

By-laws

Kentucky Association for Economic Development

ARTICLE I

Name; Mission; Goals

Section 1. The name of this organization shall be the Kentucky Association for Economic Development hereinafter designated KAED.

Section 2. KAED's Mission is "To promote economic development and the economic development profession in Kentucky. We will provide relevant educational and training opportunities for our membership while improving communication between KAED and our members."

Section 3. KAED's Goals are:

1. To elevate the level of professionalism of KAED members;
2. To educate Kentuckians on the impact and process of economic development;
3. To manage and enhance financial and organizational assets to allow for success and achievement of mission; and
4. To be one of Kentucky's leading Economic Development authorities.

Section 4. KAED in all its activities shall be a nonpartisan and non-secretarian body. It shall be a non-profit, non-stock organization.

Section 5. Membership in the Corporation shall be open to all persons who support the mission of KAED and pay the membership fees established by the Board of Directors.

ARTICLE II

Offices of Corporation

Section 1. Principal Office. The Principal office of the Corporation shall be located in Franklin County, Kentucky, but the location of such office may be, from time to time, otherwise designated and changed by the Corporation's Board of Directors.

Section 2. Other Offices. The Corporation may have offices at such places within and without the State of Kentucky as the Board of Directors may, from time to time, designate or the business of the Corporation may, from time to time, require.

ARTICLE III

Capital Stock

Section 1. No Capital Stock. The Corporation shall have no capital stock of stockholders and its business and affairs shall not be conducted for private pecuniary gain or profit, nor shall any of its gain, profit or property inure to the incorporator thereof, nor to any officer thereof, except as otherwise provided in Article IV of its Articles of Incorporation, as to compensation for services rendered, but its entire gain, profit, net earnings and property shall be devoted exclusively to the charitable uses and purposes set out in Article II of its Articles of Incorporation.

ARTICLE IV
Board of Directors; Meetings; Committees

Section 1. General Powers. The property and affairs of the Corporation shall be managed and controlled by the thirteen (13) member Board of Directors.

Section 2. Number and Term of Office. The thirteen (13) member Board of Directors shall be composed of nine (9) elected Directors, three (3) elected Officers (the Chairman, Chairman Elect, and the Secretary-Treasurer) and the Immediate Past Chairman, which shall also be an officer. The nine (9) Directors shall be elected for a term of three (3) years, and grouped into three annual classes of three (3) Directors each. A Director may succeed him/herself and may be reelected for two (2) consecutive terms with a six (6) year consecutive maximum period available to a Director to serve on the Board of Directors. Each Director and Officer shall hold office for the term for which he/she is elected and until his/her successor shall have been elected and accepted office. The three (3) Officers shall be elected for one-year terms without opportunity for immediate succession. The immediate Past Chairman shall serve for a one-year term. Terms for Officers and Directors and the Immediate Past Chairman shall commence and end on the date of the Annual Meeting as provided for in Section 8.

Section 3. Vacancies. Any vacancy in the Board of Directors caused by a person who is not able or willing to fulfill their responsibilities may be filled by the Board of Directors until such time as a new person is elected by the membership to fill that office, at the next annual meeting.

Section 4. Board of Director Removal. Any member of the board of Directors shall be subject to removal for misfeasance and nonfeasance in the performance of his or her duties as a Board of Directors' member by two-thirds majority vote by the membership of the members present and voting at any regular membership meeting.

Section 5. Quorum. A majority of seven (7) board members shall constitute a quorum for the transaction of business at any meeting of the Board of Directors and that a member of the Board of Directors participating by teleconference shall be considered "present" for such meeting.

Section 6. Election of Officers and Directors. Officers (except for the Immediate Past Chairman) and Directors are to be elected by vote of members. At least six weeks prior to the annual meeting, each member shall be mailed a ballot, in a form approved by the Board, and containing the name of each nominee. The deadline for the return of ballots shall be no less than four weeks from the actual mailing date. Votes shall be cast by secret ballot and counted by an independent entity, which shall report the results to the Chair of the Nominating Committee, who shall report the results at the annual meeting. In the event of a tie for any position, a runoff election shall be held at the annual meeting.

