

MINUTES OF THE COMMITTEE OF THE WHOLE
July 2, 2018
Auditorium

Present: Councilmembers Anderson, Bullock, George, Litten, O’Leary, O’Malley, Rader

Also Present: Mayor Summers, Law Director Butler, Human Services Director Gelsomino, Human Resources Director Yousefi, 1 member of the public

Call to Order: 6:40 p.m.

RESOLUTION NO. 9004-18 – A RESOLUTION adopting the recommendations of the Foundation Planning Task Force for the creation of the Healthy Lakewood Foundation, the appointment of its initial board and the approval of its initial governing documents, all in accordance with the Master Agreement governing healthcare in Lakewood dated December 21, 2015. (REFERRED TO COMMITTEE OF THE WHOLE 5/21/18)

Councilmember O’Leary expressed satisfaction with the Board’s recommendations and underlying process.

Director Butler provided the Committee a version of Resolution 9004-18 and its exhibits that incorporate the changes that had been discussed at previous meetings including those at the June 18th meeting.

Councilmember O’Malley expressed support for the recommendations and the work of the Task Force. He remarked that Council empaneled the Task Force due to the valuable skills and expertise of its members and that those skills carry a lot of weight. He commended their final product as being far more comprehensive than anticipated.

Councilmember Bullock commended the value of the Task Force’s work. He provided suggested language to add to the Articles of Incorporation. He expressed his position that Council ought to be open to deliberation and amending proposals, such as this, that it receives. He suggested adding a requirement in Article VI that the Foundation provide substantive information and strategy on health matters to the community. He suggested that the language remain intentionally vague so as to not force the Task Force to disclose any proprietary information.

In line 11 of Page 10 of the Articles of Incorporation Councilmember Bullock suggested adding the following language, “and include some or all of the current analysis, planning, strategy, and/or assessment of community health.”

Mayor Summers suggested that the Foundation’s mission, vision and guiding principles accomplish what Councilmember Bullock is proposing.

Councilmember Anderson suggested that the Board be required to provide justification for the grantees selected and the amounts awarded.

Councilmember O'Malley suggested that specific grant-making policies be left to the Board to determine within the mission, vision, and guiding principles that have been laid out.

Councilmember Bullock explained his rationale for the amendment, stating that requiring the Board to provide its analysis will help the non-profits, the government, and the public. He expressed the importance of enshrining this into the articles of incorporation to avoid any confusion about the expectation of the Board.

Councilmember Bullock referred to his interest in evaluating the selection process of the proposed slate of Board members but acknowledged a lack of interest among colleagues. He expressed lingering questions about how the pool of candidates was narrowed from 81 to 15.

Councilmember O'Leary explained his rationale for preferring not to closely examine the Task Force's Board member selection process. He believes it makes most sense to have a non-political independent third party make the decisions about the Task Force. He invited other Councilmembers to speak up should they wish to further discuss the board member selection process.

Councilmember O'Leary encouraged Council to act on the Resolution tonight if prepared to do so in order to expedite coordination of efforts with LHA which also must approve the recommendations.

A motion was made and seconded to insert the aforementioned language within Article VI. Motion passed. All members voting yea.

A motion was made and seconded to recommend adoption of Resolution 9004-18 as amended, inclusive of all amendments to date to the attachments. Motion passed. All members voting yea.

Committee of the Whole adjourned at 7:28 p.m.

RESOLUTION NO. 9004-18

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, adopting the recommendations of the Foundation Planning Task Force for the creation of the Healthy Lakewood Foundation, the appointment of its initial board and the approval of its initial governing documents, all in accordance with the Master Agreement governing healthcare in Lakewood dated December 21, 2015.

WHEREAS, pursuant to the terms of Section 4.1 of the master agreement governing healthcare in Lakewood dated December 21, 2015, the City and Lakewood Hospital Association must (i) jointly agree upon a process for the creation of a new Ohio nonprofit corporation that is formed for the purpose of addressing community health and wellness needs in the City of Lakewood; (ii) develop the new foundation's governing documents; (iii) file articles of incorporation for the new foundation with the Ohio Secretary of State; (iv) select the new foundation's initial board; and (v) cause new foundation to apply for federal tax-exempt status with the Internal Revenue Service; and

WHEREAS, the Foundation Planning Task Force has been appointed to make recommendations to the City for the creation of the new foundation, proposed as the Healthy Lakewood Foundation, and has duly made those recommendations; and

WHEREAS, the Foundation Planning Task Force's recommendations to the City include the Healthy Lakewood Foundation's mission, vision, and guiding principles, articles of incorporation and code of regulations; and

WHEREAS, the Foundation Planning Task Force's recommendations to the City also include the Healthy Lakewood Foundation's initial board members; and

WHEREAS, the Foundation Planning Task Force's recommendations to the City have separately been approved by Lakewood Hospital Association in accordance with Section 4.1 of the master agreement, under a board resolution dated _____, 2018; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments in that the City wishes to ensure its obligations with respect to Section 4.1 of the Master Agreement are fulfilled prior to the occurrence of other events triggering the work of the foundation; now, therefore,

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. The City of Lakewood hereby adopts the recommendations of the Foundation Planning Task Force for the creation of the Healthy Lakewood Foundation, the appointment of its initial board and the approval of its initial governing documents, all in accordance with the Master Agreement governing healthcare in Lakewood dated December 21, 2015.

