trustees shall be as provided in the Bylaws.

## **Recommended Slate of Officers and Memberships for FY2020-2021**

### ***Recommendations for New Governing Board Terms: FY2020-21 through FY2023-2024***

Craig Payne – Accepted

Karen Rasmussen – Accepted

Dennis Warneke – Accepted

### ***Recommendations for Transition from Foundation Trustees to Governing Board Members***

Kim Curry – Accepted

Rod Malone – Accepted

Heidi Steeves – Accepted

### ***Recommendations for Governing Board Standing Committee Assignments***

Kim Curry – Program & Accreditation, Accepted

Rod Malone – Finance, Audit & Compliance, Accepted

Heidi Steeves – Program & Accreditation, Accepted

### ***Recommendations for Governing Board Chair Elect***

David Lake – Accepted

### ***Recommendation for Governing Board Finance, Audit & Compliance Committee Chair Elect***

Paul Litwinczuk – Accepted

### ***Recommendation for Governing Board Program & Accreditation Committee Chair Elect***

Lisa Powell – Accepted

### ***Recommendation for New Foundation Trustees***

Sarah Robinson - Accepted

Terry Donahe - Accepted

Mary Lago – Accepted

Jeff Carr – ex officio

Paul Litwinczuk (Governing Board Representative) – Accepted

Rebecca Bibleheimer – TBD (Jeff to discuss by phone, currently member of Investment Committee)

Rev: June 16, 2020

***Albertina Kerr Centers and Foundation  
FY 2020-21 Key Highlights and Budget Assumptions***

**General Outlook**

We are living in volatile and uncertain times. COVID-19 has had a significant impact on all areas of our lives and the economy, including the State of Oregon budget. In anticipation of a sharp decrease in State revenue, Governor Brown directed all State agencies to submit reduction plans for the upcoming fiscal year. The Office of Developmental Disabilities Services (ODDS) will likely be reducing funding for in-home services, group homes, and contracted partners who serve Oregonians with disabilities. There have been no formal confirmation of budget cuts at this time, but in order to complete our internal planning processes and move forward with a budget that we can manage to on July 1<sup>st</sup>, we have prepared a balanced budget that assumes 6% DD rate reductions, and consequently, no wage increases.

To keep the agency focused on managing through the pandemic, we shifted our budget approach from the historical bottoms up to a top down approach. We made assumptions when community services would return and were careful on the expense side to scrutinize cost increases and ensure they were necessary for maintaining health, safety and compliance of our programs. A key piece to managing the budget cuts is continued focus on census stabilization in Kids' DD Group homes, Subacute and Outpatient Mental Health.

We modeled the shift of philanthropy integration into the AKC Operating Budget and narrowed the AKC Foundation's focus on managing the restricted investments as part of Kerr's endowment, assuming the board votes to finalize this direction as discussed at the April 20<sup>th</sup> board meeting. For a year over year comparative, the FY19-20 Forecast is consolidated results less non-spend rate investment income. The FY20-21 Budget only includes the investment spend rate from the Foundation. To reflect this change, there are now two Income line items in the proposed budget: Investments -- Spend Rate and Investments -- Change in Value. The **Investments -- Spend Rate** line item reflects a 4% spend rate of the average value of the endowment over the last 13 quarters and the amount budgeted is what has been approved by the Foundation. The **Investments -- Change in Value** line item is \$0 in the current budget because it didn't seem prudent to try and "guess" what the market will do. Our consolidated financial reports, however, will continue to reflect the monthly change in value of the endowment based on market performance (gains/losses and fund expenses).

**Revenue**

- Total revenue decreased 2.2% over FY20, from \$49.2 million to \$48.1 million. With Workforce Housing grants excluded, operationally revenue fell from \$48.4M to \$47.7M.
- Contract and Program Revenue is falling 1.2% or (\$524K). The 6% decrease from the State for DD programs (\$2.1M) is partially offset by:
  - o Shift from seven 5-Bed homes to only three 5-Bed homes, thus changing our license on for four homes to 4-Bed homes. Due to rate differences, this adds additional revenue. \$800K
  - o Average increase of 2.5 Kids' Group Home slots (Plan for 4 – Currently at 3). \$512K
  - o Growth in Employment and Project Search. \$190K
  - o Subacute census rebound and rate increases. \$106K

- Despite the challenging environment, Contribution and Event Revenue is only down 9% (\$243K), from FY20 projected.
  - o Total Grants are only down 5% (\$54K), but operational grants nearly double as Workforce Housing grants are projected at \$425K, down from \$801K in FY20.
  - o 13% decrease in event revenue (\$77K) by the COVID-19 impact of a likely modified 24 Hours of Kerr.
  - o Individual giving is only projected to drop 7% (\$40K).
- TOKNA closing causes a \$396K drop in our Sales to the Public. The remaining sales of \$165K reflects Kerr Bikes.
- In-Kind contributions is flat.
- Investment Spending Rate – 4% spending rates for Community Promise and Children’s Impact endowments, are the same as in FY20. This has already been approved by the Investment Committee.
- We have consistently received a SAIF dividend for the past several years, though this is not budgeted for since it is not within Kerr’s control. The dividend received in FY20 was \$107K.