Section 7. Manner of Acting. The act of the majority of the Board of Directors present at a meeting at which a quorum of seven (7) members of the Board of Directors is present shall be the act of the Board of Directors, except as otherwise provided by-law, by the Corporate Articles of Incorporation, or by these By-laws.

Section 8. Annual Meeting. The Board of Directors shall hold its Annual Meeting during the fall of each year at the following locations on a rotating basis: Louisville, Northern Kentucky, Bowling Green and Lexington. Annual meetings shall occur for the purpose of electing Directors and Officers and the transaction of such other business as may properly come before the meeting. Notice of the time and place of annual meetings shall be given in writing at least ten (10) days in advance of such meetings, either personally, or by mail or by electronic means to all members of the corporation. This meeting, as well as all other membership and Board of Directors meetings, shall be ruled by the Roberts Rules of Order.

Section 9. Regular Membership Meetings. The Board of Directors may fix the dates, times and place for the holding of regular membership meetings per year with the annual meeting being held in the fall as one of these two regular membership meetings. Members of the Board of Directors not present when the regular membership meetings are so provided for, shall be duly notified as to the dates, times and places fixed for such meetings.

Section 10. Regular Board of Directors' Meetings. The Chairman shall fix the date, time and place for the holding of no less than three (3) regular Board of Directors meetings in each calendar year in addition to the Annual Meeting of the Corporation. Board of Directors members shall be duly notified of such meetings.

Section 11. Membership Attendance at Board of Directors Meetings. All members of the corporation are permitted to attend any meeting of the Board of Directors. The Board of Directors need not notify members of such meetings and reserves the right to enter into executive (private) sessions to discuss matters covered under the Kentucky Open Meetings Law (KRS 61.810).

Section 12. Special Meetings: Call and Notice. Special meetings of the Board or Directors shall be held whenever called by direction of the Chairman or President/CEO or by any three (3) other members of the Board of Directors, upon at least ten (10) days prior notice in writing, given personally, or by mail or by other electronic means, which notice shall state the date, time, place and purpose of the meeting.

Section 13. Meetings held by Consent: Waiver of Notice. A meeting of the Board of Directors may be held at any time and place and without notice by unanimous written consent of the Directors or with the presence and participation of all the Board of Directors. Any notice required to be given under this Article may be waived by the person entitled there to.

Section 14. Meetings: Chairman and Secretary- Treasurer. At all meetings of the Board of Directors the Chairman shall act as chair, and Secretary-Treasurer of the Corporation shall act as secretary, except that if either or both of them shall be absent, a chair or secretary or both, may be chosen at the meeting. In the absence of the Chairman, the Chairman-Elect shall preside at meetings of the Board of Directors.

Section 15. Compensation of Members of the Board of Directors. The members of the Board of Directors shall serve without compensation. Reasonable expenses while on KAED business may be reimbursed with prior approval of the Board of Directors; except that reasonable expenses for members of the Board of Directors only may be reimbursed up to \$100 per quarter without prior Board of Directors' approval with documentation to be provided to and approved by the Secretary-Treasurer.

Section 16. Committees. The Board of Directors shall provide for such committees as may appear necessary for the effective management of the business of the Corporation, and to give such committees such powers and duties as may seem proper, and to provide when and how often any such committee shall meet, how its meetings shall be called, and at what times those meetings may be held. The following committees and their chairperson, to be appointed annually by the Chairman, shall be regarded as standing committees of the Corporation: Membership Committee, Program Committee, Community Development Committee, Education and Professional Development Committee, Communications and Public Relations Committee, Finance Committee, Executive Committee, Public Policy Committee, Sponsorship/Partnership Committee and the Nominating Committee.

