

BYLAWS
OF
LOUISVILLE ASSOCIATION FOR COMMUNITY ECONOMICS, INC

ARTICLE I – PURPOSES

LOUISVILLE ASSOCIATION FOR COMMUNITY ECONOMICS, INC, (the Organization) is organized and will be operated exclusively for charitable and educational purposes as described within Section 501(c)(3) of the Internal Revenue Code (or corresponding provisions of any later Federal tax laws), including for such purposes the making of distributions to organizations and individuals for the purpose of engaging in activity falling within the purposes of the Organization and permitted for an organization exempt under said Section 501(c)(3).

The purposes of the Organization is more specifically stated as follows:

Support for the development of cooperatives and other models of community economics is the broad purpose of the Organization. Initially, the Organization will educate and provide outreach to community members, government officials, and organizations about cooperative economics, will conduct activities related to founding a cooperatively-owned grocery to improve food security and economic development in Louisville and create opportunities for local ownership, and will provide services such as training, cooking classes, book groups, and meetings for those interested in starting cooperatively-owned businesses.

ARTICLE II – MEMBERSHIP

Section 1 Eligibility for membership

Application for voting membership shall be open to any individuals committing to participate in organizational activities and who support the purpose statement in Article I. Membership is granted after completion and receipt of a membership application and annual dues or a fee waiver. Membership shall be granted by a majority vote of the board.

Section 2 — Annual dues

The amount required for annual dues shall be determined by the Board of Directors. Continued membership is contingent upon being up-to-date on membership dues.

Section 3 — Rights of members

Each member will have one vote. In cases where a member is not available to vote, that member may appoint one voting representative to cast the member's vote in Organization elections.

Section 4 — Resignation and termination

Any member may resign by filing a written resignation, effective upon receipt by the secretary. Resignation shall not relieve a member of unpaid dues, or other charges previously accrued. A member can have their membership terminated by a majority vote of the membership, effective immediately.

Section 5 — Non-voting membership

The board shall have the authority to establish and define non-voting categories of membership.

ARTICLE III – MEETINGS OF MEMBERS

Section 1 — Regular meetings

Regular meetings of the members shall be held at least quarterly, at a time and place designated by the President of the Board of Directors.

Section 2 — Annual meetings

An annual meeting of the members shall take place in the month of October; the specific date, time and location of which will be designated by the President of the Board of Directors. At the annual meeting the members shall elect directors and officers, receive reports on the activities of the Organization, and determine the direction of the Organization for the coming year.

Section 3 — Special meetings

Special meetings may be called by the President of the Board of Directors or a simple majority of the board of directors. A petition signed by five percent of voting members may also call for a special meeting.

Section 4 — Notice of meetings

Notice of each membership meeting shall be emailed to members with email; those lacking a functioning email account will be texted or called. This shall happen not less than two weeks prior to the meeting.

Section 5 — Quorum

The members present at any properly announced meeting shall constitute a quorum.

Section 6 — Voting

All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place.

ARTICLE IV – BOARD OF DIRECTORS

Section 1 – Powers

The Board of Directors shall manage the business and affairs of the Organization, including but not limited to, the acquisition and disposal of property, the hiring and firing of staff, and all other rights provided by statute.

Section 2 – Number and Qualifications

The Board of Directors consists of no fewer than three (3) directors who will support and subscribe to the purposes of the Organization.

Section 3 – Terms of Office

- A. General provisions: Each director shall serve the term as specified in this section for which they are elected or appointed and until their successor is elected and qualified or until death, or until such director resigns or has been removed from office in a manner permitted by law.
- B. Terms of Office: The initial directors shall serve until the first election at the 2017 annual meeting. During their term of office they are empowered to increase the Board of Directors to full size by majority vote, with such additional directors serving until the first election. At the first election and thereafter, each director will be elected to serve either a three- or two-year term to allow for better continuity.
- C. Term Limit: Directors may serve no more than three consecutive terms, unless disqualifying a director under this provision would result in fewer than three directors qualifying for board service.

Section 4 – Elections

- A. Election and installation of directors will take place at the annual meeting in October of each year by members.
- B. A list of the candidates nominated by any member and their qualifications shall be prepared by the Secretary and provided with the notice of the annual meeting. Any Director may nominate any person not on the list of candidates to serve on the Board at the annual meeting.
- C. Election will be by a plurality vote with each member entitled to cast up to as many votes as there are vacancies to be filled with no more than one (1) vote going to a single candidate.

