

**EASTERN CONNECTICUT WORKFORCE INVESTMENT BOARD, INC.
AMENDED & RESTATED CERTIFICATE OF INCORPORATION**

The Certificate of Incorporation of the Eastern Connecticut Workforce Investment Board, Inc., a Connecticut Nonstock Corporation, is amended and restated to read as follows:

Article I. Name.

A. The name of the corporation is the Eastern Connecticut Workforce Investment Board, Inc.

Article II. Charitable Status.

A. The corporation is non-profit and shall not have or issue shares of stock nor pay dividends, and no part of the corporation's income, net earnings or assets 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 distribution in furtherance of the purposes set forth in Article III.

B. No substantial part of the activities of the corporation shall be and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this Certificate of Incorporation, the corporation shall not carry on any other activities not permitted to be carried on by (1) a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), or by (2) a corporation, contributions to which are deductible

under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law).

C. In the event of the dissolution of the corporation, the board of directors shall, after paying or making adequate provision for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation as follows:

1. Assets held upon condition requiring return, transfer, or conveyance, which condition occurs by reason of dissolution, shall be returned, transferred or conveyed in accordance with such conditions.

2. All other assets shall be disposed of exclusively for the purposes of the corporation, or to such organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify for a valid tax exemption permit issued by the Commissioner of the Department of Revenue Services of the State of Connecticut, or qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Revenue Law), provided that preference shall be given in such distribution to organizations with purposes similar to those of the corporation.

Article III. Purpose, Vision and Mission.

A. The nature of the activities to be conducted, or the purposes to be promoted or carried out by the corporation, shall be exclusively charitable, scientific and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954 (the "Code"), as the same may be amended from time to time, and shall include the following:

1. To develop, implement, administer, review, monitor and evaluate projects and programs to prepare youth and unskilled/skilled adults for entry/reentry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment who are in special need of such training to obtain/maintain productive employment.

2. To solicit, receive and accept public and private gifts, trusts, donations, grants, loans and other sources of funding to promote the purposes of the corporation; and generally to do and perform such other acts and to exercise such other powers as may be authorized or permitted under the laws of the State of Connecticut to promote and attain the purposes set forth herein.

3. To carry out such responsibilities as are, or may in the future be, assigned to local Workforce Development Boards under the Workforce Innovation and Opportunity Act, PL 113-128, or any amendments or succession legislation thereto, and to set policy for the portion of the statewide workforce development system within the Eastern Connecticut Workforce Development Area (as hereinafter defined), and in such capacity to operate as the Eastern Connecticut Workforce Board, Inc. referenced in the Intergovernmental Agreement (as hereinafter defined) and defer to, coordinate with and/or assist the Council (as hereinafter defined) in complying with all of the requirements of the Intergovernmental Agreement as if the corporation were a signatory thereto.

4. To engage in any lawful act or activity for which a corporation may be organized under the Nonstock Corporation Act of the State of Connecticut.

5. The corporation shall operate under authorities set forth in the Workforce Innovation and Opportunity Act, PL 113-128, and relevant sections of Connecticut Public Act No. 99-195, An Act Concerning Education, Employment and Job Training Programs (the “Acts”), and the Agreement Among Chief Elected Officials for the Eastern Connecticut Workforce Development Area, effective July 1, 2015, or any amendments thereto (the “Intergovernmental Agreement”).

B. EWIB maintains a vision that Eastern Connecticut will create and sustain the global economy’s most-skilled, highest-productive workforce, capable of pursuing rewarding careers, such that every business has access to a qualified, skilled, job-ready workforce.

C. The mission of the corporation shall be to establish and oversee a seamless system of workforce services that:

- Creatively meets the needs of employers, employees, job seekers, and the region.
- Partners with appropriate operating units of the State of Connecticut, the two Councils of Governments within the Eastern Connecticut Workforce Development Area, the designated partner of the American Job Center(s) (as defined in the Acts) for the Eastern Connecticut Workforce Development Area, employers, and organizations representative of education, business, industry, and labor.
- Utilizes state-of-the-art concepts and approaches.
- Promotes performance-based outcomes.
- Maximizes and leverages multiple sources of funding.

Article IV. Area of Jurisdiction and Facilities Location.