### **Operating Expenses**

- Wages: Flat
  - o Includes 6 additional layoffs (to the 17 announced) in Employment and PALS to reflect revenue shifts. (\$1.174K)
  - o Increased Unemployment costs. \$83K
  - o Hiring for:
    - 1 FTE Director of Children’s Mental Health effective 8/1. \$83K
    - 1 FTE Clinical Supervisor effective 8/1. \$60K
    - 3 FTE Child and Family Therapists \$46.4K each. Staggered hiring one in July, August and September. \$127.6K
  - o Vacancy at current 4% level (prior year at 10%)
  - o 10% Reduction in Admin – Furlough every other Friday. (\$405K)
  - o Eliminate 401K Match. (\$464K)
- Health premiums up 3% from FY20, partially offset by lower enrollment.
- Workers comp premiums up \$70K based on recent trends.
- Professional Fees & Insurance down 15%. 35% decrease in Professional Fees with finance and accounting staffing transition complete; offset by a full year of Paycom fees and Insurance up 5% from higher property and D&O.
- Facilities and Occupancy cost:
  - o Rent reductions by exiting Hillsboro office and PALS.(\$148K)
  - o Interior painting. \$93K
  - o Moving expense for TOKNA, PALS and Hillsboro. \$40K.
  - o Furnishings for group homes. \$40K
  - o Upgrade lighting to LED in 6 homes. \$14K
- Software amortization costs increase \$87K as we complete the roll out of Epic in the remaining homes.
- \$500k contingency included in operating budget, consistent with the past five budget cycles.

### **Capital Budget**

- \$1.26 million in projects determined to be top priority for funding in FY21. A lean year versus FY20 at \$2 million.
  - o Completion of the EHR project drove the greatest reduction. (\$542K)
  - o \$230K for 8 vehicle replacements for vans with over 100K miles and includes two with lifts.
  - o Multiple home enhancements, but no new homes given State funding limitations for new slots.
  - o Subacute Crisis Psychiatric building remodel on hold.
  - o \$240K of contingency.



## Albertina Kerr Centers and Kerr Bikes

### Consolidated Statement of Activities

	Kerr Centers & Bikes			
	Forecast FY19-20	Budget FY20-21	Variance	% Change
<b>Revenue</b>				
Contract and Program Revenue	\$45,404,060.00	\$44,879,487.59	(\$524,572.41)	(1.16)%
Contribution and Event Revenue	\$2,697,496.00	\$2,454,942.50	(\$242,553.50)	(8.99)%
Sales to the Public	\$545,305.86	\$165,451.71	(\$379,854.15)	(69.66)%
Investments - Spend Rate	\$279,903.00	\$334,918.92	\$55,015.92	19.66 %
Investments - Change in Value	\$0.00	\$0.00	\$0.00	N/A
In-Kind Contributions	\$307,370.00	\$294,350.00	(\$13,020.00)	(4.24)%
<b>Total Revenue</b>	<b>\$49,234,134.86</b>	<b>\$48,129,150.72</b>	<b>(\$1,104,984.14)</b>	<b>(2.24)%</b>
<b>Expenses</b>				
Headcount	754	740		
Salaries & Wages	\$31,899,025.87	\$31,475,049.79	(\$423,976.08)	(1.33)%
Employee Benefits	\$4,225,946.95	\$3,890,662.42	(\$335,284.54)	(7.93)%
Payroll Taxes	\$3,022,752.95	\$3,124,173.12	\$101,420.17	3.36 %
Contracted Direct Labor	\$188,065.85	\$91,037.47	(\$97,028.38)	(51.59)%
Other Employee Related Costs	\$373,370.82	\$338,627.81	(\$34,743.01)	(9.31)%
Professional Fees & Insurance	\$754,816.80	\$641,865.00	(\$112,951.80)	(14.96)%
Telecommunications	\$44,111.90	\$105,124.00	\$61,012.10	138.31 %
Facilities & Occupancy	\$2,729,545.44	\$2,580,619.94	(\$148,925.50)	(5.46)%
Utilities	\$641,850.77	\$684,192.03	\$42,341.26	6.60 %
Equipment	\$355,853.94	\$272,917.67	(\$82,936.27)	(23.31)%
Program & Office Supplies	\$1,334,477.09	\$1,321,667.63	(\$12,809.45)	(0.96)%
MIS	\$1,174,648.42	\$1,386,253.25	\$211,604.83	18.01 %
Vehicles	\$418,805.08	\$474,450.25	\$55,645.18	13.29 %
PR & Fundraising	\$309,397.33	\$405,275.00	\$95,877.67	30.99 %
Cost of In-Kind Goods/Services	\$329,751.11	\$294,350.00	(\$35,401.11)	(10.74)%
Training & Other	\$734,638.36 *	\$731,057.66	(\$3,580.70)	(0.49)%
Interest Expense	\$214,241.12	\$210,887.00	(\$3,354.12)	(1.57)%
<b>Total Expenses</b>	<b>\$48,751,299.80</b>	<b>\$48,028,210.04</b>	<b>(\$723,089.76)</b>	<b>1.51 %</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$482,835.06</b>	<b>\$100,940.69</b>	<b>(\$381,894.38)</b>	<b>N/A</b>
Workforce Housing Grants	(\$801,250.00)	(\$425,000.00)		
Prior Restricted Releases		\$325,000.00		
<b>Total Kerr Operating Budget</b>		<b>\$940.69</b>		

\* Includes \$335K of Asset Write-Offs (PALS/CDHS)

