



BYLAWS OF
ARTS AND DREAMS FOUNDATION
A Florida Nonprofit Corporation

Adopted by the Board of Directors on: March 10th, 2026

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ARTICLE I NAME AND PURPOSE

Section 1.1 Name

The name of this corporation shall be Arts and Dreams Foundation (hereinafter referred to as the “Corporation” or “Foundation”).

Section 1.2 Principal Office

The principal office of the Corporation shall be located in Miami, Florida, or at such other place as the Board of Directors may from time to time designate.

Section 1.3 Purpose

The Corporation is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), or the corresponding provision of any future United States Internal Revenue law.

Specifically, the Corporation’s mission is to rescue individuals in distress, facilitate their healing, provide transformative education, and support their reintegration as productive, thriving members of society. The Corporation shall:

- (a) Provide emergency rescue, stabilization, and safe refuge for individuals experiencing crisis, homelessness, trauma, or other forms of distress;
- (b) Offer comprehensive healing services including counseling, therapy, medical care coordination, and trauma-informed support;
- (c) Integrate them into educational programs including life skills training, vocational education, academic support, and personal development with the help of the local educational system and existing programs;
- (d) Facilitate successful reintegration into society through employment assistance, housing support, mentorship, and ongoing community connection;
- (e) Conduct research and advocate for evidence-based practices in social services; and
- (f) Engage in any and all lawful activities incidental to the foregoing purposes, except as restricted herein.

Section 1.4 Tax-Exempt Status

The Corporation is organized and shall be operated exclusively for charitable and educational purposes as specified in Section 501(c)(3) of the Code. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these Bylaws.

Section 1.5 Restrictions on Activities

- (a) No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, except as permitted under Section 501(h) of the Code, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

(b) Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or by a corporation contributions to which are deductible under Section 170(c)(2) of the Code.

(c) The Corporation shall not engage in any transaction that would constitute an excess benefit transaction as defined in Section 4958 of the Code.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1 General Powers

The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have control of and be responsible for the management of the affairs and property of the Corporation.

Section 2.2 Number, Tenure, and Qualifications

(a) Number. The Board of Directors shall consist of no fewer than five (5) and no more than fifteen (15) directors. The exact number of directors shall be fixed from time to time by resolution of the Board of Directors.

(b) Initial Board. The initial Board of Directors shall consist of the directors named in the Articles of Incorporation, who shall serve until the first annual meeting of the Board and until their successors are elected and qualified.

(c) Term. Each director shall serve for a term of three (3) years, or until his or her successor is elected and qualified, or until his or her earlier resignation, removal, or death. Directors may serve consecutive terms without limitation.

(d) Staggered Terms. The Board shall be divided into three classes, with approximately one-third of the directors elected each year to ensure continuity and institutional knowledge.

(e) Qualifications. Directors shall be individuals committed to the mission and values of the Corporation. At least one director should have expertise in finance, and at least one director should have expertise in the Corporation's program areas. No more than 49% of directors may be financially compensated by the Corporation (as employees or independent contractors).

Section 2.3 Election and Appointment

All appointments to the Board of Directors shall be made through the following process:

(a) Nomination by the Chair. The Chairperson of the Board of Directors (the "Chair") shall have the authority to nominate individuals for appointment to the Board of Directors. The Chair may solicit recommendations from existing Board members, staff, advisors, or other sources, but shall retain sole discretion in determining which individuals to formally nominate.

(b) Board Approval Required. Any individual nominated by the Chair for appointment to the Board of Directors must be approved by a majority vote of the Board of Directors at a duly convened meeting at which a quorum is present.

(c) Majority Vote Defined. For purposes of this section, "majority vote" means more than fifty percent (50%) of the Directors present and voting at a meeting at which a quorum is established. Abstentions shall not be counted as votes cast.

(d) Voting Procedure. The vote on any nomination may be conducted by voice vote, show of hands, written ballot, or electronic means as determined by the Chair, unless any Director requests a written ballot, in which case a written ballot shall be used.

(e) Effective Date of Appointment. Upon receiving majority approval from the Board, the nominated individual shall become a Director effective immediately, unless the Board specifies a different effective date at the time of approval.

Section 2.3.1 Qualifications and Criteria

In nominating individuals for Board service, the Chair shall consider:

- (a) Commitment to the mission, vision, and values of Arts and Dreams Foundation;
- (b) Ability to contribute time, expertise, or resources to advance the organization's work;
- (c) Skills, experience, or perspectives that complement and strengthen the Board's collective capabilities;
- (d) Diversity of backgrounds, experiences, and viewpoints that enhance Board effectiveness;
- (e) Absence of conflicts of interest that would impair the individual's ability to serve the organization's best interests; and
- (f) Willingness to fulfill the fiduciary duties and responsibilities of Board service.

Section 2.3.2 Information To Be Provided

Prior to the Board vote on any nomination, the Chair shall provide the Board with:

- (a) The nominee's name and relevant biographical information;
- (b) A summary of the nominee's qualifications and the reasons for the nomination;
- (c) Disclosure of any known conflicts of interest or potential conflicts; and
- (d) Any other information reasonably necessary for the Board to make an informed decision.

Section 2.3.3 Confidentiality

All Board deliberations regarding nominations shall be conducted in executive session and shall remain confidential. Directors shall not disclose the identity of nominees or the Board's discussions regarding any nomination, except as required by law or as authorized by the Board.

Section 2.3.4 Unsuccessful Nominations

If a nomination does not receive majority approval from the Board, the Chair may:

- (a) Withdraw the nomination and nominate a different individual; or
- (b) Re-present the same nomination at a subsequent Board meeting, provided that additional information or changed circumstances warrant reconsideration.

The individual whose nomination was not approved shall be notified by the Chair in a manner that preserves dignity and confidentiality.

