

COMMENTS ON DRAFT BYLAWS IN BOLD

(These comments were prepared without the benefit of being able to review the Articles of Incorporation and Standing Rules)

DRAFT BYLAWS OF THE INTERNATIONAL ASSOCIATION OF WORKFORCE PROFESSIONALS, INCi

ARTICLE II MEMBERS

Section 3. Termination of Membership

The Board of Directors may terminate a member for not paying dues, for violating these bylaws, or for not behaving in the best interests of the IAWP, by affirmative vote of two-thirds (2/3) of the board of directors. The member shall be afforded notice of the charges and given an opportunity to provide written comments to the Board in response to the allegations.

Why would you need to terminate a member who does not pay dues?

Good question! We updated this section to now read:

A member of any class and/or subcategory may be terminated, or other disciplinary action taken for cause, upon the by affirmative vote of two-thirds (2/3) of the Board of Directors. The member shall be afforded notice of the charges and given an opportunity to provide written comments to the Board in response to the allegations in accordance with the procedures established and published in the Standing Rules.

Section 7. Quorum and Voting

The Board of Directors will set quorum for member meetings at the first meeting of the administrative year. The Board shall not set the quorum at less than one percent (1%) of members in good standing and entitled to cast votes. A majority vote of the members voting is the act of the members, unless these Bylaws or the law provide differently.

What was it before? How different is this change and why?

This is actually very similar language to the current bylaws (below), just makes it clearer and less wordy and moves notification to the standing rules.

CURRENT: The Board of Directors shall announce at its first meeting after the Annual Meeting of the members the number of members in good standing necessary and entitled to cast votes that shall constitute a quorum at any meeting of the members. Such determination of quorum shall be based on the current membership roster as maintained by the IAWP Administrative Office and certified by the IAWP Secretary-Treasurer. The quorum shall not be less than one percent (1%) of the members in good standing and entitled to cast votes. Notice of the quorum determination shall be published in the first official IAWP publication after the Annual Meeting of the Board of Directors at which such quorum is announced.

Section 9. Voting by Ballot

The manner and method by which members shall cast votes regarding matters on which they are entitled to vote shall be as determined by the Board of Directors and published in the Standing Rules

What was it before? What will it be and why?

The current language is below. Whenever possible we have moved notification to the Standing Rules. That is the only significant change to this section.

Current language: The manner and method by which members shall cast votes regarding matters on which they are entitled to vote shall be as determined by the Board of Directors and published in the Manual. Notice of any change in the manner and method by which members shall cast votes must be given to all members entitled to vote at least thirty (30) days before the effective date of the change.

ARTICLE IV BOARD OF DIRECTORS

Section 2. Qualification and Number

Directors must be members in good standing and meet the qualifications approved by the Board and published in the Standing Rules. The number of Directors may vary between a minimum of three and a maximum of twenty.

Please clarify as Article V Section 1 says minimum of 4 whereas this says 3.

This section is in regards to total number of members on the board of directors. The current bylaws specify a maximum of 30 but no minimum. Based on your feedback we have updated the proposed bylaws to be a minimum of 9 and maximum of 20.

Section 4. Removal

All Directors must read and sign the “Board Member Code of Conduct.” Any violation of the terms of this statement may be sufficient cause for discipline or removal of a director. When disciplinary action or removal from office is being considered, charges must be presented to the director at least 14 days in advance and the director must be allowed a sufficient opportunity to address and defend charges to the entire board prior to any action being taken. Disciplinary action or removal from office must be approved by two thirds of the directors in office.

What are examples of disciplinary action.

This is fairly standard language in association bylaws. It leaves disciplinary action vague to allow a board to decide what they consider appropriate action based on the misconduct. The IAWP board could choose to put some examples and/or guidelines in the standing rules. Some examples though could be censure, asked to make an apology, loss of voting rights for a period of time, removal from the board...