Includes \$500K of Contingency

**ALBERTINA KERR  
OPERATING RECAP  
FY 20-21**

	2019-20 Projected Operating Results	2020-21 Budgeted Program Revenue	2020-21 Budgeted Fundraising Revenue	2020-21 Budgeted Other Revenue	2020-21 Budgeted Total Revenue	2020-21 Budgeted Direct Expenses	2020-21 Budgeted Margin Generated	2020-21 Budgeted Indirect Expenses	2020-21 Budgeted Indirect Allocation	2020-21 Budgeted Total Expenses	2020-21 Budgeted Operating Results
<b>Programs</b>											
Adult Group Homes	(1,109,579)	14,292,293	-	-	14,292,293	15,816,938	(1,524,645)		1,235,593	17,052,531	(2,760,239)
<i>Clackamas Co. Adult DD Group Homes</i>	<i>(672,679)</i>	<i>4,755,824</i>	<i>-</i>	<i>-</i>	<i>4,755,824</i>	<i>5,550,428</i>	<i>(794,604)</i>		<i>411,149</i>	<i>5,961,577</i>	<i>(1,205,753)</i>
<i>Multnomah Co. Adult DD Group Homes</i>	<i>(153,524)</i>	<i>3,753,381</i>	<i>-</i>	<i>-</i>	<i>3,753,381</i>	<i>3,922,050</i>	<i>(168,669)</i>		<i>324,486</i>	<i>4,246,536</i>	<i>(493,156)</i>
<i>Washington Co. Adult DD Group Homes</i>	<i>193,782</i>	<i>1,941,438</i>	<i>-</i>	<i>-</i>	<i>1,941,438</i>	<i>2,032,187</i>	<i>(90,749)</i>		<i>167,841</i>	<i>2,200,028</i>	<i>(258,590)</i>
<i>Marion County Adult DD Group Homes</i>	<i>(477,158)</i>	<i>3,841,650</i>	<i>-</i>	<i>-</i>	<i>3,841,650</i>	<i>4,312,273</i>	<i>(470,623)</i>		<i>332,117</i>	<i>4,644,390</i>	<i>(802,740)</i>
Employment Services	(219,338)	1,568,619	-	-	1,568,619	1,782,293	(213,674)		135,610	1,917,903	(349,284)
Studios	(320,362)	620,473	100,000	-	720,473	1,420,557	(700,084)		53,641	1,474,198	(753,725)
Transition-Aged Group Homes	(526,633)	2,663,241	-	-	2,663,241	3,108,185	(444,944)		230,242	3,338,427	(675,186)
Kids DD Group Homes	3,445,916	18,042,582	-	-	18,042,582	12,436,445	5,606,137		1,559,812	13,996,257	4,046,325
Kerr Bikes	(44,733)	165,452	-	-	165,452	169,731	(4,279)		14,304	184,034	(18,583)
Outpatient Mental Health	(227,202)	1,320,000	-	-	1,320,000	1,459,052	(139,052)		114,116	1,573,168	(253,168)
Subacute	(722,979)	6,196,333	20,000	-	6,216,333	6,175,838	40,495		535,684	6,711,522	(495,188)
Behavioral Specialists	162,932	175,945	-	-	175,945	(29,390)	205,335		15,211	(14,179)	190,124
Program Oversight	(386,606)	-	-	35,290	35,290	444,840	(409,550)		-	444,840	(409,550)
<b>Total Programs</b>	<b>51,417</b>	<b>45,044,939</b>	<b>120,000</b>	<b>35,290</b>	<b>45,200,229</b>	<b>42,784,489</b>	<b>2,415,740</b>	<b>-</b>	<b>3,894,213</b>	<b>46,678,702</b>	<b>(1,478,473)</b>
<b>Admin and Fundraising</b>											
Transfers from Foundation/General Fundraising	(4,956)	-	1,902,993	-	1,902,993	405,275	1,497,718	-	-	405,275.00	1,497,718
Investment Spending Rate Trf from Foundation	293,049	-	-	299,629	299,629	-	299,629	-	-	-	299,629
Workforce Housing	206,000	-	425,000	-	425,000	-	425,000	-	-	-	425,000
Campus Buildings	(120,342)	-	-	-	-	138,342	(138,342)	-	-	138,342	(138,342)
Indirect Admin	(184,449)	-	6,950	-	6,950	-	6,950	3,725,715	(3,714,174)	11,541	(4,591)
Other/In-Kind	(1,470)	-	-	294,350	294,350	294,350	-	-	-	294,350	-
<b>Total Budget (Before Contingency)</b>	<b>239,249</b>	<b>45,044,939</b>	<b>2,454,943</b>	<b>629,269</b>	<b>48,129,151</b>	<b>43,622,456</b>	<b>4,506,695</b>	<b>3,725,715</b>	<b>180,039</b>	<b>47,528,210</b>	<b>600,941</b>
Contingency	-	-	-	-	-	-	-	500,000	-	500,000	(500,000)
Workforce Housing	206,000	-	425,000	-	425,000	-	-	-	-	-	(425,000)
Prior Restricted Releases	-	-	-	-	-	-	-	-	-	-	325,000
<b>Total Kerr Operating Budget</b>	<b>33,249</b>	<b>-</b>	<b>2,029,943</b>	<b>-</b>	<b>47,704,151</b>	<b>-</b>	<b>-</b>	<b>4,225,715</b>	<b>180,039</b>	<b>48,028,210</b>	<b>941</b>