The Nominating Committee for selecting nominees for the Board of Directors shall consist of five (5) members. Two of those members shall be non-Board of Directors members, appointed by the Chairman. The remaining three (3) committee members shall consist of the Immediate Past Chairman, a Past Chairman and the Chairman-Elect. The chair of the nominating Committee shall be the Immediate Past Chairman. Other committees and their chairpersons shall be appointed by the Chairman, as deemed necessary.

Section 17. Ex-Officio Members of the Board of Directors. The following persons or positions shall be considered to be Ex-Officio members of the Board of Directors:

- a) the President/CEO;
- b) any KAED member(s) on the Kentucky Economic Development Partnership Board or its successor; and
- c) any other person or position selected by the Board of Directors in order to advance the mission of the Corporation.

An Ex-Officio member shall be permitted to attend meetings of the Board of Directors yet shall not have voting rights. All Ex-Officio members shall serve at the pleasure of the Board of Directors and be subject to annual reappointment commencing and ending at the date of each Annual Meeting.

ARTICLE V Officers and Employees

Section 1. Officers. The Chairman, Chairman-Elect, Secretary-Treasurer and Immediate Past Chairman shall be called Officers and shall constitute the Executive Committee. The Executive Committee shall offer advice and guidance to the President/CEO, and shall annually review the performance of the President/CEO on or about the anniversary hiring date of such President/CEO and recommend changes, if any, in the compensation and/or working conditions of the President/CEO to the Board of Directors, and shall act with authority of the Board of Directors on those matters as authorized and subject to ratification by the Board of Directors from time to time.

Section 2. Powers and Duties of the Chairman. The Chairman shall preside at all meetings of the Board of Directors and Executive Committee and will directly supervise the President/CEO. In addition to the powers and duties elsewhere provided for the Chairman in these By-Laws, they shall sign, when duly authorized thereto, all contracts, orders, deeds, liens, guarantees, licenses and other instruments of a special nature. The Chairman of the Board shall appoint such committees and take other such action as necessary to accomplish organizational objectives.

Section 3. Powers and Duties of the Chairman-Elect. The Chairman-Elect shall be familiar with the affairs of the Corporation and, in the event of the disability of the Chairman or the Chairman's absence from any place in which the business in hand is to be done, the Chairman-Elect shall have all the powers and perform all the duties of the Chairman. The Chairman-Elect shall have such other powers and duties as may at any time be assigned by the Board of Directors, and shall be the chairperson for the Program Committee, responsible for the themes and content of the regular membership meetings and the Annual Meeting.

Section 4. Powers and Duties of the Secretary-Treasurer. The Secretary-Treasurer shall cause to be entered in the minute books the minutes of all meetings of all committees, and of the Board of Directors; shall have charge of the seal of the Corporation and all other books and papers pertaining to this office, and shall be responsible for the giving of all notices, and for the makings of all statements and reports required of the Corporation or of the Secretary by law. The Secretary-Treasurer shall affix the corporate seal, attested by the Secretary-Treasurer's signature, to all instruments duly authorized and requiring the same: Perform such other duties as are incident to the office, and shall have such other powers and duties, in addition to those elsewhere provided in these By-Laws, as may at any time be assigned by the Board of Directors. Subject to the approval of the Board of Directors and together with the President, shall have the general supervision of the finances of the Corporation. The Secretary-Treasurer shall have the care of, and be responsible for, budget preparation, all moneys, securities, evidences of value and corporate instruments of the Corporation, and shall supervise the officers and other persons authorized to bank, handle and disburse its funds, in forming them as to whether all deposits are or have been duly made and all expenditures duly authorized and evidenced by proper receipts and vouchers. The Secretary-Treasurer shall cause full and accurate books to be kept, showing the transactions of the Corporation, its accounts, assets, liabilities and financial condition, which shall at all times be open to the inspection of any director. The Secretary-Treasurer shall make due reports to the Board of Directors and the members, and such statements and reports as are required of the Secretary-Treasurer. Subject to the Board of Directors the Secretary-Treasurer shall have such other powers and duties as are incident to the office and not inconsistent with these By-Laws, or as may at any time be assigned by the Board. The Board of Directors may require the Secretary-Treasurer to give a bond in such amount and with such sureties as they shall determine.