Section 2.3.5 No Right to Board Membership

No individual shall have any right or entitlement to appointment to the Board of Directors. All appointments are at the discretion of the Chair, subject to Board approval as provided in this Article.

Section 2.3.6 Consistency With Articles of Incorporation

The provisions of this Article shall be subject to and consistent with the organization's Articles of Incorporation and applicable state and federal law. In the event of any conflict, the Articles of Incorporation and applicable law shall control.

Section 2.4 Resignation

Any director may resign at any time by giving written notice to the Board Chair or Secretary. Such resignation shall take effect at the time specified therein, or immediately if no time is specified. Acceptance of such resignation shall not be necessary to make it effective unless expressly so provided in the resignation.

Section 2.5 Removal

- (a)** Any director may be removed, with cause, by a majority vote of the Board of Directors at any meeting called for that purpose.
- (b)** A director may be removed for cause, including but not limited to: failure to attend three (3) consecutive board meetings without excuse; breach of fiduciary duty; conduct detrimental to the Corporation; conviction of a felony; or failure to meet the responsibilities outlined in the Board member position description.
- (c)** The director subject to removal shall be given at least fifteen (15) days' written notice of the meeting at which removal will be considered and shall have the opportunity to be heard at such meeting.

Section 2.6 Vacancies

- (a)** Any vacancy on the Board of Directors, whether caused by resignation, removal, death, or increase in the number of directors, may be filled by a majority vote of the remaining directors.
- (b)** A director elected to fill a vacancy shall serve the remainder of the unexpired term and until a successor is elected and qualified.

Section 2.7 Compensation

Directors shall serve without compensation for their service as directors. However, directors may be reimbursed for reasonable expenses incurred in the performance of their duties, subject to Board approval and in accordance with the Corporation's expense reimbursement policy. Directors may receive reasonable compensation for services provided to the Corporation in capacities other than as directors, provided such compensation is approved in accordance with the conflict of interest policy.

Section 2.8 Board Member Responsibilities

Each director shall:

- (a)** Know and support the mission, vision, and values of the Corporation;
- (b)** Attend all board meetings and prepare for meetings by reviewing materials in advance;
- (c)** Serve on at least one board committee;
- (d)** Make an annual financial contribution to the Corporation that is personally meaningful (100% board giving is expected);
- (e)** Support fundraising efforts through personal solicitation, event attendance, and relationship cultivation;

- (f) Act in the best interests of the Corporation, maintaining loyalty and the duty of care;
- (g) Maintain confidentiality of sensitive information;
- (h) Disclose any conflicts of interest in accordance with the conflict of interest policy; and
- (i) Serve as an ambassador for the Corporation in the community.

ARTICLE III

MEETINGS OF THE BOARD OF DIRECTORS

Section 3.1 Annual Meeting

The Board of Directors shall hold an annual meeting for the purpose of electing officers, appointing committee members, receiving reports on the activities and financial condition of the Corporation, and transacting such other business as may properly come before the meeting. The annual meeting shall be held at such time and place as designated by the Board Chair, typically in the fourth quarter of the fiscal year.

Section 3.2 Regular Meetings

Regular meetings of the Board of Directors shall be held at least quarterly at such times and places as determined by the Board. The Board shall establish a meeting calendar for the year at the annual meeting.

Section 3.3 Special Meetings

- (a) Special meetings of the Board may be called by the Board Chair, the Executive Committee, or upon written request of at least one-third (1/3) of the directors then in office.
- (b) Notice of special meetings shall be given at least seven (7) days in advance and shall state the purpose of the meeting. No business other than that specified in the notice shall be transacted at a special meeting.

Section 3.4 Notice

- (a) Notice of all meetings shall be given to each director by mail, email, telephone, or personal delivery at least seven (7) days prior to regular and annual meetings and at least forty-eight (48) hours prior to special meetings.
- (b) Notice shall include the date, time, place (or remote access information), and agenda for the meeting.
- (c) A director may waive notice of any meeting before, during, or after the meeting. Attendance at a meeting constitutes waiver of notice unless the director objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened.

Section 3.5 Quorum

- (a) A quorum for the transaction of business at any meeting of the Board shall consist of a majority of the directors then in office.
- (b) If a quorum is not present at any meeting, the directors present may adjourn the meeting to another time without further notice.

(c) If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board unless a greater vote is required by law, the Articles of Incorporation, or these Bylaws.

Section 3.6 Participation by Electronic Means

Directors may participate in meetings by means of conference telephone, video conference, or similar communications equipment that allows all persons participating in the meeting to hear each other simultaneously. Such participation shall constitute presence in person at the meeting.

Section 3.7 Action Without a Meeting

- (a) Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if all directors consent in writing or by electronic transmission to such action.
- (b) Such written consents shall be filed with the minutes of the Board meetings and shall have the same force and effect as a vote at a meeting.

Section 3.8 Meetings Open to Staff and Public

Board meetings are generally open to staff and interested members of the public as observers, except for executive sessions. The Board Chair may limit participation or close meetings when discussing confidential matters such as personnel, legal issues, or sensitive strategic matters.

ARTICLE IV OFFICERS

Section 4.1 Officers

The officers of the Corporation shall be a Board Chair, Vice Chair, Secretary, and Treasurer. The Board may also elect or appoint such other officers as it deems necessary, including but not limited to an Assistant Secretary and Assistant Treasurer.

Section 4.2 Election and Term of Office

- (a) Officers shall be elected annually by the Board of Directors at the annual meeting.
- (b) Each officer shall serve for a term of one (1) year and until his or her successor is elected and qualified, or until his or her earlier resignation, removal, or death.
- (c) Officers may serve consecutive terms, but it is recommended that no officer serve in the same position for more than five (5) consecutive years to ensure leadership succession.