# Albertina Kerr Centers and Kerr Bikes

## Consolidated Statement of Activities

	Forecast FY19-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Budget FY20-21	Variance F/(U)	% Change F/(U)
<b>Revenue</b>																
Contract and Program Revenue	\$45,404,060.00	\$3,667,266.87	\$3,688,485.04	\$3,649,701.44	\$3,798,677.31	\$3,700,333.25	\$3,837,434.92	\$3,842,642.25	\$3,495,574.19	\$3,865,497.23	\$3,757,737.80	\$3,845,579.56	\$3,730,557.72	\$44,879,487.59	(\$524,572.41)	(1.16)%
Contribution and Event Revenue	\$2,697,496.00	\$81,557.71	\$66,807.71	\$456,807.71	\$66,807.71	\$196,807.71	\$626,807.71	\$86,807.71	\$66,807.71	\$129,307.71	\$243,307.71	\$76,807.71	\$356,307.71	\$2,454,942.50	(\$242,553.50)	(8.99)%
Sales to the Public	\$545,305.86	\$31,848.51	\$25,456.51	\$7,548.04	\$2,643.51	\$1,224.50	\$50.00	\$861.20	\$23,237.28	\$1,765.05	\$12,360.06	\$27,247.59	\$31,209.48	\$165,451.71	(\$379,854.15)	(69.66)%
Investments Spend Rate/Change in Value	\$279,903.00	\$27,909.91	\$27,909.91	\$27,909.91	\$27,909.91	\$27,909.91	\$27,909.91	\$27,909.91	\$27,909.91	\$27,909.91	\$27,909.91	\$27,909.91	\$27,909.91	\$334,918.92	\$55,015.92	19.66%
In-Kind Contributions	\$307,370.00	\$3,000.00	\$3,000.00	\$3,350.00	\$0.00	\$0.00	\$35,000.00	\$0.00	\$0.00	\$0.00	\$250,000.00	\$0.00	\$0.00	\$294,350.00	(\$13,020.00)	(4.24)%
<b>Total Revenue</b>	<b>\$49,234,134.86</b>	<b>\$3,811,583.00</b>	<b>\$3,811,659.16</b>	<b>\$4,145,317.10</b>	<b>\$3,896,038.43</b>	<b>\$3,926,275.37</b>	<b>\$4,527,202.54</b>	<b>\$3,958,221.07</b>	<b>\$3,613,529.09</b>	<b>\$4,024,479.90</b>	<b>\$4,291,315.48</b>	<b>\$3,977,544.77</b>	<b>\$4,145,984.82</b>	<b>\$48,129,150.72</b>	<b>(\$1,104,984.14)</b>	<b>(2.24)%</b>
<b>Expenses</b>																
Salaries & Wages	\$31,899,025.87	\$2,673,223.41	\$2,673,223.41	\$2,586,990.39	\$2,673,223.41	\$2,586,990.39	\$2,673,223.41	\$2,673,223.41	\$2,414,524.37	\$2,673,223.41	\$2,586,990.39	\$2,673,223.41	\$2,586,990.39	\$31,475,049.79	\$423,976.08	1.35%
Employee Benefits	\$4,225,946.95	\$330,439.82	\$330,439.82	\$319,780.47	\$330,439.82	\$319,780.47	\$330,439.82	\$330,439.82	\$298,461.77	\$330,439.82	\$319,780.47	\$330,439.82	\$319,780.47	\$3,890,662.42	\$335,284.54	8.62%
Payroll Taxes	\$3,022,752.95	\$265,340.73	\$265,340.73	\$256,781.35	\$265,340.73	\$256,781.35	\$265,340.73	\$265,340.73	\$239,662.60	\$265,340.73	\$256,781.35	\$265,340.73	\$256,781.35	\$3,124,173.12	(\$101,420.17)	(3.25)%
Contracted Direct Labor	\$188,065.85	\$7,731.95	\$7,731.95	\$7,482.53	\$7,731.95	\$7,482.53	\$7,731.95	\$7,731.95	\$6,983.70	\$7,731.95	\$7,482.53	\$7,731.95	\$7,482.53	\$91,037.47	\$97,028.38	106.58%
Other Employee Related Costs	\$373,370.82	\$28,760.17	\$28,760.17	\$27,832.42	\$28,760.17	\$27,832.42	\$28,760.17	\$28,760.17	\$25,976.93	\$28,760.17	\$27,832.42	\$28,760.17	\$27,832.42	\$338,627.81	\$34,743.01	10.26%
Professional Fees & Insurance	\$754,816.80	\$54,514.56	\$54,514.56	\$52,756.03	\$54,514.56	\$52,756.03	\$54,514.56	\$54,514.56	\$49,238.96	\$54,514.56	\$52,756.03	\$54,514.56	\$52,756.03	\$641,865.00	\$112,951.80	17.60%
Telecommunications	\$44,111.90	\$8,928.34	\$8,928.34	\$8,640.33	\$8,928.34	\$8,640.33	\$8,928.34	\$8,928.34	\$8,064.31	\$8,928.34	\$8,640.33	\$8,928.34	\$8,640.33	\$105,124.00	(\$61,012.10)	(58.04)%
Facilities & Occupancy	\$2,729,545.44	\$223,676.66	\$223,676.66	\$223,676.66	\$223,676.66	\$223,676.66	\$223,676.66	\$206,676.66	\$206,676.66	\$206,676.66	\$207,176.66	\$207,176.66	\$207,176.66	\$2,580,619.94	\$148,925.50	5.77%
Utilities	\$641,850.77	\$58,109.46	\$58,109.46	\$56,234.96	\$58,109.46	\$56,234.96	\$58,109.46	\$58,109.46	\$52,485.96	\$58,109.46	\$56,234.96	\$58,109.46	\$56,234.96	\$684,192.03	(\$42,341.26)	(6.19)%
Equipment	\$355,853.94	\$23,179.31	\$23,179.31	\$22,431.59	\$23,179.31	\$22,431.59	\$23,179.31	\$23,179.31	\$20,936.15	\$23,179.31	\$22,431.59	\$23,179.31	\$22,431.59	\$272,917.67	\$82,936.27	30.39%
Program & Office Supplies	\$1,334,477.09	\$112,251.22	\$112,251.22	\$108,630.22	\$112,251.22	\$108,630.22	\$112,251.22	\$112,251.22	\$101,388.20	\$112,251.22	\$108,630.22	\$112,251.22	\$108,630.22	\$1,321,667.63	\$12,809.45	0.97%
MIS	\$1,174,648.42	\$117,736.58	\$117,736.58	\$113,938.62	\$117,736.58	\$113,938.62	\$117,736.58	\$117,736.58	\$106,342.72	\$117,736.58	\$113,938.62	\$117,736.58	\$113,938.62	\$1,386,253.25	(\$211,604.83)	(15.26)%
Vehicles	\$418,805.08	\$40,295.77	\$40,295.77	\$38,995.91	\$40,295.77	\$38,995.91	\$40,295.77	\$40,295.77	\$36,396.18	\$40,295.77	\$38,995.91	\$40,295.77	\$38,995.91	\$474,450.25	(\$55,645.18)	(11.73)%
PR & Fundraising	\$309,397.33	\$34,420.62	\$34,420.62	\$33,310.27	\$34,420.62	\$33,310.27	\$34,420.62	\$34,420.62	\$31,089.59	\$34,420.62	\$33,310.27	\$34,420.62	\$33,310.27	\$405,275.00	(\$95,877.67)	(23.66)%
Cost of In-Kind Goods/Services	\$329,751.11	\$3,000.00	\$3,000.00	\$3,350.00	\$0.00	\$0.00	\$35,000.00	\$0.00	\$0.00	\$0.00	\$250,000.00	\$0.00	\$0.00	\$294,350.00	\$35,401.11	12.03%
Training & Other	\$734,638.36	\$62,089.83	\$62,089.83	\$60,086.93	\$62,089.83	\$60,086.93	\$62,089.83	\$62,089.83	\$56,081.14	\$62,089.83	\$60,086.93	\$62,089.83	\$60,086.93	\$731,057.66	\$3,580.70	0.49%
Interest Expense	\$214,241.12	\$17,573.92	\$17,573.92	\$17,573.92	\$17,573.92	\$17,573.92	\$17,573.92	\$17,573.92	\$17,573.92	\$17,573.92	\$17,573.92	\$17,573.92	\$17,573.92	\$210,887.00	\$3,354.12	1.59%
<b>Total Expenses</b>	<b>\$48,751,299.80</b>	<b>\$4,061,272.35</b>	<b>\$4,061,272.35</b>	<b>\$3,938,492.61</b>	<b>\$4,057,272.35</b>	<b>\$3,934,142.61</b>	<b>\$4,092,272.35</b>	<b>\$4,041,272.35</b>	<b>\$3,671,883.14</b>	<b>\$4,041,272.35</b>	<b>\$4,168,642.61</b>	<b>\$4,041,772.35</b>	<b>\$3,918,642.61</b>	<b>\$48,028,210.04</b>	<b>\$723,089.76</b>	<b>1.51%</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$482,835.06</b>	<b>(\$249,689.35)</b>	<b>(\$249,613.18)</b>	<b>\$206,824.48</b>	<b>(\$161,233.92)</b>	<b>(\$7,867.25)</b>	<b>\$434,930.19</b>	<b>(\$83,051.28)</b>	<b>(\$58,354.05)</b>	<b>(\$16,792.45)</b>	<b>\$122,672.86</b>	<b>(\$64,227.57)</b>	<b>\$227,342.20</b>	<b>\$100,940.69</b>	<b>(\$381,894.38)</b>	<b>(79.09)%</b>

