



2024 Bylaw Amendment and Purposes Revision Frequently Asked Questions

Revised March 2024

What is the voting process going to be?

A clear and structured process will be followed to vote on the proposed changes in the FCCLA business meeting. FCCLA has engaged a registered parliamentarian to assist the National Officers in developing the standing rules and process. As this process is finalized, we will update the State Advisers and State Officers. Currently, FCCLA plans to discuss/debate and vote on the proposals by Article. If the Article fails, FCCLA will drill down into the sections of that Article for discussion/debate and vote on each section. Based on the standard parliamentary procedures and the specifics of the FCCLA bylaws, the process typically involves the following steps:

1. **Presentation of Amendments:** The proposed amendments are presented to the members. This includes a detailed explanation of the changes and the rationale behind them.
2. **Discussion and Debate:** Members are given the opportunity to discuss and debate the proposed amendments. This is an essential part of the process, allowing for a thorough examination of the proposals. It is important to note that the current bylaws do not allow for motions to be presented from the voting delegates as the motions presented to the members are approved by the Board of Directors and National Officers in advance of the Business Session to meet the required advance notice to states of all business presented to the voting delegates.
3. **Motion to Vote:** A motion to vote on the amendments is made once the discussion is complete.
4. **Voting Procedure:** The voting can be conducted in various ways, such as by a show of hands, voice vote, or ballot, depending on the FCCLA's specific rules and the nature of the meeting. Currently, FCCLA is working with the parliamentarian to finalize this process and is planning to use a voice vote and then a voice roll call vote if a division is called or if the President is unclear of the results.
5. **Counting and Announcing the Results:** Votes are counted, and the results are announced to the members. The amendments are adopted if they receive the required majority.
6. **Recording the Decision:** The vote results and any bylaws changes are recorded officially in the meeting minutes.

This process ensures that all members have a fair opportunity to understand, discuss, and vote on the proposed changes, maintaining the democratic and transparent nature of the organization's decision-making process. For further details and specific procedures related to your amendments, please refer to the FCCLA Bylaws.

What are you to do if you are not able to be in the business session?

In FCCLA, the number of voting delegates for each state is determined by the number of members in that state. These voting delegates are designated by their state to represent and cast votes on behalf of their state at the business meeting. It is crucial for these voting delegates to be physically present at the business meeting to exercise their voting rights. Absent delegates cannot vote, as there are no provisions for proxy or remote voting in this scenario. The presence of delegates ensures direct representation and decision-making aligned with the interests of their respective states.

Do these changes reduce the voice of the youth?

The bylaw changes in FCCLA do not limit the voice of youth; rather, they maintain and enhance it. The number of youth members on the board remains unchanged, ensuring consistent youth representation. Furthermore, these revisions empower the National Executive Council, elected by the youth, to have a more substantial influence in decisions impacting individual members. This approach upholds FCCLA's commitment to youth leadership and ensures that young members have a direct and influential role in shaping the organization's policies and direction.

What is the reason for revising the purposes?

The reason for revising the purposes of FCCLA, as per the 2023 Bylaw Revisions document, is to align them with the current needs and goals of the organization. The revisions aim to modernize the language, ensure clarity, and reflect contemporary educational and societal values. These changes are part of a broader effort to keep the organization's guiding principles relevant and effective for its members and the communities they serve.

Does Article II Section 3, page 5, and Article X 1C, page 24, limit who can be advisers and members?

The bylaw changes in Article II, Section 3, and Article X, Section 1C, do not change the membership criteria or advisers' roles in FCCLA. The organization remains a dedicated Career and Technical Student Organization (CTSO) integrally linked with Family and Consumer Sciences (FCS) courses. These amendments are designed to provide greater flexibility at the state level, acknowledging the varying structures of FCS leadership across states. Recognizing that in many states, FCS leadership operates outside of the state's department of education, the changes allow each state's FCS leadership to define what constitutes an FCS course. This adaptability ensures that FCCLA continues to meet the evolving needs of its members and the diverse educational landscapes they navigate.