Section 5 – Removal

The Board of Directors may, by majority vote, remove a director from office upon a showing of good cause. Good cause may also include unexcused absence from three (3) consecutive Board meetings.

Section 6 – Resignation

A director may resign at any time by delivering a written resignation to the President or the Secretary in the event of resignation of the President. Unless another date is specified in the written resignation, the resignation is effective upon acceptance by the Board of Directors.

Section 7 – Vacancies

Any vacancy due to resignation, removal, incapacity or death occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors. A director elected to fill a vacancy will be elected for the unexpired term of **their** predecessor in office.

Section 8 – Board Meetings

- A. Regular meetings: The Board of Directors will meet monthly.
- B. Special board meetings: Special board meetings may be called by any Officer of the Organization. The Officer may fix any reasonable place for the meeting.
- C. Notice of meetings: The Officer who has requested the meeting or the Secretary shall provide notice of the meeting no less than seven (7) days prior to the meeting via email to all Directors with email; those lacking a functioning email account will be texted or called.
- D. Waiver of Notice: Any Director may waive notice of any meeting. The attendance of a Director at any meeting constitutes a waiver of notice of the meeting except when 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.
- E. Open meetings: All meetings will be open to the public. The Directors may, however, by a simple majority vote of those Directors present, a quorum being present, vote to hold a meeting or portion thereof in executive session. Notice will be given in a regular open meeting of the general nature of the business to be discussed in closed session and the reason for the closed session.

Section 9 – Voting and Prohibition on Voting by Proxy

Each director has one (1) vote. A director may not vote by proxy.

Section 10 – Quorum and Participation by Remote Communication

- A. Forty percent of all directors serving on the Board constitutes a quorum for the transaction of business at any meeting of the Board, provided that if a quorum is not present at said meeting, a majority of the directors present may adjourn the meeting without further notice.
- B. Directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during this meeting. A director participating in a meeting by this means will be deemed to be present in person at the meeting.

Section 11 – Manner of Acting

The act of the majority of the directors present at a meeting at which a quorum is present will be the act of the Board of Directors, unless the act of a greater number is required by law or these bylaws.

Section 12 - Action by Directors Without a Meeting

- A. Any action required or permitted by law to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all Directors. The action will be evidenced by one or more written consents describing the action taken, signed by each director, and included in the minutes or filed with the corporate records reflecting the action taken. Unless otherwise specified in the written consent, the signature may be a manual, facsimile or electronic signature (including by email).
- B. Action taken under this section will be effective when the last director signs the consent, unless the consent specifies a different effective date.
- C. A consent signed under this section will have the effect of a meeting vote and may be described as such in any document.

Section 13 – Compensation

No director will receive compensation for their services as director. Directors must notify the Board of their intention, or an immediate family member's intention, to apply for a compensated position with LACE or its network of cooperatives. The Director must then recuse themselves from the hiring process.

Section 14 – Conflicts of Interest

The Board of Directors will adopt and follow a conflict of interest policy to govern transactions with the Organization in the event that a director has a direct or indirect interest. At a minimum, such policy will require that the material facts of the transaction and the director's interest be disclosed or known to the Board or a committee of the Board and that the Board or committee authorize, approve or ratify the transaction and ensure that any such transaction is fair to the Organization.

Section 15 – Contribution Requirement

All Board members will be a Louisville Association for Community Economics member in good standing for the duration of their tenure on the board and make this organization one of their charitable and philanthropic priorities.

ARTICLE V – OFFICERS

Section 1 – Composition

The Organization shall have the following officers: President, Vice-President, Secretary and Treasurer. The Organization may elect in accordance with the provisions of this article such other officers whose duties may be fixed from time to time by the Board of Directors. An individual may occupy more than one office.

Section 2 – President

The President shall:

- A. preside at all meetings of the Board of Directors;
- B. plan, in consultation with the other officers, the agenda for all Board meetings;
- C. appoint, with the confirmation of the Board, the members of all committees and the chairs of all committees except for committees with Board authority as specified in Article VI, Section 2 of these bylaws; and
- D. carry out all other duties incident to the office of President or prescribed by the Board of Directors.