Section 6. Quorum and Action

A quorum at a Board meeting shall be a majority of the number of Directors set by the Board and filled. If a quorum is present, action is taken by a majority vote of Directors present. Where the law requires a majority vote of Directors in office to establish committees that exercise Board functions, to amend the Articles of Incorporation, to sell assets not in the regular course of business, to merge, to dissolve, or for other matters, such action is taken by that majority as required by law.

What law is this section referring to and how does it apply to IAWP?

Thanks for the feedback. We simplified this section to read: A quorum at a board meeting shall be a majority of the number of Directors set by the Board and filled. If a quorum is present, action may be taken by the Directors present.

Section 8. Regular Meetings

The Board shall meet at least once per quarter. Regular meetings of the Board of Directors shall be held at the time and place to be determined by the Board of Directors. No other notice of the date, time, place, or purpose of these meetings is required, except as otherwise provided in these Bylaws.

What section of bylaws is the notification and does it include notifying Chapter Presidents so they can provide the Board their comments and concerns?

The current bylaws do not require any notification beyond the directors of the board. Notification to board members AND the membership is included in the new current standing rules for regular meetings (text below, full standing rule available on the website). Note – the proposed language for the standing rules should the bylaws pass also adds notification to each member for special meetings of the board.

9.6.1 Notice

An annual and in-person meeting of the Board of Directors shall be held without notice other than by these Bylaws immediately after the annual meeting of the membership to address any business as may properly come before the Board of Directors.

For all other regular Board of Director meetings, a minimum 30 day notice must be provided to the Board members and to the membership. Posting on the IAWP website and in official IAWP publications will serve as notice.

Notice of any special meeting shall be e-mailed to each member of the Board of Directors at least five (5) days before the date of the meeting. The e-mail will be sent to the last e-mail address on file with the Administrative Office and shall state the time and place of the meeting. The date the e-mail is sent shall be deemed the date of notice.

Section 12. Contents of Notice; Waiver of Notice

The business to be transacted and the purpose of any regular or special meeting of the Board of Directors shall be specified in the notice of such meeting. A director may waive notice of any meeting. The attendance of a director at any 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.

Can you please clarify the intent of the following “Director attends a meeting for the express purpose of objecting to the transaction of any business”?

This is current language (and fairly standard in bylaws). Normally, if you show up for a meeting, you waive any requirement for notice of that meeting (i.e. There is a special board meeting called, I don't get the required email notification, but I hear about it from Cheryl so I jump on the call. Because I am in attendance, I waive the need for the email notification at least five days before the meeting. The exception to this is if I show up at a meeting for the expressed purpose of stating that I feel the meeting is being held illegally. In that case, my presence does not waive my right to notification.

ARTICLE V OFFICERS

Section 5. Duties

Section 5.5. Secretary/Treasurer The Secretary/Treasurer has overall responsibility for all **corporate** funds, including signing checks and providing reports on IAWP's financial condition at Board meetings and at the President's request; for all recordkeeping, including recording board and membership minutes, provision of notice of board and membership meetings, authentication of records, maintenance of current and accurate membership lists; and other duties according to the Articles of Incorporation, these bylaws, the Standing Rules, and all other laws and Board approved documents.

Please clarify if this means nonprofit corporation? How did this read in the past?

This is not in the current bylaws. Corporate funds in terminology used to distinguish from personal funds. It is not related to filing or tax status.

ARTICLE VI DIRECTORS AT LARGE

Section 1. Directors at Large

Directors at Large serve on the Board Directors to represent the views of the entire membership and make decisions that are in the best interest of the association. For the purpose of representation on the Board of Directors and casting of certain designated votes, one Director at Large shall be elected per 1,000 members, with a minimum of

four Directors at Large and a maximum of ten Directors at Large (based on total full and retiree memberships), as of December 31 of the preceding year.

What is the plan to provide a regional representation?

There is not a plan for regional representation. Overall, it is a model that is not currently working, nor has worked in many years. With technology it is much more effective if the administrative office can communicate directly with and gather information from members then going through a regional representative. The duties do state the directors will interface with members AND the proposed language duties in the standing rules state directors at large will serve as a liaison to segment of the population of the membership as assigned by the President.