Section 4.3 Removal and Resignation

- (a) Any officer may be removed, with cause, by a majority vote of the Board of Directors at any meeting called for that purpose.
- (b) Any officer may resign at any time by giving written notice to the Board Chair or Secretary. Such resignation shall take effect at the time specified therein or immediately if no time is specified.

Section 4.4 Vacancies

A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term at any regular or special meeting.

Section 4.5 Board Chair

The Board Chair shall:

- (a) Preside at all meetings of the Board of Directors;
- (b) Serve as the principal volunteer leader of the Corporation;
- (c) Appoint committee chairs and committee members, subject to Board approval;
- (d) Work in partnership with the Chief Executive Officer to advance the mission and strategic goals of the Corporation;
- (e) Ensure effective board governance and performance;
- (f) Conduct annual performance evaluations of the Chief Executive Officer;
- (g) Serve as ex-officio member of all committees except the Nominating and Governance Committee;
- (h) Represent the Corporation in the community alongside the Chief Executive Officer;
- (i) Execute documents on behalf of the Corporation as authorized by the Board; and
- (j) Perform such other duties as may be assigned by the Board.

Section 4.6 Vice Chair

The Vice Chair shall:

- (a) Perform the duties of the Board Chair in his or her absence or inability to act;
- (b) Assist the Board Chair in the performance of his or her duties;
- (c) Perform such other duties as may be assigned by the Board Chair or Board; and
- (d) Succeed to the position of Board Chair in the event of a vacancy, subject to Board confirmation.

Section 4.7 Secretary

The Secretary shall:

- (a) Keep accurate minutes of all meetings of the Board of Directors;
- (b) Ensure that notices of all meetings are given in accordance with these Bylaws;
- (c) Maintain custody of the corporate records, including the Articles of Incorporation, Bylaws, board resolutions, and minutes;
- (d) Ensure that all required reports are filed with appropriate government agencies;
- (e) Maintain the register of directors;
- (f) Authenticate records of the Corporation;
- (g) Perform such other duties as may be assigned by the Board Chair or Board; and
- (h) Delegate administrative tasks to the Chief Executive Officer or staff as needed, while retaining responsibility for accuracy and compliance.

Section 4.8 Treasurer

The Treasurer shall:

- (a) Serve as chair of the Finance Committee;
- (b) Oversee the financial affairs of the Corporation;

- (c) Ensure that accurate financial records are maintained;
- (d) Present financial reports to the Board at each regular meeting;
- (e) Ensure preparation of the annual budget for Board approval;
- (f) Ensure adequate financial controls and policies are in place;
- (g) Oversee the annual independent audit or financial review;
- (h) Ensure compliance with all financial reporting requirements;
- (i) Work closely with the Chief Executive Officer and finance staff on financial matters; and
- (j) Perform such other duties as may be assigned by the Board Chair or Board.

ARTICLE V COMMITTEES

Section 5.1 Executive Committee

- (a) **Composition.** The Executive Committee shall consist of the Board Chair, Vice Chair, Secretary, Treasurer, and up to two (2) additional directors appointed by the Board Chair with Board approval. The Chief Executive Officer shall serve as an ex-officio, non-voting member.
- (b) **Authority.** Between meetings of the Board, the Executive Committee may exercise all powers of the Board in the management of the affairs of the Corporation, except that the Executive Committee shall not:
 - (i) Amend, alter, or repeal these Bylaws;
 - (ii) Elect, appoint, or remove directors or officers;
 - (iii) Approve a plan of merger or dissolution;
 - (iv) Authorize the sale, lease, or exchange of all or substantially all of the Corporation's property;
 - (v) Amend, alter, or repeal any resolution or action of the full Board; or
 - (vi) Take any action that requires Board approval under these Bylaws.
- (c) **Meetings.** The Executive Committee shall meet as needed, typically monthly, and may take action by majority vote with a quorum of three (3) members present. All actions taken by the Executive Committee shall be reported to the full Board at its next meeting.

Section 5.2 Standing Committees

The Board shall maintain the following standing committees:

Section 5.2.1 Finance Committee

Purpose: To provide financial oversight and ensure fiscal responsibility.

Responsibilities:

- (a) Review monthly financial statements and reports;
- (b) Develop and recommend annual budget to the Board;
- (c) Oversee the annual audit or financial review;
- (d) Recommend financial policies and procedures;
- (e) Monitor investment performance (if applicable);
- (f) Ensure adequate internal controls;

- (g) Review significant financial transactions; and
- (h) Monitor compliance with grant restrictions and donor designations.

Composition: At least three (3) directors, including the Treasurer (chair), with at least one member having financial expertise. The Chief Executive Officer and finance staff serve ex-officio.

Section 5.2.2 Development Committee

Purpose: To oversee fundraising strategy and support revenue development.

Responsibilities:

- (a) Develop and recommend comprehensive fundraising plan;
- (b) Set annual fundraising goals by revenue source;
- (c) Oversee major fundraising campaigns and events;
- (d) Cultivate donor relationships alongside staff;
- (e) Support grant applications and corporate partnerships;
- (f) Monitor fundraising performance against goals;
- (g) Ensure donor recognition and stewardship; and
- (h) Review and recommend donor policies.

Composition: At least three (3) directors with fundraising experience or connections. The Chief Executive Officer and development staff serve ex-officio.

Section 5.2.3 Governance and Nominating Committee

Purpose: To ensure effective board governance and leadership succession.

Responsibilities:

- (a) Identify and recruit qualified board candidates;
- (b) Conduct board orientation and ongoing education;
- (c) Develop and recommend slate of officers and directors;
- (d) Conduct board self-assessments and evaluations;
- (e) Review and recommend governance policies and bylaws;
- (f) Ensure board diversity and inclusion;
- (g) Monitor board attendance and engagement;
- (h) Plan board retreats and development activities; and
- (i) Oversee board succession planning.