A. The corporation shall function within and serve the area defined by the State of Connecticut as the Eastern Connecticut Workforce Development Area, consisting of the following municipalities: Ashford, Bozrah, Brooklyn, Canterbury, Chaplin, Colchester, Columbia, Coventry, Eastford, East Lyme, Franklin, Griswold (including the borough of Jewett City), Groton (including the City of Groton), Hampton, Killingly, Lebanon, Ledyard, Lisbon, Lyme, Mansfield, Montville, New London, North Stonington, Norwich, Old Lyme, Plainfield, Pomfret, Preston, Putnam, Salem, Scotland, Sprague, Sterling, Stonington (including the Borough of Stonington), Thompson, Union, Voluntown, Waterford, Willington, Windham, and Woodstock.

B. The location(s) of the office(s) or American Job Center(s) of the corporation shall be determined by vote of the board of directors.

Article V. Powers.

In addition to any powers which may be conferred by law upon the corporation, the corporation shall have the power to take and hold by bequest, devise, give, purchase or lease, either absolutely or in trust for its purposes as herein above set forth, or any of them, any properties, real, personal or mixed, without limitations, if any, as may be imposed by law; to sell, convey, mortgage, lease, assign, exchange, or otherwise dispose of any such property and to invest and reinvest the principal thereof, and deal with and expend such principal or the income therefrom for the aforementioned purposes, or any of them, without imitation, except such limitation, if any, as may be imposed by law, or may be contained in the instrument under which such property is received, to receive any property, real, personal, or mixed in trust,

under the terms of any will, deed or trust or other instrument for the aforementioned purposes, or any of them, and/or administrate the same to carry out the directions and exercise the powers contained in that trust instrument under which it is received; and to receive, take title to, hold and use stocks, bonds, obligations or other security of any corporation to sell, pledge or otherwise dispose of the same, and to use the proceed or the income therefrom, but only for the aforementioned purposes or any of them.

Article VI. Governance.

A. Member. The corporation shall have one member, which shall be the Eastern Connecticut Workforce Council of Chief Elected Officials as established by the Intergovernmental Agreement (the "Council"). Reference to members or members of the Workforce Investment Board in laws relating to the business and affairs of the corporation, including but not limited to the Acts, shall be construed to be references to director-members of the board of directors of the corporation. Similarly, references to members of the Eastern Connecticut Workforce Investment Board contained in the Intergovernmental Agreement, and in the historical and future records of the corporation shall be deemed to be references to the members of the board of directors of the corporation.

B. Directors. The affairs of the corporation shall be managed by a Board of Directors, which shall conduct its affairs in accordance with the law of the State of Connecticut and this Certificate of Incorporation.

1. Composition of the Board. The composition of the board of directors shall conform to the requirements of Section 107 of the Workforce Innovation and Opportunity Act, PL 113-128, as implemented by criteria of the State of

Connecticut and by the Intergovernmental Agreement. The board of directors shall be composed of a maximum of thirty-five (35) voting members. Board members shall include, to the extent possible, five groups:

(a) Business Representatives – A majority (51%) of the members of each local board shall be representatives of business in the local area who:

- 1) are owners of businesses, chief executives or operating officers of businesses, or other business executives or employers with optimum policymaking or hiring authority;
- 2) represent businesses, including small businesses, or organizations representing businesses described in this clause, that provide employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the local area; and,
- 3) are appointed from among individuals nominated by local business organizations and business trade associations.

(b) Workforce Representatives – Not less than 20% of the members of the board shall be representatives of the workforce within the local area, who:

- 1) shall include representatives of labor organizations, who have been nominated by local labor federations, or other representatives of employees;
- 2) shall include a representatives, who shall be a member of a labor organization or a training director, from a joint labor-management apprenticeship program, or if no such joint program exists in the area, such a representatives of an apprenticeship program in the area, if such a program exists;
- 3) may include representatives of community based organizations that have demonstrated experience and expertise in addressing the employment needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive integrated employment for

individuals with disabilities; and 4) may include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives or organizations that serve out-of-school youth.

(c) Education and Training Representatives – The board shall include representatives of entities administering education and training activities in the local area, who: 1) shall include a representatives of eligible providers administering adult education and literacy activities under title II; 2) shall include a representative of institutions of higher education providing workforce investment activities (including community colleges); and, 3) may include representatives of local education agencies, and of community-based organizations with demonstrated experience and expertise in addressing the education or training needs of individuals with barriers to employment.