Section 5. Powers and Duties of Immediate Past Chairman. The Immediate Past Chairman shall serve as a voting member of the Board of Directors and the chairperson of the nominating committee for a period of one year after the successful completion of his/her term of office.

Section 6. Employees. The Board of Directors may employ and prescribe the powers and duties of an President/CEO who shall manage the daily business of the Corporation on such terms and conditions established by the Board of Directors, and who shall serve as a non-voting ex-officio member of the Board of Directors and a voting member of the Corporation. The Board of Directors shall approve the powers and duties as recommended by the President/CEO of any other employees of the Corporation.

Section 7. Powers and Duties of the President/CEO. The President/CEO shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall have general charge of its business and supervision of its affairs. The President/CEO shall keep the other members of the

Board of Directors fully informed and freely consult with them in regard to the business of the Corporation, and make due reports to them. Subject to the Board of Directors, the President/CEO shall have such other powers and duties as are incident to the office and not inconsistent with these By-Laws, or as may at any time be assigned by the Board.

Section 8. Salaries. The salary and benefits of the employees shall be fixed by the Board of Directors, based upon recommendations provided by the Executive Committee.

ARTICLE VI Finance

Section 1. Banking. All funds and money of the Corporation shall be banked, handled and disbursed, and all bills, notes, checks and like obligations, and endorsements, for deposit or collection, shall be signed by such officers and other persons as the Board of Directors shall from time to time designate, who shall account therefore to the Secretary-Treasurer as and when they may require. All money, funds, bills, notes, checks and other negotiable instruments coming to the Corporation shall be collected and promptly deposited in the name of the Corporation in such depositories as the Board shall select. The President/CEO shall have the authority to execute checks or other instruments for properly budgeted items in an amount not to exceed one-thousand (\$1,000) dollars. Amounts over one-thousand dollars shall require the signature of an Officer duly authorized by the Board of Directors.

Section 2. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December of each year.

ARTICLE VII Sundry Provisions

Section 1. The Board of Directors may adopt and amend By-Laws for the Corporation by a majority vote of the Board of Directors and ratified in one of the following three manners:

- (1) by a majority of the membership present at a regular scheduled annual membership meeting;
- (2) by majority of ballots cast by mail; or
- (3) by majority vote through other electronic means. The membership shall have ten (10) days written notice of any change requested in the By-Laws.

Adopted: March 31, 1989

Revised: May 14, 1993

Revised: January 13, 1995

Revised: August 20, 1998

Revised: November 5, 1998

Revised: May 17, 2000

Revised: November 16, 2000

Revised: August 15, 2002

Revised: November 3, 2005

Policy Regarding Past Due Accounts
Standard Operating Procedures IV-item12

KAED Proposed By-Law Changes

November 3, 2005

- 1. Article IV, Section 9, "Regular Membership Meetings", change from three regular membership meetings to two regular membership meetings.**
- 2. Article IV, Section 9, "Committees", add Sponsorship/Partnership Committee as a standing committee of the organization.**
- 3. Article, V, Section 1, "Officers & Employees", Change the title of the KAED Officers to the following:
President to Chairman
President-Elect to Chairman-Elect
Immediate Past President to Immediate Past Chairman
Change the title of Executive Director to President/CEO**
- 4. Article V, Section 2, "Powers and Duties of the Chairman", change to the listed duties.**
- 5. Add Article V, Section 7, "Powers & Duties of the President/CEO".**