Composition: At least three (3) directors. The Board Chair shall not serve on this committee to ensure objectivity in board assessment.

Section 5.2.4 Program Committee

Purpose: To provide oversight of program quality, effectiveness, and alignment with mission.

Responsibilities:

- (a) Review program outcomes and impact data;
- (b) Ensure programs align with strategic plan;
- (c) Monitor program quality and participant satisfaction;
- (d) Review program expansion or modification proposals;
- (e) Ensure compliance with relevant regulations and standards;

- (f) Recommend program policies to the Board;
- (g) Conduct site visits and program observations; and
- (h) Monitor trends in the field and best practices.

Composition: At least three (3) directors with relevant expertise in social services, education, healthcare, or related fields. The Chief Executive Officer and program staff serve ex-officio.

Section 5.3 Special or Ad Hoc Committees

The Board Chair, with Board approval, may create special or ad hoc committees for specific purposes such as strategic planning, capital campaigns, executive searches, or special events. Such committees shall have the authority and duration specified by the Board and shall report regularly to the Board.

Section 5.4 Committee Meetings and Procedures

- (a) Committee chairs shall be appointed by the Board Chair with Board approval.
- (b) Committees shall meet as often as necessary to fulfill their responsibilities, but at least quarterly.
- (c) A majority of committee members shall constitute a quorum.
- (d) Committee minutes shall be maintained and reported to the full Board.
- (e) Committees may include non-board members with relevant expertise, but a majority of each committee must be board members, and only board members may vote.
- (f) The Board Chair shall serve as ex-officio member of all committees except the Governance and Nominating Committee.

ARTICLE VI CHIEF EXECUTIVE OFFICER AND STAFF

Section 6.1 Chief Executive Officer

- (a) The Board of Directors shall employ a Chief Executive Officer (CEO) who shall serve as the chief administrative and executive officer of the Corporation.
- (b) The CEO shall be hired by, report to, and be evaluated by the Board of Directors.
- (c) The CEO shall have such authority and perform such duties as typically associated with the position of chief executive officer, including but not limited to:
 - (i) Implementing policies and programs as directed by the Board;
 - (ii) Managing day-to-day operations of the Corporation;
 - (iii) Hiring, supervising, evaluating, and terminating staff;
 - (iv) Developing and implementing programs consistent with the mission;
 - (v) Preparing annual budget recommendations;
 - (vi) Leading fundraising efforts;
 - (vii) Serving as principal spokesperson for the Corporation;
 - (viii) Ensuring compliance with all legal and regulatory requirements;
 - (ix) Maintaining transparent communication with the Board;
 - (x) Attending all Board and committee meetings (except executive sessions concerning the CEO); and
 - (xi) Such other duties as assigned by the Board.

(d) The CEO's compensation shall be established and reviewed annually by the Board of Directors, following procedures to ensure compliance with intermediate sanctions rules under Section 4958 of the Internal Revenue Code.

(e) The CEO may not serve as a voting member of the Board of Directors but may serve as an ex-officio, non-voting member at the Board's discretion.

(f) Chair Serving as Acting CEO Startup Provision. In the event the organization is in a startup phase and the Chair is also serving as the acting CEO, the following rules shall apply to ensure IRS compliance:

(i) The Board of Directors is responsible for ensuring that compensation paid to officers and key employees is reasonable, fair, and in the best interests of the organization, in compliance with Section 4958 of the Internal Revenue Code and applicable IRS regulations.

(ii) Compensation for the CEO shall reflect the Executive's responsibilities, experience, performance, and the organization's financial capacity.

(iii) Prior to establishing CEO compensation, the Board shall review appropriate comparability data, including: compensation data from similarly situated nonprofit organizations of comparable size, mission, and geographic scope; published nonprofit salary surveys (e.g., Guidestar/Candid, Charity Navigator, industry reports); and written compensation studies or benchmarks.

(iv) All Directors with a conflict of interest with respect to compensation determinations shall disclose such conflict and recuse themselves from discussion and voting on the matter.

(v) The compensation determination shall be made by a disinterested and independent Board or committee, without undue influence from the Executive.

Section 6.2 Other Staff

The CEO shall have authority to employ, determine compensation for (within approved budget), supervise, and discharge such other staff as necessary to carry out the Corporation's mission and programs, in accordance with personnel policies approved by the Board.

Section 6.3 CEO Performance Evaluation

The Board Chair, with input from the full Board, shall conduct an annual written performance evaluation of the CEO based on predetermined goals and performance criteria. The evaluation shall be discussed with the CEO and used to inform compensation decisions and professional development planning.

Section 6.4 CEO Succession Planning

The Board of Directors shall plan in the event of the CEO's unexpected departure to ensure leadership continuity.

ARTICLE VII CONFLICTS OF INTEREST

Section 7.1 Purpose

The purpose of this conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director or might result in a possible excess benefit transaction.

Section 7.2 Definitions

- (a)** Interested Person. Any director, officer, or member of a committee with governing board-delegated powers who has a direct or indirect financial interest.
- (b)** Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - (i)** An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;
 - (ii)** A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
 - (iii)** A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Section 7.3 Procedures

- (a)** Duty to Disclose. An interested person must disclose the existence of any financial interest and all material facts to the Board or committee considering the proposed transaction or arrangement.
- (b)** Determining Whether a Conflict Exists. After disclosure, the interested person shall leave the meeting while the Board or committee discusses and votes on whether a conflict of interest exists.
- (c)** Addressing the Conflict:
 - (i)** If a conflict is determined to exist, the interested person shall not participate in the discussion or vote on the transaction except to provide information requested by the Board or committee;
 - (ii)** The Board or committee shall determine whether the transaction is in the Corporation's best interest and for its benefit, and whether it is fair and reasonable; and
 - (iii)** The Board or committee shall make its decision by majority vote of disinterested directors.
- (d)** Documentation. The minutes shall reflect the disclosure, the Board's or committee's deliberations and decision, and the interested person's abstention from voting.