Section 2. Specifically, the City of Lakewood hereby approves of the name of the Healthy Lakewood Foundation and of its mission, vision, and guiding principles; articles of incorporation; and code of regulations, attached to this resolution as **Exhibits A-1, A-2 and A-3**, respectively.

Section 3. Specifically, the City of Lakewood hereby approves of the initial board of the Healthy Lakewood Foundation, the listing of board members being attached to this resolution as **Exhibit B**.

Section 4. The City of Lakewood hereby instructs the Healthy Lakewood Foundation or its incorporators to apply for federal tax-exempt status with the Internal Revenue Service forthwith.

Section 5. In view of the foregoing Sections 1, 2, 3 and 4 of this resolution, the City of Lakewood hereby states and avers that its obligations pursuant to Section 4.1 of the Master Agreement are fulfilled and discharged.

Section 6. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were adopted in an open meeting of this Council, and that all such deliberations of this Council an any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 7. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this resolution, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR

Exhibit A-1

Healthy Lakewood Foundation Vision, Mission and Guiding Principles

(see following page)

Healthy Lakewood Foundation

Vision

Lakewood is a place where all people achieve their fullest health potential

Mission

To advance programs, policies, and practices that inspire a Lakewood community in which health and wellness are reflected in all aspects of life

Guiding Principles

The stewardship of resources is rooted in humility, integrity, and community voice.

Organizational practices should be transparent and informed by authentic dialogue and engagement.

Health and wellness can be promoted in ways that are both innovative and evidence-based.

Opportunities, initiatives, and strategies should leverage new and existing resources that result in sustainable impact.

Positive change is driven by shared priorities, coordinated efforts, and trust.

Exhibit A-2

Healthy Lakewood Foundation Articles of Incorporation

(see following pages)

JON HUSTED
Ohio Secretary of State



Toll Free: (877) SOS-FILE (877-767-3453)
Central Ohio: (614) 466-3910
www.OhioSecretaryofState.gov
busserv@OhioSecretaryofState.gov
File online or for more information: www.OHBusinessCentral.com

Mail this form to one of the following:

Regular Filing (non expedite)
P.O. Box 670
Columbus, OH 43216
Expedite Filing (Two business day processing time.
Requires an additional \$100.00)
P.O. Box 1390
Columbus, OH 43216

[For screen readers, follow instructions located at this path.](#)

**Initial Articles of Incorporation
(Nonprofit, Domestic Corporation)
Filing Fee: \$99
(114-ARN)
Form Must Be Typed**

Please check the box if this nonprofit corporation is being formed for the following purpose:

- Community Improvement Corporation (Economic Development or Land Reutilization) - Please see Ohio Revised Code Chapter 1724 or the instructions at the end of this form for more information.

First: Name of Corporation

Second: Location of Principal Office in Ohio

City
State
County

Optional: Effective Date (MM/DD/YYYY) (The legal existence of the corporation begins upon the filing of the articles or on a later date specified that is not more than ninety days after filing.)

Third: Purpose for which corporation is formed

** Note: for Nonprofit Corporations: The Secretary of State does not grant tax exempt status. Filing with our office is not sufficient to obtain state or federal tax exemptions. Contact the Ohio Department of Taxation and the Internal Revenue Service to ensure that the nonprofit corporation secures the proper state and federal tax exemptions. These agencies may require that a purpose clause be provided. **

** Note: ORC Chapter 1702 allows for additional provisions to be included in the Articles of Incorporation that are filed with this office. If including any of these additional provisions, please do so by including them in an attachment to this form. **

Original Appointment of Statutory Agent

The undersigned, being at least a majority of the incorporators of

Healthy Lakewood Foundation

(Name of Corporation)

hereby appoint the following to be Statutory Agent upon whom any process, notice or demand required or permitted by statute to be served upon the corporation may be served. The complete address of the agent is:

Susan O. Scheutzow

(Name of Statutory Agent)

1375 East Ninth Street

(Mailing Address)

Cleveland

(Mailing City)

OH

(Mailing State)

44114

(Mailing ZIP Code)

Must be signed by
the incorporators or
a majority of the
incorporators.

(Signature)

(Signature)

(Signature)

Acceptance of Appointment

The Undersigned,

Susan O. Scheutzow

(Name of Statutory Agent)

, named herein as the

Statutory agent for

Healthy Lakewood Foundation

(Name of Corporation)

hereby acknowledges and accepts the appointment of statutory agent for said corporation.

Statutory Agent Signature

(Individual Agent's Signature / Signature on Behalf of Business Serving as Agent)

By signing and submitting this form to the Ohio Secretary of State, the undersigned hereby certifies that he or she has the requisite authority to execute this document.

Required

Articles and original appointment of agent must be signed by the incorporator(s).

If the incorporator is an individual, then they must sign in the "signature" box and print his/her name in the "Print Name" box.