(d) Government and Economic Development Representatives – The board shall include representatives of governmental and economic and community development entities serving the local area, who: 1) shall include a representative of economic and community development entities; 2) shall include an appropriate representative from the State employment service office under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) serving the local area; 3) shall include an appropriate representative of the programs carried out under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741), serving the local area; may include representatives or agencies or entities administering programs serving the local area relating to transportation, housing, and

public assistance; and, 5) may include representatives or philanthropic organizations serving the local area.

(e) Other Members – The board may include such other individuals or representatives of entities as the chief elected official in the local area may determine to be appropriate.

2. Appointment. Appointments of members of the board of directors shall be made by the Council under the terms of the Intergovernmental Agreement and the provisions of this Certificate of Incorporation. Terms of appointment for the initial board of directors shall be staggered so that the terms of one-third of the board members shall expire in one year, one-third in two years, and one-third in three years. Thereafter board members shall be appointed for terms of three years. Any vacancy or directorship shall be filled by an appointment made by the Council in accordance with the Intergovernmental Agreement. Appointees to vacant directorships in the middle of a term of office shall serve until the term of office of the original director has expired.

3. Directors and Voting Status. Except as when otherwise expressly stated in this Certificate of Incorporation members of the board of directors shall have voting privileges. If a voting member cannot attend a Board meeting, a predesignated alternate may participate and vote. Advisory members of all Committees shall not have voting privileges.

4. Removal of Directors. Members of the board of directors shall serve for the term of office to which they were appointed unless the director dies, resigns, ceases to represent the category to which he/she was appointed, cannot serve effectively or has missed three consecutive board meetings without an excused

absence from the Chairperson of the board of directors. In such instances, the board of directors for cause may recommend that the Council remove such individual from the board for cause, creating a vacancy that shall be filled in accordance with the Intergovernmental Agreement. The process for removal of a director for cause may be initiated by the board's Chairperson or by motion from any director for cause. Prior to any vote on removal of a director for cause, that director shall be notified of the date, time, and place where such vote will be taken and shall be invited to be present or to be represented by legal counsel. An affirmative vote of two-thirds of the members of the board of directors present at a regular meeting of the board, a quorum being present, shall be required to authorize a recommendation to the Council for the removal of a director for cause.

Notwithstanding the foregoing, the Council shall have independent authority to remove any director without cause as and to the extent provided in the Intergovernmental Agreement.

C. Officers.

1. Officers and Terms of Office. The officers of the corporation shall consist of a Chairperson, a Vice-Chairperson, a Secretary, and a Treasurer. Officers shall be elected by the board of directors at its annual meeting and shall serve terms of one year. Only voting members of the board of directors may serve as officers.

2. General Duties of Officers.

(a) Chairperson. The Chairperson shall preside at all meetings of the board of directors and, when so authorized by the board of directors, may execute on behalf of the board agreements and/or contracts. The Chairperson shall be

an ex officio member of all committees, including ad-hoc committees, of the board of directors other than the Executive Committee, as to which the Chairperson shall be a regular member, and shall appoint the chairs and members of all committees from among the directors in accordance with the requirements of Article VI.D. The Chairperson shall perform such other duties as are set forth in other sections of this Certificate of Incorporation or as may be directed by vote of the board of directors.

(b) Vice-Chairperson. In the absence of the Chairperson, the Vice-Chairperson shall preside at board meetings and may assume such other duties as are requested by the Chairperson or as may be directed by the board of directors.

(c) Secretary. The Secretary shall: (i) certify the accuracy of minutes of the board of directors and assure that they are retained; (ii) certify by signature all resolutions adopted by the board of directors; (iii) see that all notices of meetings are given in accordance with these Articles and with the provisions of the Connecticut Freedom of Information Act and the Connecticut Nonstock Corporation Act; and (iv) in general, perform all duties incident to the office of Secretary.

(d) Treasurer. The Treasurer shall: (i) oversee the receipt of all money, property, and securities of the corporation; (ii) oversee the deposit of funds to the credit of the corporation in a bank or banks; (iii) oversee disbursements by check; (iv) insure an accurate record of receipts and disbursements and provide necessary reports on same to the board of directors; and (v) in general, perform all duties incident to the office of Treasurer.

3. Election of Officers. At least five (5) business days prior to the annual meeting of the board of directors, the Nominating Committee shall mail the

committee's proposed slate of officers to all members of the board. The nominees for the positions of Chairperson and Vice-Chairperson shall be private sector business representatives. Nominations also may be made from the floor at the annual meeting. The slate of officers shall be elected by a majority vote of those board members present and voting at the board's annual meeting, a quorum being present. Officers shall assume their positions immediately upon election.