Section 5. Duties

The duties of the Directors at Large shall be as set forth in the Standing Rules.

Why are the duties of the Directors at Large not listed here as all the other members of the board are listed in Article V?

Good catch! We have added in a broad list of duties.

Section 5. Duties

Directors at Large will interface with members, work on strategic projects, and perform other duties according to the Articles of Incorporation, these bylaws, the Standing Rules, and all other laws and Board approved documents.

Here are the duties in the proposed language for the handbook should the bylaws pass:

XX.2 Duties

Each Director at Large shall

- *Represent the views of the membership and act in the best interest in the association in board discussions and decisions.*
- *Serve as a liaison to a segment of the membership as assigned by the President;*
- *Lead a strategic initiative as assigned by the President (see section 12);*
- *Serve on committees as assigned;*
- *Assist the President in fulfilling the responsibility to enforce the Bylaws and other manuals and handbooks;*
- *Serve on committees as assigned by President; and*
- *Perform such other duties as may be assigned by the President or by the Board of Directors as well as assigned by this and other IAWP manuals and handbooks.*

ARTICLE VII COMMITTEES

Section 5. Composition of Committees Exercising Board Functions

Any committee that exercises any authority of the Board of Directors shall be chaired by a committee chair appointed by the President and approved by the Board of Directors by a majority vote.

Why require President to have approval of board instead of selecting chairs while they are President elect to allow for planning for year ahead?

The board already made this change for the next year through the new current standing rules. Since the committee is doing work on behalf of the board, the board should have a voice in who chairs the committees. This does not prevent the President-Elect from selecting who they would like to chair the committees, it just means that they are not official until the board approves. Now that we have an executive director, the roles of the committees has changed. They are doing less of the day to day work of the past and more strategic thinking and providing assistance to the executive director... hence there is much less planning that needs to be done year to year.

ARTICLE IX CORPORATE INDEMNIFICATION

Section 1. Indemnification This corporation will indemnify to the fullest extent not prohibited by law any person who is made, or threatened to be made, a party to an action, suit, or other proceeding, by reason of the fact that the person is or was a Director, officer, employee, volunteer, or agent of the corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 (or its corresponding future provisions) with respect to any employee benefit plan of the corporation. No amendment to this Article that limits the corporation's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the date notice of the amendment is given to the person. The corporation shall interpret this indemnification provision to extend to all persons covered by its provisions to the most liberal possible.

What is cost of insurance for this article? Is it more than in the past? If yes, what additional protection will we have?

This article does not require us to purchase any additional insurance beyond our Directors and Officers (D&O) Liability insurance that we have had for many, many years. Just having the policy is not enough; it also needs to be in writing, in the bylaws. It is standard language and something we should have had for many years to protect the association and officers.

Article VIII FINANCIAL AFFAIRS

Section 3. Budget and Expenditure Cap

The Board of Directors shall approve a budget by the beginning of each fiscal year. Should a budget not be approved, the Board of Directors may approve a resolution to continue operations at the current year's level until a budget is approved.

Big change from current bylaws which capped budget at 100% unless there was an emergency. Is this good policy to not have a limit. What is the intent of this change?

Best practice is to keep bylaws broad; limits and caps are best placed in standing rules. In the new current standing rules you will find the requirement for the balanced budget, the expenditure cap, and the process for emergency expenditures almost verbatim from the previous documents.

14.2 Balanced Budget

The Board of Directors must adopt a balanced budget for each fiscal year. If a budget is not adopted before the fiscal year begins, the Board of Directors shall have the authority to adopt a continuing resolution to address only those

expenditures required for the period during which a balanced budget has not been adopted.

14.3 Expenditure Cap

The Board of Directors shall have the authority to budget and expend, each year, up to one hundred percent (100%) of the income during the most previously completed administrative year as certified by the Secretary/Treasurer.