If the incorporator is a business entity, not an individual, then please print the entity name in the "signature" box, an authorized representative of the business entity must sign in the "By" box and print his/her name and title/authority in the "Print Name" box.

Signature

By (if applicable)

Print Name

Signature

By (if applicable)

Print Name

Signature

By (if applicable)

Print Name

ADDITIONAL ARTICLES TO THE ARTICLES OF INCORPORATION OF HEALTHY LAKEWOOD FOUNDATION

ARTICLE FOURTH. No part of the net earnings of the Corporation shall inure to the benefit of any Incorporator or Director of the Corporation, or any other private individual, except that the Corporation is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article THIRD. No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, and no activity of the Corporation shall consist of participating in, or intervening in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

It is intended that the Corporation shall have the status of an organization (i) that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, (ii) to which contributions are deductible for federal income tax purposes under Section 170(c)(2) of the Internal Revenue Code, and (c) to which gifts and bequests are deductible for federal gift tax and federal estate tax purposes under Sections 2522(a)(2) and 2055(a)(2) of the Internal Revenue Code, respectively, for so long as such taxes apply. These Articles of Incorporation shall be construed, and all authority and activities of the Corporation shall be limited, accordingly.

ARTICLE FIFTH. The Corporation may be dissolved upon the adoption of a resolution of dissolution (i) without a meeting, by the written consent of all the Directors, or (ii) at a meeting of the Board of Directors held for that purpose, by the vote of a majority of the full number of Directors. Upon the dissolution of the Corporation, the Directors shall, after paying or making provision for the payment of all liabilities of the Corporation, distribute all of the assets of the Corporation to such organizations described in Section 501(c)(3) of the Internal Revenue Code, organized and operated for charitable purposes similar to the Corporation's purposes and benefitting the Lakewood, Ohio community, as may be determined by the Directors, in such amounts as are determined by the Directors.

ARTICLE SIXTH. These Articles of Incorporation may be amended, or new Articles of Incorporation may be adopted (i) without a meeting, by the written consent of all the Directors, or (ii) at a meeting of the Board of Directors held for that purpose, by the vote of a majority of the full number of Directors.

ARTICLE SEVENTH. All references in these Articles of Incorporation to Sections of the Internal Revenue Code shall be considered references to the Internal Revenue Code of 1986, as from time to time amended, and to the corresponding provisions of any similar law subsequently enacted, and to all regulations issued under those Sections and provisions.

Exhibit A-3

Healthy Lakewood Foundation Code of Regulations

(see following pages)

CODE OF REGULATIONS
OF
HEALTHY LAKEWOOD FOUNDATION

Effective as of _____, 2018

CODE OF REGULATIONS
OF
HEALTHY LAKEWOOD FOUNDATION

ARTICLE I
GENERAL

Section 1. Name. The name of the Corporation will be Healthy Lakewood Foundation (the “Corporation”).

Section 2. Creation. The Corporation is organized and established as a nonprofit corporation under Chapter 1702, Ohio Revised Code (the “Ohio Nonprofit Corporation Law”).

Section 3. Purposes. The Corporation will have such purposes as are now, or may hereafter be, set forth in its Articles of Incorporation, as amended from time to time (the “Articles of Incorporation”).

Section 4. Mission. “To advance programs, policies and practices that inspire a Lakewood community in which health and wellness are reflected in all aspects of life.”

Section 5. Vision. “Lakewood is a place where all people achieve their fullest health potential.”

Section 6. Powers. The Corporation will have those rights and powers, express or implied, as are now, or may hereafter be, granted by the Ohio Nonprofit Corporation Law, its Articles of Incorporation, and this Code of Regulations, each as amended.

Section 7. Office. The principal office of the Corporation will be in the City of Lakewood, County of Cuyahoga, Ohio, as determined from time to time by the Board of Directors.

ARTICLE II
MEMBERS

Section 1. Membership. The Corporation shall have no Members other than the members of the Board of Directors (each, a “Director” and collectively, the “Directors”). For purposes of any statute or rule of law relating to corporations, the Directors shall be considered the Members of the Corporation, and they shall have all the rights and privileges of Members. The Directors, when exercising the rights and privileges of Members at a meeting, shall comply with the provisions of Sections 3

through 12 of Article III below.

ARTICLE III **BOARD OF DIRECTORS**

Section 1. General Powers. All of the business and affairs of the Corporation shall be managed and controlled by the Board of Directors.

Section 2. Number, Election and Tenure.

(a) Number. The Board of Directors shall consist of not less than eleven (11) and not more than seventeen (17) Directors.

(b) Staggered Terms; Term Limits. The Directors named by the Incorporator shall be divided into three (3) approximately equal groups; the individuals named to one group shall be appointed to a term to last until the Annual Meeting in 2020, the individuals appointed to the second group shall be appointed to a term to last until the Annual Meeting in 2021, and the individuals named to the third group shall be appointed to a term to last until the Annual Meeting in 2022. Directors shall serve until their respective successors are duly elected. Thereafter, except for Directors elected to fill a vacancy pursuant to Section 16 below, Directors shall be elected to serve terms of three (3) years or until their successors are duly elected. Directors may be elected for a maximum of three (3) three (3) year terms. All initial terms, even if for one (1) or two (2) years shall be considered a full term for purposes of the limitation of three (3) consecutive terms. Once a Director has served nine (9) years as a Director, such individual shall not be eligible to be reelected to the Board of Directors at any time.