4. Vacancies. Should a vacancy arise in the positions of Chairperson, Vice Chairperson, Secretary or Treasurer, the Nominating Committee shall nominate an individual for election at the next regular meeting of the board of directors to fill such vacancy. Officers elected to fill a vacancy shall serve for the balance of the term of the vacant position.

D. Committees.

1. Standing Committees. The board of directors shall operate with the standing committees listed below. The Chairperson may form these committees by asking for volunteers or may assign directors to committees. Each committee shall consist of not less than three (3) directors. Where deemed appropriate, the Chairperson may establish a maximum size for any committee other than the Executive and Nominating Committees. Committee Chairs shall be appointed by the Chairperson.

(a) Executive Committee. The Executive Committee shall consist of the officers, and the Chairs or Co-Chairs of all standing committees. The Executive Committee is authorized to: (i) act on behalf of the entire board of directors when necessary and appropriate and permitted by applicable law; (ii) oversee personnel-related matters; develop the proposed budget; (iii) oversee matters relating

to financing; and (iv) complete the corporation's annual (strategic) plan for submission to the Governor's Office for Workforce Competitiveness of the State of Connecticut.

(b) Nominating Committee. The Nominating Committee shall consist of at least three (3) and not more than five (5) members of the board of directors. The Nominating Committee shall oversee the nomination of the slate of officers; and, oversee the forwarding of private and public nominees for board membership to the Council for review and approval at such date prior to the annual meeting of the Council each year that the Council shall specify. The Nominating Committee shall assume that the nominating powers and procedures conforms to the requirements of the Intergovernmental Agreement and any other Council requirements.

(c) Performance, Accountability & Planning Committee and Labor Market and Worker Training Committee. This committee shall have the lead responsibility on behalf of the board of directors for: (i) examining the courses that have been approved for individuals having accounts within the meaning of the Acts and ensuring these courses meet the projected workforce preparation needs of the local area; (ii) reviewing memos of indebtedness with third parties, and assessing partner performance; (iii) assessing the "value added" for customers; (iv) reviewing regional performance vs. established benchmarks; (v) overseeing the preparation of the annual plan for Executive Committee review; and (vi) general coordination of the various planning activities that frame the corporation's program of work, review any action items of the management of the American Job Center-East system that must go before the Board of Directors, in cooperation with each of the other committees as circumstances warrant. The Performance, Accountability, and Planning Committee shall also function

as the Labor Market & Worker Training Committee, and as such and as established in state law, the committee shall review the need for, and oversee the development of, any and all training that occurs outside of individual training accounts, oversee individual training account-related issues, including the designation or removal of "Eligible Provider" status, and oversee the employer services issues.

(d) Youth Committee. This committee shall have the lead responsibility on behalf of the board of directors to: (a) oversee planning and implementation activities of youth-related requirements; (b) oversee and monitor development and implementation of the region's comprehensive strategy for employment-related youth services; and (c) promote strategies to meet the corporation's youth-related goals and objectives. Membership of the Youth Committee shall include: (a) voting members of the board of directors with special interest or expertise in youth policy; (b) representatives of youth service agencies; (c) representatives of local housing authorities; and, (d) individuals and representatives of organizations having experience related to youth activities. The Chairperson also may be appointed to the Youth Committee. Youth Committee membership may include Advisory members from the public who have not been appointed to be voting directors of the corporation.

2. Special Committees. The board of directors may, as it deems necessary or desirable, authorize the formation of special committees. Special committees shall be given specific direction as to their purposes and timetables for completing their assignments. Special committees shall report to the board at such times as the board may direct or the committees consider appropriate. The process for

appointing members to special committees shall be the same as that for the appointment of members to standing committees, including the addition of Advisory members from the public who have not been appointed to be voting directors of the corporation.

3. Committee Chairs. The Chairperson shall chair the Executive Committee. All other committee chairs or co-chairs, including Special Committees, shall be appointed by the Chairperson. (As appropriate, the Chairperson may appoint Co-Chairs to any committee other than the Executive Committee.)