Section 7.4 Annual Disclosure

Each director, officer, and committee member shall annually complete and sign a disclosure statement identifying any entities or individuals with which he or she has a relationship that might give rise to a conflict of interest.

Section 7.5 Violations

If the Board has reasonable cause to believe an interested person has failed to disclose an actual or potential conflict, it shall inform the person and afford an opportunity to explain. If the Board determines a violation has occurred, it shall take appropriate disciplinary and corrective action.

ARTICLE VIII

INDEMNIFICATION AND INSURANCE

Section 8.1 Indemnification

(a) The Corporation 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, by reason of the fact that he or she is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding to the fullest extent permitted by Florida law.

(b) The Corporation shall not indemnify any person for:

(i) Acts or omissions not in good faith or involving intentional misconduct or a knowing violation of law;

(ii) Any transaction from which the person derived an improper personal benefit; or

(iii) Acts or omissions occurring prior to the person becoming associated with the Corporation if indemnification is prohibited by law.

(c) Indemnification shall be made only upon a determination that the person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful.

(d) Expenses incurred in defending any proceeding may be advanced by the Corporation prior to final disposition upon receipt of an undertaking by or on behalf of the person to repay such amount if it is ultimately determined that the person is not entitled to indemnification.

Section 8.2 Insurance

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status, whether or not the Corporation would have the power to indemnify such person against such liability.

ARTICLE IX FINANCIAL MATTERS

Section 9.1 Fiscal Year

The fiscal year of the Corporation shall be January 1 through December 31, or such other period as determined by the Board of Directors.

Section 9.2 Annual Budget

The Chief Executive Officer, with the Finance Committee, shall prepare and present to the Board of Directors an annual budget for the upcoming fiscal year no later than the last regular Board meeting of the current fiscal year. The budget shall be approved by majority vote of the Board.

Section 9.3 Financial Records and Reports

- (a) The Corporation shall maintain accurate and complete books and records of account.
- (b) Financial statements shall be prepared in accordance with generally accepted accounting principles (GAAP).
- (c) The Board shall receive financial reports at each regular meeting comparing actual revenue and expenses to budget.
- (d) The Corporation shall prepare an annual report containing financial information for distribution to donors, funders, and the public.

Section 9.4 Annual Audit or Review

- (a) The Corporation shall obtain an annual independent audit by a certified public accountant if:
 - (i) Annual revenue exceeds \$1,000,000; or
 - (ii) Required by a significant funder or government contract; or
 - (iii) Otherwise determined necessary by the Board.
- (b) If an audit is not required or conducted, the Corporation shall obtain an independent financial review by a certified public accountant.
- (c) The audit or review shall be presented to the Finance Committee and full Board and shall be made available to donors and the public upon request.

Section 9.5 Banking Authority, Financial Transactions, and Executive Authority

The following subsections establish the financial authorization framework governing all transactions, expenditures, and banking matters of Arts and Dreams Foundation.

Section 9.5.1 Authorized Bank Signatories

The organization shall designate four (4) authorized signatories on all bank accounts, investment accounts, and other financial accounts maintained by Arts and Dreams Foundation. These authorized signatories shall be:

- (a) The Chief Executive Officer (CEO);
- (b) The Treasurer;
- (c) The Vice Chairperson (Vice Chair); and

(d) The Secretary.

All four signatories shall be duly authorized to execute checks, withdrawals, transfers, and other financial transactions on behalf of the organization in accordance with the limitations set forth in this Section.

Section 9.5.2 CEO Autonomous Spending Authority

(a) Authority Without Board Approval. The Chief Executive Officer shall have autonomous authority to authorize and execute financial transactions up to Ten Thousand Dollars (\$10,000.00) per transaction without requiring prior Board approval, dual signatures, or additional authorization, provided that: (i) the expenditure is consistent with the approved annual budget; (ii) the expenditure advances the organization's charitable mission and purposes; (iii) the expenditure complies with all applicable laws, regulations, and organizational policies; (iv) the expenditure does not create a conflict of interest or personally benefit the CEO; and (v) adequate documentation is maintained for audit and reporting purposes.

(b) Single Signature Authority. For transactions within the CEO's autonomous spending authority (up to \$10,000.00), the CEO may execute such transactions with a single signature and without co-authorization from other officers.

(c) Aggregate Limitation. The CEO's autonomous spending authority of \$10,000.00 applies per individual transaction. Multiple related transactions to the same vendor or for the same purpose within a thirty (30) day period that collectively exceed \$10,000.00 shall require compliance with the higher authorization thresholds specified in this Section.

(d) Monthly Reporting. The CEO shall provide a monthly report to the Treasurer detailing all expenditures made under this autonomous authority, including date, amount, payee, and business purpose.

(e) Quarterly Board Review. All expenditures made under the CEO's autonomous authority shall be reported to the Board of Directors on at least a quarterly basis as part of standard financial reporting.

Section 9.5.3 CEO Authority for Budgeted Operational Expenses

In addition to the autonomous spending authority set forth in Section 9.5.2, the CEO shall have authority to approve and execute routine operational expenditures that:

(a) Are specifically included in line items within the Board-approved annual budget;

(b) Do not exceed the allocated budget amount for that line item by more than ten percent (10%); and

(c) Are necessary for the regular operations of the organization.

Such budgeted operational expenditures may exceed \$10,000.00 provided they meet the above criteria. Expenditures exceeding budgeted line items by more than ten percent (10%) require Board approval regardless of amount.

