**Section 401.210 Composition and Responsibilities of the Governing Body**

a) The governing body of a child welfare agency shall be all the members of the board of directors of the corporation.

b) Each member of the governing body of the child welfare agency and principal shareholders (owning 5% or more of the corporate stock) shall be of reputable and responsible character who shall certify that they have never been convicted of a felony or indicated as a perpetrator in a child abuse or neglect report, as defined in Appendix B of 89 Ill. Adm. Code 300 (Reports of Child Abuse and Neglect).

c) The governing body may create an executive committee or a child welfare committee that has been delegated limited decision making authority. The executive committee may act on behalf of the governing body in emergency matters.

d) The governing body shall:

1) Establish written by-laws that govern the major operations of the agency and that outline the duties of the officers of the board of directors and committees to be established by the board of directors;

2) Set long range goals for the agency;

3) If incorporated as a not-for-profit corporation, adopt a conflict of interest policy that requires, at a minimum:

A) That no member of the board of directors may derive any personal profit, directly, by reason of his or her membership on the board of directors or because of services provided to the board (the restriction against deriving profit from a transaction does not apply as long as the goods or services provided to the agency are priced at or below market value and are documented in the agency's financial reports);

B) That each board member must disclose to the board any personal interest that he or she or any member of his or her immediate family may have in any current or potential matter before the board and refrain from participating in any decision on those matters;

C) That no member of the executive director's or the chief financial officer's immediate family shall serve on the board of directors for the child welfare agency and no member of any board member's immediate family may serve as executive director, the chief financial officer, or an independent contractor of the agency;

D) That there shall be no familial relationship between the executive director and the chief financial officer;

4) If incorporated as a for-profit corporation, adopt a code of conduct for the board;

5) Insure that the child welfare agency operates at all times with a qualified, full-time executive director who, by official written notice, is made known to the Department. The governing body shall:

A) Approve a written job description for the agency executive director that delineates the executive director's responsibilities and authority and the governing body's expectations of the agency executive director;

B) Review and authorize all compensation for the agency executive director, including salary, allowances, memberships or other benefits;

C) Evaluate the agency executive director in writing at least annually;

6) Insure that an adequate process is in place for recruiting, hiring, and maintaining qualified child welfare supervisors and other staff required by this Part;

7) Hold at least quarterly meetings, unless the agency holds a provisional license, thus requiring a minimum of bi-monthly meetings of the board of directors. *Unless specifically prohibited by the articles of incorporation or bylaws, directors or non-director committee members may participate in and act at any meeting of such board or committee through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating* [805 ILCS 105/108.15];

8) Keep written records or minutes of all board meetings reflecting official actions of the board that shall contain, at a minimum, the date of each board meeting, the persons who were in attendance, the issues discussed in the meeting, any committee reports made to the board, the decisions made and actions taken. The minutes shall be available for review by the Department's licensing worker, upon request;

9) Officially notify the Department in writing within 30 days after a change in the executive director or chief financial officer of the child welfare agency or of any major changes in the corporate structure, including, but not limited to:

A) Changes in the articles of incorporation or by-laws;

B) Changes in the not-for-profit status or tax exempt status as determined by the Internal Revenue Service (if applicable) or its charitable organization status as determined by the Illinois Attorney General;

C) Addition of any principal shareholder owning at least 5% of the stock of the corporation; or

D) Changes in the governing body or its officers;

10) Establish written policies of the child welfare agency that shall be made available to all board members, employees, and agency clientele, including services to be provided by the agency, admissions, care of children, and other policies as needed to direct the agency, such as family visitation and community contacts with children;

11) Provide and maintain permanent offices accessible to the public and appropriate for the administrative program and supportive services. These offices, including all branch offices, shall be staffed during the business hours established by the agency, shall be equipped with telephones, shall have a permanent mailing address, shall not be in a private residence and shall have space available for confidential meetings;

12) Maintain and keep all records and documents required by this Part in the State of Illinois where they shall be readily available for review by authorized persons;

13) Insure fidelity bonding of fiscally responsible officers and employees against breach of fiduciary duty or the loss of monies, securities, or other property the agency may sustain through any fraudulent or dishonest act committed by an officer or employee acting alone or in collusion with others. These officers or employees must be bonded regardless of whether elected or appointed or whether compensated by salary;

14) Insure that the child welfare agency maintains adequate assets, as defined in Section 401.40, for responsible fiscal operation of the agency; and

15) Insure that all persons working directly with children are of reputable and responsible character, as verified by their employment history of at least the past three years, the status of any professional license they hold, and completion of the background checks required by 89 Ill. Adm. Code 385 (Background Checks).

(Source: Amended at 36 Ill. Reg. 2157, effective January 30, 2012)