(c) Qualifications.

Cleveland Clinic Directors. The Cleveland Clinic Foundation (“Cleveland Clinic”) shall have the right to appoint two (2) individuals as Directors. Such individuals shall be appointed to two different groups so that their terms will not end at the same time. The Directors appointed by the Cleveland Clinic shall be subject to the same term limits as other Directors. This right of the Cleveland Clinic to appoint two Directors is derived from the agreement made by and between the Cleveland Clinic, the City of Lakewood and Lakewood Hospital Association with an effective date of December 21, 2015 regarding the future of health care services in the Lakewood community (the “Master Agreement”). As is more fully described in Article IV and Section 6.1 of the Master Agreement, this right of the Cleveland Clinic to appoint two Directors shall ~~cease~~survive until the later of (i) one (1) year after ~~the later of (i)~~ the date the Cleveland Clinic makes its final annual contribution payment to the Corporation; or (ii) the ~~date on~~period during which the Cleveland Clinic ~~ceases to own~~owns and ~~operate~~operates the family health center created

pursuant to the Master Agreement (“Appointment Right Termination Date”). On the Appointment Right Termination Date, the Corporation shall have the right, but not the obligation, to remove the Directors appointed by the Cleveland Clinic; and all rights of the Cleveland Clinic to appoint Directors shall cease. If at any time prior to the Appointment Right Termination Date the Cleveland Clinic fails to appoint any individuals to serve as Directors (including replacing any Directors who have been removed), the two Director positions shall remain unfilled until such time, if any, that the Cleveland Clinic appoints such Directors; however, the unfilled positions shall not be counted for any quorums, voting, or other matters related to the authorized number of Directors.

Lakewood Residents. Two-thirds or more of the number of non-Cleveland Clinic Directors serving at any time shall be residents of the City of Lakewood, Ohio (“Lakewood”). (For example, if the Board has determined the number of Directors is to be 15, there will be 13 non-Cleveland Clinic Directors and at least two-thirds (9) must be individuals residing in the City of Lakewood.) In the event a Director lived in Lakewood when initially elected or appointed but moves out of Lakewood, for purposes of this two-thirds requirement, such individual shall continue to be counted as a Lakewood resident, until the completion of such Director’s term but shall not be counted as a Lakewood resident for any renewal terms.

Board Diversity. It is intended that the Board of Directors be diverse with respect to a number of factors which are attached to this Code of Regulations (“Diversity Factors”) and made a part hereof. While each Board will not have Directors meeting all of the Diversity Factors, and as is more fully defined in Section 17, there is no requirement that individual Directors be selected based on meeting any diversity criteria, prior to each election of Directors to the Board, the ~~Chair~~President of the Board, or the Chair of the nominating committee, if any, shall review with the Board the diversity on the Board related to the Diversity Factors, which shall be considered by the Board when electing new Directors; however, such Diversity Factors do not need to be the sole criteria for selecting new Directors.

Task Force Members. The initial Directors named by the Incorporator shall include at least two (2) individuals who served on the City of Lakewood Task Force, which provided advice regarding the creation of the Corporation (“Task Force”). Directors who served on the Task Force shall be divided approximately equally across the staggered terms.

Section 3. Annual Meeting. The Annual Meeting of the Board of Directors shall be held at such time after the close of the calendar year as is necessary to permit the Board to receive a report of finances and activity for the prior year, but in no event shall it be after the end of the month of March. (In the event the Board directs the financials of the Corporation to be audited, there is no requirement that such audit be completed prior

to the Annual Meeting.) The purpose of the Annual Meeting shall be to elect Directors and officers, receive annual reports for the previous year, and to transact such other business as may come before the meeting. The Annual Meeting shall be held at the place and time specified in the notice of said Annual Meeting required by Section 7 below.

Section 4. Regular Meeting. There shall be at least three (3) Regular Meetings of the Board of Directors each year in addition to the Annual Meeting. Regular meetings may be held on such days and at such places and times as the Board of Directors specifies from time to time.

Section 5. Special Meetings. Special Meetings of the Board of Directors may be called by the ~~Chair~~President or by any two Directors at such times and places as the person or persons calling such meeting shall specify in the notice of said meeting required by Section 7 below.

Section 6. Location of Meetings. Meetings of the Board of Directors may be held at any place within the State of Ohio as specified in the notice of the Meeting.