Section 9.5.4 CEO Authority Requiring Board Approval

Notwithstanding the autonomous authority granted in Sections 9.5.2 and 9.5.3, the CEO must obtain prior Board approval for:

(a) Any single transaction exceeding \$10,000.00 that is not specifically budgeted;

(b) Any expenditure that would exceed a budgeted line item by more than ten percent (10%);

(c) Creation of new staff positions or changes to compensation structure;

- (d) Entering into contracts or commitments exceeding one (1) year in duration or \$25,000 in total value;
- (e) Purchase, sale, or lease of real property;
- (f) Taking on debt, lines of credit, or financial obligations;
- (g) Establishing new programs or significantly modifying existing programs;
- (h) Legal settlements or agreements;
- (i) Any transaction in which the CEO has a personal financial interest; and
- (j) Any other matter specifically reserved to the Board under these Bylaws, the Articles of Incorporation, or applicable law.

Section 9.5.5 Dual Signature Requirement for Large Transactions

- (a) Transactions Exceeding \$10,000. Any single transaction, expenditure, check, withdrawal, wire transfer, or other financial obligation exceeding Ten Thousand Dollars (\$10,000.00) shall require the signatures or authorization of two (2) of the four (4) authorized signatories.
- (b) Primary Authorization. For all transactions exceeding \$10,000.00, the required signatures shall be: (i) the CEO; and (ii) the Treasurer or Vice Chair.
- (c) Backup Authorization. In the event that either the Treasurer or the Vice Chairperson is unavailable, absent, or otherwise unable to provide authorization for a transaction exceeding \$10,000.00, the Secretary shall serve as the backup signatory and may provide authorization in place of the unavailable officer.
- (d) In the event that both the Treasurer and Vice Chairperson are unavailable, the CEO may serve as one of the two required signatories in combination with the Secretary, provided that: (i) the transaction has received proper Board approval (if required); (ii) the unavailability of the Treasurer and Vice Chairperson is documented; and (iii) the alternative authorization is reported to the Board at its next meeting.
- (e) Dual Signature Combinations. Acceptable dual signature combinations for transactions exceeding \$10,000.00 are, in order of preference:
 - (i) Treasurer and Vice Chairperson; or
 - (ii) Treasurer and Secretary (when Vice Chairperson is unavailable); or
 - (iii) Vice Chairperson and Secretary (when Treasurer is unavailable); or
 - (iv) CEO and Secretary (when both Treasurer and Vice Chairperson are unavailable).

Section 9.5.6 Transaction Authority Tiers

The organization's financial transaction authority shall be structured in the following tiers:

- (a) Tier 1: \$0 – \$10,000. Single signature by any authorized signatory. CEO has full autonomous authority without Board approval. Other signatories may execute if consistent with approved budget.
- (b) Tier 2: \$10,001 – \$15,000. Single signature by Treasurer, Vice Chair, or Secretary. Requires prior Board approval if not specifically budgeted. CEO may execute only if specifically budgeted.
- (c) Tier 3: \$15,001 and above. Dual signature required (primary: Treasurer + Vice Chair; backup: Secretary). Requires prior Board approval. CEO may serve as alternate signatory only when both primary signatories are unavailable.

Section 9.5.7 CEO Operational Freedoms Without Board Consent

Within the scope of the approved annual budget and organizational policies, the CEO shall have authority to make operational decisions without Board consent in the following areas:

- (a) **Day-to-Day Operations:** management of staff schedules and work assignments; routine purchasing and vendor selection; program implementation and service delivery decisions; facility maintenance and minor repairs; and event planning and coordination.
- (b) **Human Resources (Within Budget):** hiring, supervision, and termination of staff (excluding executive positions); performance evaluations and feedback; professional development and training; work policies and procedures (consistent with Board-approved personnel policies); and overtime and scheduling decisions.
- (c) **Program Management:** participant enrollment and eligibility determinations; curriculum and program content (consistent with mission); volunteer recruitment and management; and partnership development and collaboration agreements.
- (d) **Communications and Public Relations:** public statements consistent with Board-approved messaging; social media content and engagement; press releases and media responses; marketing materials and promotional campaigns; and event announcements and community outreach.
- (e) **Administrative Functions:** office supplies and equipment purchases (within budget); technology systems and software subscriptions (within budget); insurance policy administration; records management and filing systems; and internal process improvements.

Section 9.5.8 CEO Limitations Requiring Board Approval

The CEO must obtain Board approval before taking action in the following areas:

- (a) **Strategic and Governance Matters:** strategic plan development or significant modifications; establishment of new programs or major program changes; opening or closing facilities or program locations; mergers, acquisitions, or dissolution discussions; and changes to organizational structure affecting multiple departments.
- (b) **Financial Matters:** annual budget adoption and amendments exceeding 10% of total budget; unbudgeted expenditures exceeding \$10,000; creation of restricted funds or endowments; investment policy changes; and acceptance of restricted gifts over \$25,000.
- (c) **Legal and Contractual Matters:** contracts exceeding \$25,000 or one year duration; real estate transactions (purchase, sale, lease); loan agreements or lines of credit; legal proceedings or settlements; and intellectual property assignments or licensing.
- (d) **Personnel Matters:** CEO compensation; executive position creation or elimination; compensation structure changes affecting multiple positions; changes to employee benefits programs; and collective bargaining agreements.
- (e) **Governance Matters:** bylaw amendments; policy manual revisions (except minor administrative updates); board committee structure changes; and board meeting schedules and locations.