F. Meetings.

1. Annual Member Meeting. The annual meeting of the board of directors shall be held in November of each year. The purpose of the annual meeting of member shall be to elect directors to fill expiring directorship terms and to take up any other business, which may properly come before a meeting of the member in accordance with this Certificate of Incorporation or the Intergovernmental Agreement.

2. Regular Board Meetings. Regular meetings of the board of directors shall be held in the months of January, March, May, September, and November. The time, date, and location of each meeting shall be established by vote of the board at its annual meeting. Written notice of each regular meeting shall be sent by mail, or electronic means, to board members at least seven (7) days prior to the scheduled meeting. The meeting notice shall specify the time, date, location, and agenda for the meeting and shall include the minutes of the previous meeting.

3. Special Board Meeting. Special meetings may be held at the call of the Chairperson or by petition to the Secretary signed by not less than twenty-five

percent (25%) of the voting directors and setting forth the reason for calling a special meeting. The Secretary shall be responsible to see that the call of a special board meeting shall: (a) as appropriate, include the written request of at least twenty-five percent (25%) of the board members to convene a special meeting; (b) be issued not less than five (5) calendar days after the Chairperson receives the petition for a special meeting; and, if called by petition, (c) assure that the meeting is called for a date not less than three (3) days nor more than five (5) days from the date of the issuance of the call of the special meeting.

4. Committee Meetings. Due to the ever-changing regional workforce demands, Committee meetings will be called at the discretion of the chair.

5. Public Notice and Attendance. All meetings of the board of directors and its committees shall be subject to the provisions of Connecticut's Freedom of Information Act. Compliance shall include: (a) the filing with the municipal clerks of each municipality within the Eastern Connecticut Workforce Development Area, not later than January 31 of each year, the yearly schedule of regular meetings of the board of directors and the Council; and (b) notice to such municipal clerks of all special meetings. All meetings of the board of directors and its committees shall be public meetings, although within the limitations imposed by the Freedom of Information Act, the board of directors, its committees, and the council may vote to go into executive session.

6. Order of Business. The regular order of business of board meetings shall be:

- (a) Call to order.

- (b) Roll call of directors to establish a quorum.
- (c) Public comments.
- (d) Minutes of the previous meeting.
- (e) Correspondence.
- (f) Connecticut Employment and Training Commission Report.
- (g) Additions to the agenda.
- (h) Report of the Chairperson/President/CEO.
- (i) Reports of committees.
- (j) Old business.
- (k) New business.
- (l) Adjournment.

Any item on the agenda, which the directors have not had a minimum of twenty-four (24) hours to review, shall not be acted upon unless two-thirds of the directors present shall suspend the rules of action on the item and then only if the Connecticut Nonstock Corporations Act permits.

7. Conduct of Meetings. Unless contrary to specific provisions of these bylaws, the board of directors shall conduct its business under the latest edition of *Roberts' Rules of Order*. To the extent permitted by the Connecticut Nonstock Corporation Act, directors, and at the discretion of the Chairperson, non-members of the board of directors may be permitted to participate in discussion that is relevant to the matter under consideration on all agenda items before the board. In the absence of the board's Chairperson, the Vice-Chairperson shall serve as the presiding officer. In the absence of both the Chairperson and the Vice-Chairperson, the Secretary or

Treasurer shall preside. In the absence of all of the above officers, the board of directors shall by vote designate a chairperson *pro tem* to serve as the presiding officer of the meeting.

8. Quorum and Voting.

(a) Except as provided in the next sentence, a quorum of the board of directors shall be one third of the board membership eligible to vote. A quorum to conduct business on the annual plan or annual budget shall be a majority of the voting directors then in office.

(b) The vote on all questions coming before the board shall, at the discretion of the presiding officer acting subject to the below requirements, be by voice, roll call, or paper ballot. A simple majority of the voting members present, when a quorum is present, shall be sufficient to act on any matter to come before the board, except as otherwise specified in this Certificate of Incorporation or in the Connecticut Nonstock Corporation Act. Any member of the board may request a roll call vote on any matter on which a voice vote has been taken.

(c) The presiding officer at a meeting of the board of directors shall cast a vote only when it is required to resolve or create a tie vote.

(d) Each director has the power to cast one vote on each question.

9. Conflict of Interest. A member of the board may not vote on a matter under consideration by the board or a committee of the board: (a) regarding the provision of services by such director, or by an entity that such director represents; or (b) that would provide direct financial benefit to such director or to the immediate family

of such director. Further, board members may not engage in any other activity determined by the Governor of the State of Connecticut to constitute a conflict of interest, as specified in the Connecticut state plan promulgated pursuant to the Acts.