PROGRAM/DIVISION	PROJECT/SCOPE OF WORK*	Notes	Budget	Jul-Sep '20	Oct-Dec '20	Jan-Mar '21	Apr-Jun '21
EPIC - Legacy Consulting	Consulting		360,790	236,397	104,393	20,000	
Agency	Vehicles 2 Lift vans Hillyard Hollywood Appaloosa 2 vans Barlow Florida 4 Mini-Vans Hacienda Tuckerwood Blossom-HRV replacement	TBD	230,000	40,000	100,000	40,000	50,000
Agency/KAC	Fire Escapes Engineering Fees and Testing + \$10K for next steps	Contractor Estimate	10,000		10,000		
Agency/H-Building	Service Generator / If kids need to leave SubAcute	Contractor Estimate	16,500	16,500			
Agency/SubAcute	Hands Free Faucets Living Area SAFETY	Contractor Estimate	6,000	6,000			
76TH	Plumbing work, replace PEX plumbing	Kids out 5 days	11,000		11,000		
Roanoke Phase 1	Extensive reno- front door flooring wall repairs lighting doors paint	Kids out 5 days	75,000	40,000	35,000		
196TH Phase 1	Extensive reno- flooring wall repairs lighting doors paint Adopt Home	Kids out 5 days	75,000	40,000	35,000		
San Rafael	Concrete slab	Kids out 5 days	8,600	8,600			
Autzen	Renovate sensory room bath-new tile flooring and walls electrical	Contractor Estimate	10,000			10,000	
Cominger	Crawl space Raccoon infestation/water	Contractor Estimate	13,000	13,000			
Overlook	Bathroom floors 2 bath	Contractor Estimate	5,000			5,000	
Orchid	Harden remaining walls	Contractor Estimate	5,000			5,000	
Silverloop	Fire system Upgrade	Contractor Estimate	4,600		4,600		
Ward	Cement Pad in back of garage - SNH \$4K	Contractor Estimate	4,000	4,000			
4th	Kitchen cabinets	Contractor Estimate	9,000			9,000	
5th	Kitchen remodel	Contractor Estimate	9,600			9,600	
5th	Garage office Shaker	Contractor Estimate	4,000	4,000			
10th	Kitchen remodel	Contractor Estimate	10,000			10,000	
16th	Replace flooring in common areas	Contractor Estimate	12,000			12,000	
16th	Kitchen remodel	Contractor Estimate	10,000			10,000	
16th	Replace front door	Contractor Estimate	4,000	4,000			
68th	Remove fireplace mantle and hearth	Contractor Estimate	4,000			4,000	
181st	Add concrete pathway ADA	Contractor Estimate	6,300		6,300		
Clark	Flooring in common areas	Contractor Estimate	14,600			14,600	
Jay	New lift	Contractor Estimate	6,000		6,000		
Linden	New front door	Contractor Estimate	4,000	4,000			
Linden	Kitchen cabinets and counters	Contractor Estimate	10,000		10,000		
Nectarine	New kitchen cabinets and countertops	Contractor Estimate	10,000		10,000		
Tanager	Replace carpet in bedrooms	Contractor Estimate	14,000			14,000	
Tanager	Replace dining room flooring	Contractor Estimate	8,000			8,000	
Tuckerwood	Replace front door	Contractor Estimate	4,300	4,300			
51ST	1 new lift	Contractor Estimate	6,000		6,000		
Hillyard	1 New lift	Manager Estimate	6,000		6,000		
Jason Lee	1 new lift	Manager Estimate	6,000		6,000		
Lindenbrook	1 new lift	Manager Estimate	6,000		6,000		
Rockwood	2 New lifts	Manager Estimate	12,000			12,000	
Troutdale	1 New Lift	Contractor Estimate	6,000			6,000	
Wheeler	1 new lift	Manager Estimate	6,000			6,000	
Contingency			240,000	60,000	60,000	60,000	60,000
<b>Total</b>			<b>1,262,290</b>	<b>480,797</b>	<b>416,293</b>	<b>255,200</b>	<b>110,000</b>