Section 9.5.9 Definition of Transaction

For purposes of this Section, “transaction” includes but is not limited to:

- (a) Checks drawn on organizational accounts;
- (b) Electronic funds transfers (EFT) and wire transfers;
- (c) ACH payments and debits;
- (d) Withdrawal of funds from bank, investment, or other financial accounts;

- (e) Authorization of credit card charges or payments;
- (f) Electronic payment platform transactions (e.g., PayPal, Venmo, Zelle);
- (g) Investment transactions involving the sale, purchase, or transfer of securities or other assets;
- (h) Contract commitments or purchase orders that obligate the organization to expenditure; and
- (i) Any other financial obligation or commitment of organizational funds.

Section 9.5.10 Emergency Situations

- (a) **Emergency Authority.** In the event of a genuine emergency requiring immediate expenditure when required approvals cannot be obtained within a reasonable timeframe, the CEO may authorize expenditures up to \$10,000.00 to address: (i) threats to health and safety of staff, participants, or the public; (ii) prevention of significant property damage; (iii) compliance with legal or regulatory requirements with immediate deadlines; or (iv) other circumstances where delay would cause substantial harm to the organization.
- (b) **Documentation and Reporting.** Emergency expenditures must be: (i) documented in writing with full explanation of emergency circumstances; (ii) reported to the Treasurer and Chair within twenty-four (24) hours; (iii) reported to the Board at its next meeting; and (iv) subject to Board ratification.

Section 9.5.11 Electronic and Remote Authorization

- (a) **Electronic Signatures Permitted.** Authorized signatories may utilize electronic signatures, digital authorization platforms, or remote banking systems to provide required authorizations, provided that such systems maintain adequate security and create auditable records of authorization.
- (b) **Documentation Required.** All electronic authorizations must be documented and retained in the organization's financial records, including the identity of the authorizing individuals and the date and time of authorization.

Section 9.5.12 Prohibition on Self-Dealing

No authorized signatory, including the CEO, may approve any transaction in which they have a personal financial interest, except as specifically authorized by the Board of Directors in accordance with the organization's Conflict of Interest Policy. In such cases, an alternative signatory must be designated by the Board.

Section 9.5.13 Bank Account Opening and Closing

The opening, closing, or modification of any bank account, investment account, line of credit, or other financial account shall require:

- (a) Authorization by majority vote of the Board of Directors; and
- (b) Execution by two (2) of the authorized signatories, with appropriate documentation filed with the financial institution.

The CEO may make recommendations regarding bank accounts but may not independently open or close accounts without Board authorization.

Section 9.5.14 Annual Review and Certification

(a) Annual Certification. At least annually, the Board of Directors shall review and certify the list of authorized signatories on all organizational accounts to ensure accuracy and appropriateness.

(b) Signature Card Updates. Upon any change in officers serving as authorized signatories, the organization shall promptly update all signature cards and authorization documents with the relevant financial institutions.

(c) Authority Review. The Board shall annually review the CEO's autonomous spending authority and operational freedoms to ensure they remain appropriate for the organization's size, budget, and risk tolerance.

Section 9.5.15 Bonding and Insurance

All authorized signatories, including the CEO, shall be covered under the organization's fidelity bond or directors and officers insurance policy in amounts deemed appropriate by the Board of Directors, but not less than \$100,000 per individual.

Section 9.5.16 Record Keeping and Audit Trail

(a) Transaction Documentation. All financial transactions shall be accompanied by appropriate documentation including: (i) invoice, contract, or other supporting documentation; (ii) evidence of proper authorization (signatures or electronic approvals); (iii) budget category or line item reference; (iv) business purpose justification; and (v) for CEO autonomous expenditures, notation that expenditure is within delegated authority.

(b) Retention. All transaction documentation shall be retained in accordance with the organization's document retention policy and applicable law.

(c) Audit Cooperation. The CEO and all authorized signatories shall cooperate fully with internal and external audits, providing requested documentation and explanations in a timely manner.

Section 9.5.17 Temporary Absence or Incapacity

(a) CEO Absence. If the CEO will be unavailable for more than five (5) consecutive business days, the CEO shall designate a staff member to handle routine expenditures within the CEO's authority, not to exceed \$2,500 per transaction during the absence.

(b) Officer Absence. If an authorized signatory will be unavailable for more than ten (10) consecutive business days, that officer shall notify the other authorized signatories in advance to ensure adequate coverage for financial transactions.

(c) Extended Absence. If any authorized signatory will be unavailable for an extended period exceeding thirty (30) days, or becomes incapacitated, the Board of Directors may designate a temporary alternate signatory to serve during the period of unavailability.

Section 9.5.18 CEO Accountability and Oversight

(a) Financial Reports. The CEO shall provide monthly financial reports to the Treasurer and Board, including: (i) all expenditures made under autonomous authority; (ii) budget-to-actual comparisons; (iii) projected cash flow; and (iv) explanation of any significant variances.

(b) Board Review. The Board shall review the CEO's exercise of autonomous authority at least quarterly and may modify or restrict such authority if concerns arise regarding financial management.

(c) Audit Function. The CEO's expenditures shall be subject to annual audit review, and the auditor shall report directly to the Board regarding any concerns about CEO spending patterns or compliance with delegated authority limits.

Section 9.5.19 Compliance and Internal Controls

All authorized signatories and the CEO shall:

- (a) Exercise reasonable care and diligence in reviewing transactions before authorization;
- (b) Verify that adequate documentation supports the transaction;
- (c) Confirm that the transaction is consistent with the approved budget and organizational mission;
- (d) Comply with all applicable banking regulations, IRS requirements, and nonprofit best practices;
- (e) Immediately report any suspected fraud, irregularities, or unauthorized transactions to the Board of Directors; and
- (f) Participate in financial management training as requested by the Board.

Section 9.5.20 Amendment of Financial Authority Provisions

This Section 9.5 may be amended only by a two-thirds (2/3) vote of the entire Board of Directors at a meeting at which notice of the proposed amendment has been provided at least ten (10) days in advance.