Section 7. Notice. The following provisions will govern notice:

- (a) Written notice of the time and place of each meeting of the Board of Directors (the "Notice") shall be delivered to each Director either by personal delivery or by electronic mail, or facsimile telecopy at least two (2) days before the meeting, or by mail at least seven (7) days before the meeting, which notice need not specify the purpose of the meeting.
- (b) Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at the meeting.
- (c) If the Notice is mailed, it will be deemed to be delivered when deposited in the United States mail addressed with postage thereon prepaid.
- (d) If the Notice is given by electronic mail, telegram or facsimile telecopy, such notice shall be deemed to be delivered when the electronic mail, telegram or facsimile telecopy is delivered to the receiving facility.
- (e) Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 8. Action Without a Meeting. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting (unless otherwise prohibited by this Code of Regulations or Ohio law) if a consent in writing or by electronic means is obtained from a majority of the Directors entitled to vote. For

purposes of taking an action without a meeting, such action may be taken by mail or electronic vote. The receipt of a vote by a Director shall constitute consent to taking an action by electronic voting, and waiver of any notice requirements.

Section 9. Voting. Each Director will be entitled to one vote.

Section 10. Quorum. A majority of the Directors then in office is necessary to constitute a quorum for a meeting of the Board of Directors. If a quorum is not present, a majority of the Directors present may adjourn and reconvene the meeting from time to time without further notice. The act of a majority of the Directors present at a meeting at which a quorum is present is the act of the Board of Directors, unless such greater number of votes is required in this Code of Regulations.

Section 11. Use of Communications Equipment. Electronic or other communications equipment which satisfies the requirements of Ohio Revised Code Sections 1702.01(Q) and 1702.17 may be used to conduct meetings of the Board of Directors. Participation by a Director in a meeting through the use of any of the means of communication described in this Section 11 constitutes presence in person of that Director at the meeting for purposes of determining a quorum and other purposes.

Section 12. Procedure. The ~~Chair~~President will preside at the meetings of the Board of Directors.

Section 13. Compensation; Expenses. Directors shall not receive any compensation for their services. The Board of Directors may choose to provide reimbursement for out-of-pocket expenses that Directors reasonably incurred in connection with the performance of Directors' duties.

Section 14. Resignation. Any Director of the Corporation may resign at any time, either by oral tender of resignation at any meeting of the Board of Directors or by giving written notice thereof to the Secretary of the Corporation. Such resignation shall take effect at the time specified therefore and, unless otherwise specified with respect thereto, the acceptance of such resignation shall not be necessary to make it effective.

Section 15. Removal. A Director may be removed, with or without cause, at a meeting for which notice is given that the purpose, or one of the purposes, of the meeting is to consider the removal of a Director.

Section 16. Vacancies. Any vacancy occurring in the Board of Directors will be filled by the affirmative vote of a majority of the remaining Directors, except for a vacancy occurring by the resignation of either of the Cleveland Clinic representatives which vacancy shall be filled by the Cleveland Clinic. A Director elected to fill a vacancy occurring in the Board of Directors shall be elected for the unexpired term of his or her predecessor in office.

Section 17. Nominating Process. At least six (6) months prior to the

anticipated date for the Annual Meeting at which Directors shall be elected, the Board shall determine the nominating process for selecting Directors. Such process may be through the use of a nominating committee or other means deemed appropriate by the Board of Directors. It is the intent that there be community involvement in the nominating process and a diverse Board of Directors and as such the process shall include reviewing the diversity of the Board and shall include a method of obtaining names of persons to be considered for nomination from both current Directors and from sources outside of the Corporation. Such process should include, at a minimum, publication in local media, social media, and notification to nonprofit or governmental organizations performing health and wellness services in Lakewood which the Corporation has identified may be able to assist the Corporation in identifying potential Board Members. The process may be different each year depending upon the number and Diversity Factors of Directors sought.

ARTICLE IV **COMMITTEES**

Section 1. Committees. The Board of Directors may from time to time appoint Committees which in its discretion it deems necessary or desirable and which Committees shall consist of no fewer than three (3) persons. The Chair of any such Committee shall be a Director; other Committee Members do not need to be Directors.

ARTICLE V **OFFICERS**

Section 1. Officers. The officers of the Corporation shall consist of a ~~Chair~~President, a Vice-~~Chair~~President, a Treasurer, and a Secretary, and, if desired, such other officers and assistant officers as may be deemed necessary, each of whom may be designated by such other titles as determined by resolution of the Directors. All officers shall be Directors. Any two (2) or more offices (except for the offices of ~~Chair~~President and Vice-~~Chair~~President) may be held by the same person, but no officer shall execute, acknowledge, or verify any instrument in more than one capacity if the instrument is required to be executed, acknowledged, or verified by two (2) or more officers.

Section 2. Election and Term of Office. The officers of the Corporation, except for the ~~Chair~~President shall be elected annually by the Board of Directors at its Annual Meeting. The ~~Chair~~President of the Board shall be elected for a three (3) year term, such election to take place every three (3) years at the Annual Meeting of the Directors. Each officer shall hold office until his or her successor has been duly elected and accepted office or until his or her death, resignation or removal (in the manner provided below). The ~~Chair~~President of the Board may not be elected for additional consecutive terms; other officers may be reelected for up to a total of three (3) consecutive terms. In the event a Director is elected ~~Chair~~President for a three (3) year term and serving such three (3) year term shall cause the Director to exceed the maximum number of years the Director is eligible to serve, such Director shall continue to serve as ~~Chair~~President throughout his or her term as ~~Chair~~President. At such time as

the ~~Chair's~~President's maximum amount of time serving as a Director ends and the person serving as ~~Chair~~President would ordinarily rotate off the Board, the Board of Directors may elect another person to fill that position and to serve a three (3) year term (and such Director may be reelected as provided for in this Code of Regulations.) The ~~Chair~~President shall nevertheless continue to serve as a Director through his or her term as ~~Chair~~President even if this causes the Board of Directors to have eighteen (18) Directors.