Funding/Cost Comparison:

Projected Depreciation/Amortization	1,656,310	442,995	424,498	398,560	390,258
Less SW Amortization	446,416	133,779	111,193	101,436	100,008
Less Sewer Rights	11,802	2,951	2,951	2,951	2,951
Less Vehicle	83,500	21,500	28,500	17,500	16,000
Less Equipment	150,025	38,856	39,256	37,156	34,756
Net Depreciation (Buildings/Equipment)	964,566	245,909	242,598	239,516	236,543
Current Assets	1,482,370	370,593	370,593	370,593	370,593
Amortization of Sewer rights/loan fees	11,802	2,951	2,951	2,951	2,951
New Capital	119,946	58,904	40,407	14,469	6,167

## Cash Flow Summary

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Projected Surplus/(Deficit)	(249,689)	(249,613)	206,824	(161,234)	(7,867)	434,930	(83,051)	(58,354)	(16,792)	122,673	(64,228)	227,342	100,941
Adjustments :													
Add Depreciation & Amortization	147,665	147,665	147,665	141,499	141,499	141,499	132,853	132,853	132,853	130,086	130,086	130,086	1,656,310
Changes in Working Capital													
Change In Accounts Receivables	65,534	93,043	213,512	(415,626)	192,636	(301,553)	72,427	288,066	2,204	(219,799)	42,459	278,545	311,447
Change in Accounts Payable	-	-	(236,397)	-	(89,383)	(15,000)	-	-	-	-	-	-	(340,780)
Change in Prepays	(5,854)	10,107	40,618	16,207	(28,783)	596	(24,438)	(11,446)	13,062	(29,316)	13,062	13,062	6,874
Change in Payroll Related Liabilities	324,966	243,724	162,483	(893,656)	162,483	243,724	(243,724)	-	243,724	162,483	(406,207)	162,483	162,483
Funds Received as Restricted												(20,000)	(20,000)
Funds Received for Non-Operations						(425,000)							(425,000)
Release of Restricted Funds	15,000	15,000	15,000	90,000	15,000	265,000	15,000	15,000	15,000	15,000	15,000	15,000	505,000
Cash Used in Financing and Investing													
Decrease in Notes Payable from Loan Payments	(37,506)	(37,276)	(37,370)	(37,781)	(37,562)	(37,967)	(37,755)	(37,851)	(38,849)	(38,049)	(38,441)	(38,246)	(454,652)
Capital Expenditures	(160,266)	(160,266)	(160,266)	(138,764)	(138,764)	(138,764)	(85,067)	(85,067)	(85,067)	(36,667)	(36,667)	(36,667)	(1,262,290)
Increase/(Decrease) To Cash	99,850	62,385	352,069	(1,399,354)	209,258	167,465	(253,755)	243,201	266,135	106,410	(344,936)	731,605	240,333
Beginning Cash Balance	839,761	939,611	1,001,996	1,354,065	(45,289)	163,969	331,434	77,679	320,880	587,015	693,425	348,489	839,761
Ending Cash Balance	939,611	1,001,996	1,354,065	(45,289)	163,969	331,434	77,679	320,880	587,015	693,425	348,489	1,080,094	1,080,094

## **FY20 Fundraising Results**

As outlined on page 71, on a cash & pledges-only basis, our total gross revenues from fundraising are projected to total \$2.83M for the year. This total is approximately 87% of our budgeted goal. When in-kind contributions are taken into account, the corresponding figures are \$3.2M and 88%.