Section 3 – Vice-President

The Vice-President shall:

- A. assist the President in carrying out the President's duties;
- B. carry out the duties of the President in the President's absence;
- C. carry out all other duties incident to the office of Vice-President or prescribed by the Board.

Section 4 – Secretary

The Secretary shall:

- A. attend all Board meetings and act as a clerk of each meeting, recording all votes and keeping the minutes of all proceedings in an electronic file folder kept for the purpose, accessible to board members at all times. Minutes shall be posted in a place accessible to members or shall be made available upon request;
- B. provide each director with a copy of the minutes of each Board meeting;
- C. be responsible for the transmitting of notices for all meetings;
- D. keep the official records, including all minutes, policies, the original copy of the Articles of Incorporation and bylaws, and all amendments thereto, of the Organization;
- E. be responsible for authenticating records of the Organization;
- F. carry out all other duties incident to the office of Secretary or prescribed by the Board.

Section 5 – Treasurer

The Treasurer shall:

- A. Ensure that the following duties are carried out subject to such internal controls as the Board of Directors adopt from time to time;
- B. keep custody of all funds and securities, unless otherwise decided by the Board;
- C. keep full and accurate accounts of all receipts and disbursements in electronic file folders accessible to all board members and to other members upon request belonging to the Organization;
- D. deposit all money and other valuable effects in the name and to the credit of the Organization in such depositories as may be designated by the Board of Directors;
- E. disburse the funds of the Organization as determined by the Board, taking proper vouchers for such disbursements;
- F. prepare regular financial reports for each Board meeting and a yearly budget;
- G. chair the Finance Committee if one is formed;
- H. carry out all other duties incident to the office of Treasurer or prescribed by the Board.

Section 6 – Term of Office

Each officer, except for initial officers who shall serve until the 2017 annual meeting will serve a one (1) year term of office and until his or her successor will be elected and installed or until the officer's earlier death, resignation, or removal from office in accordance with these bylaws. No officer will be elected or appointed to serve a term of office exceeding three years unless no suitable replacement candidate is available to serve in that capacity.

Section 7 – Elections

- A. The officers will be elected by and from the Board of Directors at the annual meeting.
- B. Election will be by a simple majority vote of the directors present, a quorum being present, and may be either by a show of hands or secret ballot as the Board may choose.

Section 8 – Vacancies

Any vacancy due to resignation, removal, incapacity or death may be filled for the remainder of the term of office by the affirmative vote of a majority of the Board of Directors.

Section 9 – Resignation

An officer may resign at any time by delivering a written resignation to the President or the Secretary in the event of resignation of the President. Unless another date is specified in the written resignation, the resignation will become effective upon acceptance by the Board of Directors.

Section 10 – Removal

Any officer elected or appointed by the Board of Directors may be removed from office by the Board of Directors whenever in its judgment the best interests of the Organization would be served thereby.

ARTICLE VI – COMMITTEES

Section 1 – Establishment of Committees

The Board of Directors may from time to time establish any committees, standing or special, that it deems necessary and set the term of office and other rules for the operation of said committee. With the exception of committees with Board authority specified below in Section 2, the President, with Board confirmation, shall approve the members and chairs of committees.

Section 2 – Committees with Board Authority

The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committees each of which will consist of two or more directors and which will have and exercise such board authority to the extent provided in the resolution. However, no such committee will have the authority of the Board of Directors in reference to:

- A. Amending, altering or repealing the bylaws;
- B. Electing, appointing or removing any member of any such committee or any director or officer of the Organization;
- C. Amending the Certificate of Organization, restating the same, adopting a plan of merger or adopting a plan of consolidation with another entity;
- D. Authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Organization;
- E. Authorizing the voluntary dissolution of the Organization or revoking proceedings therefor;
- F. Adopting a plan for the distribution of the assets of the Organization;
- G. Or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it may not be amended, altered or repealed by such committee.

The designation and appointment of any such committee and the delegation thereto of authority will not operate to relieve the Board of Directors, or any individual director of any responsibility imposed upon it, him or her by law.

Section 3 – Organization

- A. The committee chairperson shall be responsible for presiding over committee meetings, for the conducting of a committee's business, and for reporting on committee business, activities, and recommendations at each regularly scheduled Board meeting following a committee meeting. A majority of the committee membership is necessary to constitute a quorum of the committee.
- B. Committees shall meet upon the call of the respective chairpersons or upon request of the President.