Section 3. Removal. Any officer elected by the Board of Directors may be removed with or without cause by the majority action of the Board of Directors present at a meeting.

Section 4. Vacancies. A vacancy in office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term. In the event of a vacancy in the office of ~~Chair~~President, the individual filling the vacancy, if filling the vacancy for one (1) year or less, shall be eligible for re-election to a full three (3) year term as ~~Chair~~President. In the event the individual elected to fill a vacancy as ~~Chair~~President serves in that position for more than a year, such individual shall not be eligible to be re-elected to serve a full three (3) year term as ~~Chair~~President.

Section 5. ChairPresident. The following provisions shall govern the office of ~~Chair~~President:

- (a) The ~~Chair~~President shall be elected from among the Directors of the Corporation and shall preside at all meetings of the Board of Directors.
- (b) The ~~Chair~~President shall be an ex officio member of all committees which may be from time to time elected or appointed.
- (c) The ~~Chair~~President may sign, with the Secretary or any other officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which have been authorized to be executed, except in cases where the signing and the executions thereof would be expressly delegated by the Board of Directors or by this Code of Regulations or by statute to some other officer or agent of the Corporation; and in general, the ~~Chair~~President shall perform all duties incident to the function of a ~~Chair~~President of the Board and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice-ChairPresident. A Vice-~~Chair~~President shall be elected from among the Directors and, in the absence of the ~~Chair~~President, the Vice-~~Chair~~President shall perform the duties of ~~Chair~~President when the office of ~~Chair~~President is vacant or the ~~Chair~~President is unable or unavailable to act.

Section 7. Treasurer. The following provisions will govern the office of Treasurer:

- (a) Subject to the discretion of the Board of Directors, the Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for all monies due and payable to the Corporation from any source whatsoever; deposit all such monies in the name of the Corporation in the banks, trust companies or other depositories as shall be selected in accordance with the provisions of this Code of Regulations; and in general perform all the duties incident to the office of Treasurer and the other duties as from time to time may be assigned to the Treasurer by the ~~Chair~~President or by the Board of Directors.
- (b) If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in the sum and with the surety as the Board of Directors determines.

Section 8. Secretary. The following provisions will govern the office of Secretary:

- (a) Subject to the discretion of the ~~Chair~~President, the Secretary shall (i) keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose, (ii) assure that minutes of all meetings of any Committees are prepared and filed with the records of the Corporation, (iii) assure that all notices are given in accordance with the provision of this Code of Regulations or as required by law, (iv) be custodian of the Corporation's records, and (v) perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the ~~Chair~~President or the Board of Directors.
- (b) In the absence of the Vice-~~Chair~~President, the Secretary shall perform the duties of the ~~Chair~~President when the office of ~~Chair~~President is vacant, or the ~~Chair~~President is unable or unavailable to act.

Section 9. Assistant Treasurer and Assistant Secretaries. Any Assistant Treasurer or Assistant Secretary shall perform such duties as shall be assigned to him or her by the Treasurer, the Secretary or the Board of Directors, as the case may be.

ARTICLE VI **COMMUNITY ENGAGEMENT AND ACCOUNTABILITY**

The Board of Directors shall strive for broad-based community involvement in the activities of the Corporation through the nomination process for Directors, reports to the community and other activities. At least every three (3) years (starting no later than

one (1) year after the first Board of Directors is constituted) the Board of Directors shall develop and adopt a Community Engagement and Accountability Plan which shall specify the methods by which the Corporation shall seek and obtain significant community involvement. Without limiting the foregoing, the Board of Directors shall at a minimum hold at least one (1) public meeting each year which is publicized and to which all interested members of the City of Lakewood community are invited to attend. In addition to the Corporation reporting to the attendees the activities of the Corporation (which reporting shall include the finances of the Corporation including the source and amounts of and any grants received by the Corporation from other entities and the recipients and amounts of any grants, loans or other assistance provided by the Corporation to other entities), the meeting shall provide an opportunity for the attendees to provide their input to the Directors as to actions taken by the Directors, future actions the attendees wish the Directors to consider and other issues the attendees wish to raise. The Corporation shall make available on its website the report(s) made at any public meetings and shall make such reports available to any person upon request. The Board shall prepare an annual report regarding the community engagement and accountability activities of the previous year. Nothing contained herein shall prohibit the Board from amending the Community Engagement and Accountability Plan prior to the development of the next Community Engagement and Accountability Plan if the Board determines such amendment is necessary to obtain significant community involvement.

ARTICLE VII **EMPLOYEES**

The Board of Directors may establish such positions of employment as it deems desirable from time to time and shall fix the salaries and other terms of employment for such positions.