Policy and Procedures Manual:

As recommended by FCCLA's legal counsel and parliamentarian, some sections of the current bylaws are proposed to be moved to the organization's policy and procedures manual. This shift is part of an effort to streamline the bylaws and place more detailed procedural content in a more appropriate document and keep the bylaws refined to the governance of the organization. The Policy and Procedures Manual can be updated by the Board of Directors to more readily reflect current practices and needs, providing a dynamic platform for managing the organization's operations. This approach aligns with best practices in organizational management, allowing for more precise, more focused bylaws while maintaining detailed procedures and guidelines in a separate, adaptable document. The questions below relate to that process:

When will the updated Policy and Procedures Manual be available to review?

The proposed sections of the bylaws to be transferred to the Policy and Procedures Manual are being prepared for this move, pending approval. These particular sections will be drafted and released in a preliminary form by the Board prior to the National Leadership Conference. This approach ensures that the organization is ready for the transition and provides members with an opportunity to review these changes in advance.

Will changes to the Policy and Procedures Manual require delegation voting and/or Board of Directors voting to provide a checks-and-balance when changes are made?

Changes to the Policy and Procedures Manual are approved by the Board of Directors. If a policy involves oversight or requires input from specific constituent groups, the Board adheres to those requirements. The Board of Directors' voting process provides a checks-and-balances system, ensuring that changes to the manual are made thoughtfully and with appropriate oversight, reflecting the organization's commitment to maintaining effective governance and operational standards.

Will State Association and Chapters be notified of any changes to the Policy and Procedures Manual in an effort to provide transparency?

Yes, State Associations and Chapters will be notified of changes to the Policy and Procedures Manual. The manual is a public document available on the FCCLA website. When changes are made that impact constituents, these are summarized in the Board Meeting Summaries. Furthermore, FCCLA State Advisers, Chapter Advisers, and Members receive notifications about relevant changes through summaries, newsletters, and other pertinent communications. This process ensures transparency and keeps all levels of the organization informed about updates and modifications to the Policy and Procedures Manual.

What is the DC law concerning who votes on changes to the AOI?

Under DC Code Section § 29-402.02, the Articles of Incorporation establish the name and purposes of a nonprofit corporation. Under DC Code Section 408.03, the voting members must approve proposed amendments the Articles of Incorporation of a membership corporation. Code Sections are cited below. Therefore, any changes to the Articles must be approved by the voting members.

DC Code Section § 29-402.02 Articles of incorporation.

(a) The articles of incorporation shall set forth:

- (1) A name for the nonprofit corporation that satisfies the requirements of § 29- 103.01;*
- (2) The information required by § 29-104.04;*
- (3) That the corporation is incorporated as a nonprofit corporation under this chapter;*
- (4) The name and street address of each incorporator; and*
- (5) Whether the corporation will have members.*

(b) The articles of incorporation may set forth:

- (1) The names of the individuals who are to serve as the initial directors;*
- (2) Provisions creating one or more designated bodies;*
- (3) The names of the initial members of a designated body;*
- (4) The names of the initial members, if any;*

- (5) Provisions not inconsistent with law regarding:
- (A) The purpose or purposes for which the nonprofit corporation is organized;
 - (B) Managing the business and regulating the affairs of the corporation;
 - (C) Defining, limiting, and regulating the powers of the corporation, its board of directors, any designated body, and the members, if any;
 - (D) The characteristics, qualifications, rights, limitations, and obligations attaching to each or any class of members; or
 - (E) The distribution of assets on dissolution;
- (6) Any provision that this chapter requires or permits to be set forth in the articles or bylaws;

§ 29-408.03. Amendment of articles of membership corporation.

(a) An amendment to the articles of incorporation of a membership corporation shall be adopted in the following manner:

(1) Except as otherwise provided in paragraph (5) of this subsection, the proposed amendment shall be adopted by the board of directors.

(2) Except as otherwise provided in §§ 29-408.05, 29-408.07, and 29-408.08, a proposed amendment shall be submitted to the members entitled to vote for their approval.