These are very positive results given that \$425,000 in conditional Workforce Housing pledges are not counted and due to the impacts of Covid-19, including significantly reduced race revenues (i.e. \$128K projected vs. \$189K budgeted) and impacts to our grants income (e.g. Hatfield, U.S. Bank).

I would like to highlight the significant increase in contributions from individuals – from \$400,000+ last year to \$600,000+ this year. This was a concerted team effort and special mention goes to Chris Canter, Jeanette Weston and David & Karole Wilson for their outstanding contributions. Thank you!

Thank you to all Board Members, Trustees and staff who contributed to our FY20 fundraising success.

## **FY21 Budget**

A preliminary FY21 Fundraising Budget is outlined on page 72. Overall, we have budgeted 25% less than last year due to expected continuing impacts as a result of Covid-19.

## **Board Member Engagement**

As discussed at our January retreat, Board Member engagement will be critical to achieve Kerr fundraising goals in FY21 and beyond. While this will look different for each Board Member based upon their skills and comfort level, some level of engagement is needed by all. Accordingly, each Board Member is asked to establish a simple Kerr giving and engagement plan for FY21 by the end of July. Anne and Chris Canter will be in touch on an individual basis to facilitate this process and training will be available where desired.

## **24 Hours of Kerr (HOK)**

As part of our efforts to promote safety in a Covid-19 world, we believe it a wise decision to take our 24 HOK gala, scheduled for the evening of September 12<sup>th</sup>, virtual this year. We are working on a plan to make the value and exposure for our corporate partners even greater than before through expanded digital and other media assets (website features, e-blasts, social media, PBJ and other paid ads) leading up to, during and post the event. Our initial conversations with our confirmed corporate sponsors have been positive, with no attrition to date. We will be asking each Board Member to help renew and, where possible, expand corporate and individual supporters for the event as part of our individualized engagement meetings later this month and next. We are still working to determine whether our golf tournament, scheduled for Monday, September 21<sup>st</sup>, will remain live, go virtual or be deferred to next year. We expect to make a final determination regarding the latter at our July 7<sup>th</sup> 24 HOK Committee meeting.

## **Development and Foundation Staffing**

As a result of Covid-19 impacts, including the permanent closing of Albertina's Place, the following Development and Foundation staff members will no longer be with Kerr, effective June 27<sup>th</sup>: Justin Zellinger, Director, Corporate Partnerships; Toni Tringolo, Events Manager; Ella Rathman, Development Associate; Margaret Scafidi, TOKNA Manager; Amanda Glazer, TOKNA Associate; Joel Thompson, Chef Albertina's Place; Kat Ottoboni, Albertina's Place Dishwasher. We are grateful for the significant contributions of all of these individuals to our success to date and we wish them every possible success moving forward.

Thank you all for making Kerr's continued success possible!

**FY20 Campaign Performance through 6/9**

Description	Total Given 6/9/2020	Goal FY20	%Goal	Last Year Total Given 6/11/19	Variance (FY19 vs. FY20)	Outstanding to raise or below budget	+/- from 6/2/2020	Projected thru June 30 2020	Notes
24 HOK	\$498,298	\$460,500	108%	\$395,290	\$103,008	(\$37,798)	\$0	\$498,298	
Christmas Ships	\$0	\$0		\$64,761	(\$64,761)	\$0	\$0	\$0	
Race for the Roses	\$126,144	\$189,500	67%	\$186,340	(\$60,196)	\$63,356	(\$3,341)	\$128,144	(1)
Corporate and Workplace Giving	\$76,847	\$150,000	94%	\$50,594	\$26,253	\$8,333	\$0	\$143,167	
Third party fundraising	\$64,820	\$0		\$64,171	\$649		\$0		
Endowment Funds	\$201,145	\$150,000	134%	\$122,790	\$78,355	(\$51,145)	\$57,356	\$201,145	
Individual Giving	\$586,418	\$600,000	98%	\$400,643	\$185,775	\$13,582	\$3,908	\$614,418	(2)
Grants	\$1,143,948	\$1,708,500	67%	\$1,764,095	(\$620,147)	\$564,552	\$36,500	\$1,225,000	(3)
TOKNA Donations/Dues	\$19,827	\$8,074	246%	\$12,466	\$7,361	(\$11,753)	\$200	\$19,827	
<b>Total Cash &amp; Pledges</b>	<b>\$ 2,717,447</b>	<b>\$ 3,266,574</b>	<b>83%</b>	<b>\$ 3,061,150</b>	<b>\$ (343,703)</b>	<b>\$ 549,127</b>	<b>\$ 94,623</b>	<b>\$ 2,829,999</b>	
Grant a Wish Holiday Giving	\$60,121	\$50,750	118%	\$52,207	\$7,914	(\$9,371)	\$0	\$60,121	
In-kind contributions	201,784	300,000	67%	388,038	(186,254)	98,216	28,830	306,784	(4)
<b>Total In-Kind</b>	<b>\$ 261,905</b>	<b>\$ 350,750</b>	<b>75%</b>	<b>\$ 440,245</b>	<b>\$ (178,340)</b>	<b>\$ 88,845</b>	<b>\$ 28,830</b>	<b>\$ 366,905</b>	
<b>Grand Totals</b>	<b>\$ 2,979,352</b>	<b>\$ 3,617,324</b>	<b>82%</b>	<b>\$ 3,501,395</b>	<b>\$ (522,043)</b>	<b>\$ 637,972</b>	<b>\$ 123,453</b>	<b>\$ 3,196,904</b>	