ARTICLE VIII **AGENTS AND REPRESENTATIVES**

The Board of Directors may appoint such agents and representatives of the Corporation with such powers and to perform such acts and duties on behalf of the Corporation as the Board of Directors may see fit, so far as may be consistent with the Articles of Incorporation and this Code of Regulations, to the extent authorized or permitted by law.

ARTICLE IX **LIMITATION OF LIABILITY IN DAMAGES AND INDEMNITY**

Section 1. Limitation of Liability in Damages of a Director. Other than in connection with an action or suit in which the only liability asserted against a Director is for voting for or assenting to a statutorily prescribed asset distribution or loan, a Director of the Corporation will be liable in damages for any action he or she takes or fails to take

as a Director only if it is proved by clear and convincing evidence in a court of competent jurisdiction that his or her action or failure to act involved an act or omission either undertaken with deliberate intent to cause injury to the Corporation or undertaken with reckless disregard for the best interests of the Corporation.

Section 2. Indemnification. The Corporation shall defend, indemnify and save harmless each person, and the heirs, legal representatives, executors and administrators of such person, who is, or was, a Director, Member, officer, advisor, Employee or agent of this Corporation or who is, or was, serving at the request of this Corporation and for the benefit of this Corporation (“Covered Positions”) against all costs and expenses (including, but not limited to, attorneys’ fees and disbursements, judgments, fines, penalties and amounts paid in settlement) as permitted by Ohio Nonprofit Corporation law; provided, however, that the Corporation shall not indemnify any such person with respect of any claim, suit, issue or matter, brought by or in the right of this Corporation.

Section 3. Insurance. This Corporation shall purchase and maintain insurance, in such amounts and upon such terms as deemed appropriate by the Board of Directors, on behalf of any person who is, or was, serving in a Covered Position against any liability asserted against him or her or incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not this Corporation would have the power to indemnify him or her against such liability under the Ohio Nonprofit Corporation Law.

Section 4. No Mandatory Indemnification of Volunteers. Section 1702.12(E)(5) of the Ohio Nonprofit Corporation Law shall not apply to the Corporation to the extent that it requires the indemnification of volunteers (as that term is defined in Section 1702.01(M) of the Ohio Nonprofit Corporation Law) other than Directors, officers or advisors of the Corporation or directors or officers of another domestic or foreign nonprofit corporation or corporation for profit, or partnership, joint venture, employee benefit plan, trust or other enterprise serving at the request of the Corporation.

ARTICLE X **CONTRACTS AND BANKING**

Section 1. Contracts. The Board of Directors may authorize any one or more officers or agents to enter into any contract or execute or deliver any instrument in the name of or on behalf of the Corporation, and the authority may be general or confined to special instances.

Section 2. Deposits. All funds of the Corporation not otherwise employed will be deposited from time to time to the credit of the Corporation in the banks, trust companies, or other depositories as the Board of Directors may select.

Section 3. Checks. All checks, drafts or other orders for the payment of

money, notes, or other evidence of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as from time to time determined by resolution of the Board of Directors.

ARTICLE XI **GIFTS/FUND-RAISING**

Section 1. Acceptance of Gifts. The Board of Directors or a Committee appointed for that purpose, may apply for and accept on behalf of the Corporation any gift, grant, bequest, contribution, or devise for the general purposes or any special purpose of the Corporation. The Board of Directors, or a Committee appointed for that purpose, may agree to administer the same in accordance with any conditions that the testator or donor may impose, provided only that the purpose of the devise, bequest or gift is within the powers and purposes of the Corporation.

Section 2. Distributions. The Board of Directors may make outright contributions, grants and gifts of property, both real and personal, to any program fulfilling any of the purposes of the Corporation as are set forth in the Articles of Incorporation, subject to any and all restrictions imposed from time to time upon the grant-making activities of organizations exempt from income tax under Sections 501(a) and 501(c)(3) by the Internal Revenue Code of 1986, as amended.

ARTICLE XII **CONFLICTS OF INTEREST AND** **CODE OF CONDUCT**

Section 1. Code of Conduct. The Corporation shall develop a Code of Conduct applicable to each Director and any Corporation employees or independent contractors (“Employees”), and shall obtain on an annual basis from each Director, and any such Employees, the acknowledgment that the Director has read the Code of Conduct and agrees to be bound by it. The Code of Conduct shall include, but not be limited to: a prohibition on any Director or Employee seeking any personal benefit or advantage from their association with the Corporation, (other than reasonable compensation for any Employees, and reasonable reimbursement of expenses for anyone so entitled); the requirement of confidentiality for Corporation business intended to be confidential; and the continual disclosure of conflicts of interest and any matter which could be perceived as a conflict of interest.