Is there current DC law about fiscal year?

Section 2. Fiscal Year – Removal of specific dates will allow for flexibility in determining the fiscal year as necessary for the best interest of the organization, based on fiduciary oversight and or to align with D.C. law.

DC Code requires a fiscal year choice [See DC Code Section 29-413.20] but does not dictate or restrict that choice. The choice of fiscal year is of greater import to the IRS, which also does not dictate or restrict the choice. Often a change of fiscal year occurs at the suggestion of the auditor or due to opportunities (e.g., syncing better with the fiscal year of the schools, or less expensive audits if the fiscal year is adjusted to a less busy audit time).

Accordingly, we might change the stated rationale to:

Removal of specific dates will allow for flexibility in determining the fiscal year as necessary for the best interest of the organization, based on fiduciary oversight, opportunities to align with school fiscal year determinations, or otherwise as suggested by the auditors or for cost savings applicable to audits at less busy fiscal year ends.

What is DC Emergency Power laws?

L. Board Emergency Powers. As permitted under D.C. law, in an emergency such that a quorum of the directors cannot readily be assembled because of some catastrophic event, the board of directors may modify the lines of succession to accommodate the incapacity of any director, officer, employee, or agent and may relocate the principal office, designate alternative principal offices or regional offices, or authorize the officers to do so.

The DC Code allows nonprofit corporations to continue to run during emergencies, even when it's not possible to fulfill all the corporate requirements (e.g., unable to achieve a quorum) provided that they include in their articles or bylaws provisions including those powers.

DC Code Section § 29-403.03. Emergency powers.

(a) If a nonprofit corporation authorizes the exercise of emergency powers in its articles

of incorporation or bylaws, in the event of an emergency, the board of directors may:

(1) Modify lines of succession to accommodate the incapacity of any director, officer, employee, or agent; and

(2) Relocate the principal office, designate alternative principal offices or regional offices, or authorize the officers to do so.

(b) During an emergency, unless the articles of incorporation or bylaws provide otherwise:

(1) Notice of a meeting of the board of directors need be given only to those directors it is practicable to reach and may be given in any practicable manner; and

(2) One or more officers of the nonprofit corporation present at a meeting of the board of directors may be deemed to be directors for the meeting, in order of rank and within the same rank in order of seniority.

(c) Corporate action taken in good faith during an emergency to further the ordinary affairs of the nonprofit corporation:

(1) Binds the corporation; and

(2) Shall not be used to impose liability on a director, officer, employee, or agent.

(d) An emergency exists for purposes of this section if a quorum of the directors cannot readily be assembled because of some catastrophic event.

What is the DC Conflict of Interest law?

Section 2. Conflict of Interest

In accordance with D.C. law, the National Organization shall adopt a conflict of interest policy requiring any duality of interest or possible conflict of interest on the part of any National Board of Directors member, National Executive Council member, board committee member, or national staff member to shall be disclosed. Disclosure shall be made a matter of record either through an annual procedure or when the conflict of interest becomes a matter of Board or committee action.

DC law addresses the issue of conflicts of interest in two areas. First, DC Code Section 406.30 imposes fiduciary duties of care and loyalty upon Directors. Directors are obligated to disclose all known material facts pertinent to any situation and to put the interests of the organization above their own. Second, DC Code Section 29-406.70 specifies what information has to be disclosed in conflict situations and notes when transactions can be voided for violating the conflict of interest rules. In addition, and perhaps more importantly, the IRS requires greater conflict of interest safeguards which must be disclosed annually on Form 990.

§ 29-406.30. Standards of conduct for directors.

(a) Each member of the board of directors, when discharging the duties of a director, shall act:

(1) In good faith; and

(2) In a manner the director reasonably believes to be in the best interests of the nonprofit corporation.

(b) The members of the board of directors or a committee of the board, when becoming informed in connection with their decision-making function or devoting attention to their oversight function, shall discharge their duties with the care that a person in a like position would reasonably believe appropriate under similar circumstances.