Article VII. Employees and Consultants.

A. Appointment. The board of directors may employ a President/CEO, other staff, including, but not limited to, a Chief Operating Officer, Sr. Director of Employment Development & Services, Sr. Director of Programs & Special Projects, and a Chief Financial & Administrative Officer, and consultants as it may from time to time determine are reasonable and necessary to carry out its responsibilities under the Acts, its general purposes, and assist the Council as provided in the Intergovernmental Agreement. The President/CEO shall be appointed by a majority vote of the total board membership entitled to vote and shall, for purposes of Article IX, be deemed an officer of the corporation. The President/CEO shall be responsible for the recruitment and appointment of other staff in accordance with the personnel policies and affirmative action program of the corporation as established from time to time by the board of directors. Consultants may be engaged by a majority vote of the board, by a majority vote of a committee designated by the board for this purpose, or by the President/CEO within the framework of the Board adopted budget and financial policies.

B. Removal. The board of directors may remove the President/CEO by a majority vote of the total board membership entitled to vote. The President/CEO may promote, discipline, demote or remove employees in accordance with the Board's personnel policies.

C. Duties and Responsibilities. The President/CEO shall be the chief executive officer of the corporation. He/she shall be responsible for the administration of the board's affairs placed in his/her charge under this Certificate of Incorporation, under the board's personnel policies or as may be determined from time to time by vote of the board of directors. The duties of other employees shall be defined generally by the provisions of the corporation's personnel policies as set from time to time to by the board of directors, with specific duties to be determined by the President/CEO.

Article VIII. Fiscal Management.

A. Fiscal Year. The fiscal year of the corporation shall be July 1 through June 30 of the following calendar year.

B. Budget. A recommended budget for the ensuing fiscal year shall be prepared on or before June 1st by the Executive Committee and submitted to the board of directors for approval. Upon such approval, the budget shall be submitted to the Council, which under the terms of the Workforce Innovation and Opportunity Act and the Intergovernmental Agreement has the authority of final approval of the budget. As necessary during any fiscal year, the budget may be amended through the same process as that by which the original budget was prepared and approved.

C. Receipt of Funds. The board of directors may authorize acceptance of financial assistance from appropriate agencies of the state, federal and/or local governments and may accept bequests, gifts or contributions made by any individual, corporation or association.

D. Expenditure of Funds. The President/CEO or in his/her absence, the Chief Operating Officer, or the Sr. Director of Employment Development & Services, if

one be provided for in the personal policies of the corporation established by the board of directors, is authorized to incur costs within the limits of the approved budget. The President/CEO, or in his/her absence the Chief Operating Officer, the Sr. Director of Employment Development & Services, and an Officer of the Board of Directors, is an authorized signatory of checks to meet expenditures upon receipt of vouchers and supporting documentation reviewed and certified by the Chief Financial & Administrative Officer. Checks less than ten thousand dollars (\$10,000) shall be issued with one signature from among the authorized check signers. Checks greater than this amount shall bear two signatures from among the authorized signers. The President/CEO may pay expenditures, in addition to those authorized by the approved budget, after authorization by the board of directors. Where permitted under the terms of relevant contracts, the President/CEO may authorize the transfer of up to a cumulative total of five thousand dollars (\$5,000) from the unexpended line items of one or more to other line item accounts. The board of directors must approve budget transfers resulting in a cumulative total greater than five thousand dollars (\$5,000). In no case shall budget transfers result in a change in the total funding budgeted by the board of directors in any fiscal year without a formal budget amendment.

E. Fidelity Bond and Insurance. The corporation shall purchase a fidelity bond covering all officers and employees authorized to withdraw funds or to execute agreements in such amount as is consistent with any applicable law or regulation or as prescribed by the Executive Committee. Additionally, in accordance with the Intergovernmental Agreement, the Board shall purchase such insurance as is consistent with Article IX of this document and reasonable and necessary to indemnify

the parties to the Intergovernmental Agreement, the Council, and/or any of its members and any separate legal entity or subgrant recipient from any liability which may attach due to the operation of the corporation's business and affairs or resulting from the state and federal laws regulating the corporation.