Section 2. Conflicts of Interest. At least annually all Directors and Corporation personnel shall disclose to the Board of Directors any positions, paid or volunteer, which the Director or Corporation personnel hold in an organization which competes with, contracts with, or which is a grantee of, the Corporation. In the event the Corporation is considering doing business with, or granting funds or other benefits to, to any entity with which the Director or employee holds a position, or with any person with whom the Director or Employee has a business, familial, or close personal relationship

(all of which shall be defined in the Code of Conduct), the Director or Employee must immediately disclose such relationship to the Board of Directors. Conflicts of Interest are not inherently illegal, nor do they preclude the Corporation from entering into a transaction in which a Director or Employee has an interest, however, the Corporation shall take additional steps to determine if alternatives are available, and the person with the Conflict of Interest shall not participate in any decision making regarding the transaction.

Section 3. No Self-Dealing. In no instance shall the Corporation engage in a sale, exchange, or leasing of property, lending of money, or contract for the furnishing of goods or services with any Director or Employee, any Living Relative of a Director or Employee, or any business entity in which a Director or Employee has more than a 35% ownership interest, or if the Director or Employee will benefit directly from the lease, loan, or contract, such as through commissions. “Living Relatives” are spouses and domestic partners; parents, step-parents, grandparents and step-grandparents; siblings, half-siblings and their spouses; children, grandchildren, great-grandchildren and their spouses; and other individuals with whom the Director or Employee has an economic or intimate personal relationship. It shall not be self-dealing for the Corporation to make grants or otherwise provide benefit to entities which may provide services to Directors or Employees or their Living Relatives, or to entities in which Directors or Employees or their Living Relatives are involved, such as being an employee, volunteer or board member; provided, however, that the Directors disclose such information and abstain from voting as provided in Section 2 above.

ARTICLE XIII **ACCOUNTING YEAR AND AUDIT**

Section 1. Accounting Year. The fiscal year of the Corporation (the “Fiscal Year”) shall begin on the first day of January and end on the last day of December of each year.

Section 2. Audit. At the end of each Fiscal Year, the books of the Corporation shall be closed and a financial statement prepared for such Fiscal Year. If directed by the Board of Directors, such financial statement shall be reviewed or certified by an independent firm, the partners of which are certified public accountants. Such financial statement shall be promptly mailed to each Director and shall be submitted to the Board of Directors at the Annual or a Special Meeting.

ARTICLE XIV **MISCELLANEOUS**

Section 1. Books and Records. The Corporation shall keep correct and complete books and records and minutes of the proceedings of the Board of Directors, and of any Committees which have had activities in connection with the Corporation’s business.

Section 2. Loans to Employees, Directors and Officers Prohibited. No loans will be made by the Corporation to its officers, Directors, advisors or Employees.

Section 3. Rules. The Board of Directors may adopt, amend or repeal Rules (not inconsistent with this Code of Regulations) for the management of the internal affairs of the Corporation and the governance of its officers, advisors, agents, committees and employees.

ARTICLE XV
AMENDMENTS

This Code of Regulations of the Corporation may be amended, altered, or repealed at any time and a new Code of Regulations adopted at a meeting held for that purpose and for which notice was given that an amendment to this Code of Regulations would be considered, upon the affirmative vote of two-thirds of the total number of Directors entitled to vote.

DIVERSITY FACTORS

The following shall be considered in the nomination of Directors with the intent that the Board of Directors be diverse in their skills, demographics, and areas of knowledge:

Skills:

Finance and Investment
Legal
Marketing and Communications
Health Care and Wellness
Nonprofit Management
Government relations
Philanthropy

Demographics:

Age
Race
Gender and Gender Identity
Education
Ethnicity
Culture
Socioeconomic Status
Disability
LGBTQ

Areas of Knowledge:

Education
Economic Development
Aging
Early Childhood
Immigration/Refugees
Public Health
Faith Based Initiatives

Exhibit B

Healthy Lakewood Foundation Initial Board Members

(see following page)

Board Selection Committee Slate
Lakewood Foundation Planning Task Force
May 24, 2018

- **Roland Anglin, PhD**
Dean, Maxine Goodman Levin College of Urban Affairs (CSU)
- **Becca Baas, MPA**
Special Projects Coordinator, Onslow County Partnership for Children
- **Curt Brosky**
President and CEO, LSC Service Corp
- **Kirstin Craciun, MPP, MSW**
Director of Community Outreach, Center for Health Affairs
- **Melissa Federman, MPH**
Treuhft Chair for Health Planning & Director, AIDS Funding Collaborative, Center for Community Solutions
- **Jeanine Gergel, MBA**
Program Officer, Foundation Management Services
- **Heidi Hilty**
Financial Advisor, Merrill Lynch
- **Kate Ingersoll**
Program Officer, The Brush Foundation
- **Rick Kemm, MNO**
Executive Director, May Dugan Center
- **Peter Kuhn, MBA**
Chief Investment Officer, Parkland Management Company (ret.)
- **Erin Rechin Murphy, MPH**
Program Manager, Lorain County General Health District
- **Courtney Noster, MEd, LPC**
Early Childhood Mental Health Therapist, Applewood Centers, Inc.
- **Chitra Walker, MBA, MA**
Director, External Provider Relations, CareSource (ret.)
- **Khalilah Worley, MS**
Senior Organizer, Greater Cleveland Congregations
- **Sharonda Whatley, MA**
District Planner, City of Cleveland