(c) In discharging board or committee duties a director shall disclose, or cause to be disclosed, to the other board or committee members information not already known by them but known by the director to be material to the discharge of their decision-making or oversight functions, except that disclosure is not required to the extent that the director reasonably believes that doing so would violate a duty imposed by law, a legally enforceable obligation of confidentiality, or a professional ethics rule.

§ 29-406.70. Conflicting interest transactions; voidability.

(a) A contract or transaction between a nonprofit corporation and one or more of its members, directors, members of a designated body, or officers or between a nonprofit corporation and any other entity in which one or more of its directors, members of a designated body, or officers are directors or officers, hold a similar position, or have a financial interest, shall not be void or voidable solely for that reason, or solely because the member, director, member of a designated body, or officer is present at or participates in the meeting of the board of directors that authorizes the contract or transaction, or solely because his or their votes are counted for that purpose, if:

(1) The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors and the board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors even though the disinterested directors are less than a quorum;

(2) The material facts as to the relationship or interest of the member, director, or officer and as to the contract or transaction are disclosed or are known to the members entitled to vote thereon, if any, and the contract or transaction is specifically approved in good faith by vote of those members; or

(3) The contract or transaction is fair as to the corporation as of the time it is authorized, approved, or ratified by the board of directors or the members.

(b) Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board that authorizes a contract or transaction specified in subsection (a) of this section.

(c) This section shall be applicable except as otherwise restricted in the articles of incorporation or bylaws.

How does DC law address indemnification?

The DC Code is very specific about indemnification. The FCCLA Bylaws reflect the latest provisions of the DC Code. They state when FCCLA must indemnify, when it may indemnify, and when it is not permitted to indemnify. Pertinent excerpts from the DC Code provisions follow:

§ 29-406.51. Permissible indemnification.

(a) Except as otherwise provided in this section, a nonprofit corporation may indemnify an individual who is a party to a proceeding because he or she is or was a director against liability incurred in the proceeding if:

(1) The individual:

(A) Acted in good faith;

(B) Reasonably believed:

(i) In the case of conduct in an official capacity, that the conduct was in the best interests of the corporation; and

(ii) In all other cases, that the individual's conduct was at least not opposed to the best interests of the corporation; and

(C) In the case of any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful; or

§ 29-406.51(d) [Prohibited Indemnification, paraphrased]

A nonprofit corporation shall not indemnify a director:

(1) In connection with a proceeding by or in the right of the corporation, except for reasonable expenses incurred in connection with the proceeding if it is determined that the director has met the relevant standard of conduct under subsection (a) of this section; or

(2) In connection with any proceeding with respect to conduct for which the director was adjudged liable on the basis that the director received a financial benefit to which the director was not entitled, whether or not involving action in an official capacity.

§ 29-406.52. Mandatory indemnification.

A nonprofit corporation shall indemnify a director or officer to the extent the director or officer was successful, on the merits or otherwise, in the defense of any proceeding to which the director or officer was a party because the director or officer was a director or officer of the corporation against reasonable expenses incurred by the director or officer in connection with the proceeding.

What is the DC law on Liquidation or Disposition of Assets [FCCLA Bylaw Article V]

Under DC and federal tax law, upon dissolution, assets of a 501(c)(3) organization such as FCCLA must be distributed to another charitable entity or to the State. Pertinent DC Code provisions are:

§ 29-410.03. Restrictions on dispositions of assets.

(a) Property held in trust or otherwise dedicated to a charitable purpose shall not be diverted from its purpose by a transaction described in § 29-410.01 or § 29-410.02 unless the nonprofit corporation obtains an appropriate order from the Superior Court to the extent required by and pursuant to the law of the District on cy pres or otherwise dealing with the nondiversion of charitable assets.

§ 29-412.02. Approval of Dissolution.

(g) A charitable corporation shall give the Attorney General for the District of Columbia notice in the form of a record that it intends to dissolve before the time it delivers articles of dissolution to the Mayor. Notice to the Attorney General under this section shall not delay or otherwise affect the dissolution process.