Section 9.6 Loans

The Corporation shall not make loans to directors or officers. The Corporation may borrow money for corporate purposes as authorized by the Board of Directors.

Section 9.7 Investments

The Board of Directors may invest and reinvest the funds of the Corporation in accordance with an investment policy adopted by the Board, ensuring compliance with applicable laws governing nonprofit investments and donor restrictions.

Section 9.8 Charitable Contributions

The Corporation may accept contributions of cash, property, or other assets subject to donor restrictions that are consistent with the Corporation's mission and these Bylaws. The Board shall establish policies for accepting and refusing gifts.

Section 9.9 Financial Transparency

- (a) The Corporation shall make available to the public: (i) IRS Form 990 and all attachments; (ii) Articles of Incorporation; (iii) Bylaws; (iv) Conflict of interest policy; (v) Financial statements; and (vi) Annual reports.
- (b) Such documents shall be posted on the Corporation's website or provided upon request at no charge (except reasonable copying costs).
- (c) The Corporation shall comply with all applicable state and federal charitable solicitation and disclosure requirements.

ARTICLE X AMENDMENTS

Section 10.1 Amendment of Bylaws

- (a) These Bylaws may be amended, altered, or repealed and new bylaws may be adopted by a two-thirds (2/3) vote of the directors present at any regular or special meeting, provided that: (i) notice of the proposed amendment has been provided to all directors at least fifteen (15) days prior to the meeting; and (ii) a quorum is present.
- (b) Proposed amendments shall be presented in writing and included in the meeting notice.
- (c) The Board may not amend the Bylaws to permit activities or purposes that would jeopardize the Corporation's tax-exempt status.

Section 10.2 Amendment of Articles of Incorporation

Amendments to the Articles of Incorporation may be adopted by a two-thirds (2/3) vote of the Board of Directors at a meeting called for that purpose, provided notice of the proposed amendment is given in accordance with these Bylaws. Amendments to the Articles must be filed with the Florida Department of State.

ARTICLE XI DISSOLUTION

Section 11.1 Dissolution Procedures

The Corporation may be dissolved only upon the affirmative vote of the majority of the entire Board of Directors at a meeting called for that purpose, followed by compliance with all applicable state and federal laws.

Section 11.2 Distribution of Assets Upon Dissolution

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for payment of all liabilities of the Corporation, dispose of all assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, or scientific purposes as shall at the time qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations as said court shall determine, which are organized and operated exclusively for such purposes.

In no event shall any assets of the Corporation be distributed to any director, officer, or private individual.

ARTICLE XII MISCELLANEOUS PROVISIONS

Section 12.1 Corporate Records

The Corporation shall keep complete and accurate records including:

- (a) Articles of Incorporation and all amendments;
- (b) Bylaws and all amendments;
- (c) Minutes of all meetings of the Board of Directors and committees;
- (d) Resolutions adopted by the Board;
- (e) Records of all actions taken by the Board or committees without a meeting;
- (f) Financial statements for the past three (3) years;
- (g) A register of directors and officers with their business or home addresses;
- (h) All written communications to directors within the past three (3) years;
- (i) IRS Form 990 for the past three (3) years; and
- (j) The Corporation's application for tax-exempt status and the IRS determination letter.

Section 12.2 Inspection Rights

- (a) Directors shall have the right to inspect and copy all corporate records at any reasonable time upon written request.
- (b) The public shall have the right to inspect and receive copies of the Corporation's Form 990, Articles of Incorporation, and Bylaws as required by law.

Section 12.3 Nondiscrimination Policy

The Corporation shall not discriminate on the basis of race, color, religion, sex, sexual orientation, gender identity, national origin, age, disability, veteran status, or any other protected characteristic in its governance, employment, or provision of services.

Section 12.4 Whistleblower Policy

The Corporation shall maintain a whistleblower policy that:

- (a) Encourages staff and volunteers to report concerns about violations of law, regulations, or Corporation policies;
- (b) Provides procedures for confidential, anonymous reporting;
- (c) Prohibits retaliation against persons who report concerns in good faith; and
- (d) Establishes procedures for investigating reported concerns.

Section 12.5 Document Retention and Destruction Policy

The Corporation shall maintain a document retention and destruction policy that identifies records to be maintained, the length of retention, and procedures for destruction to ensure compliance with legal requirements and protection of the Corporation.

Section 12.6 Electronic Communications

The Corporation may conduct business and provide notices through electronic means, including email, in accordance with applicable law, provided that the recipient has consented to electronic delivery.

Section 12.7 Interpretation

These Bylaws shall be interpreted in accordance with the laws of the State of Florida and consistent with the Corporation's tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

Section 12.8 Severability

If any provision of these Bylaws is held to be invalid, illegal, or unenforceable, the remaining provisions shall continue in full force and effect.

Section 12.9 Parliamentary Authority

The rules contained in the most recent edition of Robert's Rules of Order Newly Revised shall govern the proceedings of the Board in all cases where they are applicable and not inconsistent with these Bylaws or special rules of order the Board may adopt.

ARTICLE XIII ADOPTION AND CERTIFICATION

Section 13.1 Adoption

These Bylaws were adopted by the Board of Directors of Arts and Dreams Foundation on the 10th day of March, 2026.

CERTIFICATE OF SECRETARY

I, Sonya Smith, certify that I am the duly elected and acting Secretary of Arts and Dreams Foundation, a Florida nonprofit corporation, and that the foregoing Bylaws, comprising 26 pages, constitute the Bylaws of said Corporation as duly adopted by the Board of Directors on March 10th, 2026.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of March, 2026.



Secretary, Arts and Dreams Foundation

End of Bylaws of Arts and Dreams Foundation