F. Financial Reports. The Treasurer shall report on the corporation's financial condition at such times as the board of directors may direct. The President/CEO shall submit to the board of directors at the close of the second and fourth quarters of each fiscal year a report showing for each budget item the relationship of appropriated to expended funds. The board of directors shall forward said reports to the Council.

G. Audit. An independent auditor, who shall be a certified public accountant, shall be selected to prepare an annual audit conforming to relevant federal and state laws or requirements. The Audit Sub-Committee shall review the findings of the audit and, based on these, make any recommendations to the Executive Committee that the Audit Sub-Committee deems appropriate. Copies of the completed audit shall be provided, to the Council, to the two Councils of Government and all municipalities within the Eastern Connecticut Workforce Development Area, and to appropriate federal and state agencies.

H. WIOA Annual Report. A WIOA annual report covering the activities of the prior fiscal year shall be prepared and sent to the Connecticut Department of Labor. Copies of the annual report shall be available to all members of the board of directors, to the Council, to the two Councils of Government and all municipalities within the

Eastern Connecticut Workforce Development Area, and to appropriate federal and state agencies.

Article IX. Limitation of Liability and Indemnification.

A. Limitation of Director Liability. The personal liability of a director to the corporation for monetary damages for breach of duty as a director shall be limited to an amount equal to the amount of compensation, if any, received by the director for serving the corporation as a director during the calendar year in which the violation occurred (and if the director received no such compensation from the corporation during the calendar year of the violation, such director shall have no liability to the corporation for breach of duty) if such breach did not: (1) involve a knowing and culpable violation of law by the director; (2) enable the director or an associate, as defined in subdivision 3 of Section 33-840 of the Connecticut General Statutes, as in effect at the time of the violation, to receive an improper personal economic gain; (3) show a lack of good faith and a conscious disregard for the duty of the director to the corporation under circumstances in which the director was aware that the director's conduct or omission created an unjustifiable risk of serious injury to the corporation; or (4) constitute a sustained and unexcused pattern of inattention that amounted to an abdication of the director's duty to the corporation. Nothing within Article IX.A. shall limit or preclude the liability of a director for any act or omission occurring prior to the effective date of these Amended and Restated Articles of Incorporation.

B. Indemnification of Directors. The corporation shall indemnify a director when serving as a director from liability to pay a judgment, settlement, penalty, or fine including an excise tax assessed with respect to an employee benefit plan, or reasonable

expenses incurred with respect to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative and whether formal or informal, to any person for any action taken, or any failure to take any action as a director, except liability that: (1) involved a knowing and culpable violation of law by the director; (2) enabled the director or an associate, as defined in subsection (3) in Section 33-840 of the Connecticut General Statutes, as in effect at the time of the violation, to receive an improper personal gain; (3) showed a lack of good faith and a conscious disregard for the duty of the director to the corporation under circumstances in which the director was aware that the director's conduct created an unjustifiable risk of serious injury to the corporation; or (4) constituted a sustained and unexcused pattern of inattention that amounted to an abdication of the director's duty to the corporation. Nothing in this Article IX.B. shall affect the indemnification of or advance of expenses to a director for any liability stemming from acts or omissions occurring prior to the effective date of these Amended and Restated Articles of Incorporation.

C. Indemnification Generally. Without limiting the scope or effect of any other portion of Article IX, the corporation shall indemnify each director and officer of the corporation, from liability at any time incurred as a direct or indirect result of, or in the course of, the director's or officer's direct or indirect service to the corporation, in such capacity, in any such event to the fullest extent that is permitted under applicable law. The corporation shall advance, to each director and officer, such director's or officer's reasonable expenses, including attorneys' fees, for the director's or officer's defense against such liability, in each case, to the fullest extent that is permitted under applicable law. The corporation shall not be required to indemnify or advance defense

expenses to an employee or agent of the corporation who is not a director or officer unless otherwise required under the Connecticut Nonstock Corporation Act, as the same may be from time to time amended, or unless the corporation independently, in its sole and absolute discretion, on a case-by-case basis without establishing any precedent, determines to do so when permitted by applicable law.

D. Any repeal or modification of this Article IX shall not adversely affect any right or protection of a director or officer of the corporation existing at the time of such repeal or modification.

E. Nothing contained in this Article IX shall be construed to deny to the directors and officers of the corporation of any available benefit provided in Section 52-557m of the Connecticut General Statutes or provided in the Intergovernmental Agreement as such statute and agreement are in effect at the time of the violation.

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