Projected Fundraising Shortfall "Cash & Pledges" basis =  
 Projected Fundraising Shortfall Cash + In-kind =

**\$ 436,575**  
**\$ 420,420**

FY19 YTD - Cash	\$ 3,061,150
FY19 YTD - In-Kind	\$ 440,245
<b>FY19 YTD Total</b>	<b>\$ 3,501,395</b>
<b>FY19 Goal</b>	<b>\$ 2,962,200</b>
<b>FY19 YTD %</b>	<b>118%</b>

**Notes:**

- (1) Virtual race to be complete by June 30.
- (2) Does not include \$30,000 in pledges from D&M Gilliam + F&L Bartsch, currently restricted to FY21
- (3) Does not include \$300,000 MMT + \$125,000 MJMCT WFH funds conditional upon substantial funds raised for project
- (4) Includes \$127,500 for Entercom; \$74,000 non-race goods; \$5,000 NBCSNW; \$100,000 Blazers

## Preliminary FY21 Kerr Fundraising Budget

	FY20 Budget	FY20 Projected	FY21 Budget	Notes
Grants	\$ 1,708,500	\$ 1,225,000	\$ 1,117,750	
Corporate non event	\$ 150,000	\$ 143,167	\$ 107,193	(1)
Individual Giving	\$ 600,000	\$ 614,418	\$ 550,000	(2)
Planned Giving	\$ 150,000	\$ 201,145	\$ 150,000	
Events	\$ 650,000	\$ 626,442	\$ 530,500	(3)
Grant-a-wish in-kind	\$ 50,750	\$ 60,121	\$ 35,000	(4)
Non GAW in-kind	\$ 300,000	\$ 306,784	\$ 250,000	(5)
TOKNA & Other	\$ 8,074	\$ 19,827	\$ -	
<b>Total "Cash &amp; Pledges"</b>	<b>\$3,266,574</b>	<b>\$2,829,999</b>	<b>\$2,455,443</b>	
<b>Total "In-kind"</b>	<b>\$350,750</b>	<b>\$366,905</b>	<b>\$285,000</b>	
<b>Total Combined Revenues</b>	<b>\$3,617,324</b>	<b>\$3,196,904</b>	<b>\$2,740,443</b>	

### Notes:

(1) Reduction expected due to Covid-19 economic impact. FY21 Event Revenue includes and ; corporate sponsors & vendors. Ttl combined corp revenue for FY21 \$270,00+ down from \$33

(2) Individual Giving: FY21 Revenues lower due to Covid-19.

(3) Decrease in FY 20 Projected and FY21 Revenues due to Covid-19.

(4) Due to due Covid-19 economic impacts and significantly reduced staff capacity for project

(5) FY21 includes Entercom, I Heart, KOIN, Blazers, and Other



**ALBERTINA KERR CENTERS**

**2019-2020 Governing Board of Directors Objectives/Accomplishments**

	<b>Goal</b>	<b>Completed</b>	<b>In Process</b>	<b>To Be Completed</b>
1	Review Bylaws and Board Policies, Committee Charters and Goals (Chair/All)	Agency Policy Review Project Underway		Agenda item as needed, ongoing
2	Review monthly/YTD financial statements (CFO)	Ongoing		Agenda item for each meeting
3	Finance, Audit & Compliance Committee Report (Chair)	Ongoing		Agenda item for each meeting
4	Fundraising Updates (CDO)	Ongoing		Agenda item for each meeting
5	CEO Written Report (CEO)	Ongoing		Agenda item for each meeting
6	Executive Session	Ongoing		Agenda item for each meeting
7	Program Updates (CEO, CPO)			2 x year (or as needed)
8	Unaudited Year End Performance (CFO)	September 23, 2019		September 23, 2019
9	Final Evaluation & CEO Performance Results / Bonus Approval / CEO Employment Agreement as Needed? (in executive session)	September 23, 2019		September 23, 2019
10	Group Photo, Individual Photos	Deferred		November 18th Joint Board / Foundation (Optional)
11	Presentation from Auditor - Final Audit Reports	November 18, 2019		November 18th Joint Board / Foundation
12	Board Education (as identified)			1 x year
13	Executive Committee/Governance/Board Development Update (Chair, CEO)	April 20, 2020		April 20, 2020
14	Annual Compliance Update Training (CCO)	April 20, 2020		April 20, 2020
15	Strategic Plan Updates, Performance/Progress to Goals (CEO)	September 23, 2019 January 31, 2020 April 20, 2020		September 23, 2019 January 31, 2020 April 20, 2020
16	Board/Foundation/Committee Officers Approved (Chair/All)	June 22, 2020		June 22, 2020
17	Review & Approve Final Budget	June 22, 2020		June 22, 2020
18	Recognition Awards for Outgoing Members	June 22, 2020		June 22, 2020

**Board Meeting Dates for FY2020-2021**

July 27, 2020  
 September 21, 2020  
 November 16, 2020  
 January 25, 2021  
 April 26, 2021  
 June 21, 2021

**Exec Committee Meeting Dates for FY2020-2021**

August 24, 2020  
 October 26, 2020  
 December 14, 2020 (if needed)  
 February 22, 2021  
 May 24, 2021

Rev June 2020