ARTICLE VII – EXECUTIVE DIRECTOR AND STAFF

Section 1 – Executive Director and Staff

There shall be whatever staff is determined by the Board of Directors to be necessary to carry out the programs and activities of the Organization. The Board of Directors may employ an Executive Director whose duties and functions will be those prescribed by the Board of Directors, provided that any such delegation of authority to the Executive Director will not operate to relieve the Board of Directors or any individual directors of any responsibility imposed upon it or them by law. In general, the Executive Director will conduct the day-to-day business of the Organization and report to the Board of Directors on a regular basis. The Board of Directors will, from time to time, determine the compensation to be paid to the Executive Director and staff.

Section 2 - Compensation to be Reasonable

The Board shall periodically review the compensation, including benefits, paid to every employee or independent contractor to ensure that the Organization is paying reasonable compensation for services rendered.

ARTICLE VIII – CONTRACTS, LOANS, CHECKS, DEPOSITS AND FINANCIAL PROVISIONS

Section 1 - Contracts

The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract and execute and deliver any instruments in the name of and on behalf of the Organization. Such authority may be general or confined to specific instances.

Section 2 - Loans

No loans will be contracted on behalf of the Organization, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3 – Checks, drafts, orders, etc.

All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Organization for a sum less than five hundred dollars (\$500) will be signed by any officer of the Organization and in such manner as are from time to time be determined by resolution of the Board of Directors. All checks, drafts, or other orders for the payment of money, notes, or other evidences of

indebtedness issued in the name of the Organization for a sum equal to or greater than five hundred dollars (\$500) must be signed in a manner determined by the full Board of Directors.

Section 4 – Deposits

All funds of the Organization not otherwise employed will be deposited, from time to time, to the credit of the Organization in a credit union and other depositories as the Board of Directors may select.

Section 5 – Charitable contributions

No officer will make charitable contributions in the name of, from the funds of, or on behalf of the Organization without prior authorization by the Board of Directors.

Section 6 – Fiscal year

The fiscal year of the Organization will be January 1 to December 31.

ARTICLE IX – WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of these bylaws, or under the provisions of the Certificate of Organization, or under the provisions of the Organization laws of the Commonwealth of Kentucky, a waiver thereof in writing, signed by the person, or persons, entitled to such notice, whether before or after the time stated therein, is deemed equivalent to the giving of such notice.

ARTICLE X – NONDISCRIMINATION

The officers, directors, committee members, employees and persons served by the Organization will be selected entirely on a nondiscriminatory basis with respect to age, ethnicity, familial status, gender, national origin, race, religion, sexual orientation, veteran status, disability and all other categories providing nondiscriminatory treatment by law, statute, or ordinance.

ARTICLE XI – BOOKS AND RECORDS

The Organization shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors. All books and records of the Organization may be inspected by any Director, or their agent or attorney, for any proper purpose at any reasonable time. When required by law, the Organization will comply with any applicable public inspection laws including the Kentucky Open Records Act and the Internal Revenue Code.

Upon leaving office, each officer, director, employee or agent of the Organization shall turn over to their successor or the President, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the Organization as have been in the custody of such officer, director, employee or agent during their term of office.

ARTICLE XII – ADVISORY BOARD

An Advisory Board may be established by the Board of Directors. The Advisory Board will be made up of individuals subscribing to the purposes, goals and policies of the Organization and who are interested in advancing its programs. Members will be appointed by the Board of Directors. Its size, rights, privileges and duties will be set from time to time by the Board of Directors.

ARTICLE XIII – AMENDMENTS

These bylaws may be amended, altered or repealed by the Board of Directors upon formal notice given by any director at least thirty (30) days in advance of Board meeting, of their intention to propose a specific amendment and (30) days notice provided to the Members. Adoption of such an amendment is by majority vote of the Directors in office.

CERTIFICATE

I, the undersigned, do hereby certify that I am the Secretary of the Louisville Association for Community Economics, Inc. a Kentucky Uniform Non-Profit Corporation, and that the foregoing are the Bylaws of said Organization, as fully adopted in a meeting of the Board of Directors in the year of 2017 and updated on the 15th day of September, 2020..

Lisa B. Markowitz
Secretary