14.4 Emergency Expenditures

Should an emergency arise that requires an expenditure outside the cap, the Board of Directors may approve the expenditure by a 2/3 vote.

The necessity of this action must be fully documented and reported to the membership in the first official publication distributed to all members after the action has been taken.

ARTICLE XII RULES AND POLICIES

Section 2. Standing Rules

The Standing Rules shall be the official organizational rules, policies and operating procedures to implement these Bylaws. The Standing Rules may be amended by a two-thirds (2/3) vote of the Board of Directors or two-thirds (2/3) vote of the members entitled to cast a vote and casting a vote. No provision of the Standing Rules however may supersede or conflict with these Bylaws or the Articles of Incorporation in effect.

What are the Articles of Incorporation and where do we review them to put all of this in context?

Articles of incorporation are sometimes referred to as the “corporate charter” and filed with the Secretary of State in which you wish to be incorporated, which is Kentucky for IAWP. This is the legal document that allows us to exist and operate. Nothing we do in terms of bylaws, standing rules, policies, or procedures can supersede the articles of incorporation. You will now find the IAWP Articles of Incorporation on the IAWP website under Administration.

ARTICLE XIV AMENDMENT AND REPEAL

Section 1. Non Substantive Changes In the event there are non-substantive changes including but not limited to grammar, spelling, headers, footers, the Board of Directors may make the changes with a majority vote of the board

What are examples other than what is listed here? What assurance does this provide that it would not be more broadly interpreted?

There is no way to create a complete list of what this might mean. That said, we hear you concern and have updated the language (below) to hopefully make the intention more clear AND require a unanimous vote of the board in order to make a change AND notification to the membership.

In the event there are non-substantive editorial changes, including but not limited to grammar, spelling, headers, footers, the Board may make the changes with a unanimous vote of the Board and notification to the membership.

Section 4. Voting

A vote on a repeal or amendment to these by laws will take place in the method outlined in the Standing Rules

What does Standing Rules say? Summary of bylaws states: "removing requirement they must be voted on at annual meeting". Do not see this provision here. Is that what Standing rule says? If not, at annual meeting than where?

Below you will find the text of Section 8, Elections of the new current standing rules.

Voting on amending or repealing the bylaws may take place as part of election of officers each spring or through a special election which is to be open for at least 60 days.

8.1 Election of Officers

There shall be an election of officers for the IAWP Board of Directors each spring. The election shall commence 60 days prior to the date of the annual meeting of the members and will end 24 hours prior to the start of the meeting. The dates of the election and sample ballot shall be published in an official IAWP publication distributed to members and be posted on the IAWP website.

All names forwarded by the nominations committees shall appear on the ballot. The ballot may also include items forwarded by the Board of Directors or the membership as prescribed in this manual.

8.2 Special Elections

From time to time the Board of Directors may choose to refer an issue to the membership for a vote. The election shall be open for a minimum of 60 days. The dates of the election and a sample ballot shall be published in an official IAWP publication distributed to members and be posted on the IAWP website.

8.3 Voter Guide

The Administrative Office shall prepare a voter's guide that will include for Officer Elections, each candidate's biography, candidate, and photo as well as information on any issue forwarded to the members by the Board of Directors.

For special elections the voter guide will include a description and explanation of the issue forwarded by the Board of Directors.

The voter guide may be published as part of an IAWP official publication that is distributed to members.

8.4 Eligibility to Vote

All members entitled at the start of the election to cast such vote shall be afforded an opportunity to cast a ballot.

8.5 Method of Voting

Voting shall take place through a portal on the IAWP website.

Members that do not have access to the internet may request a paper ballot be sent to them by the Administrative Office. All paper ballots must be received in the IAWP Administrative Office at least 10 days prior to the close of the election.

The Board of Directors may choose to allow paper ballots at the Annual Workforce Development Conference up to the voting deadline.

8.6 Certification of Vote

The IAWP Administrative Office and IAWP Secretary/Treasurer shall certify the vote and results of the election.

8.7 Results

The results of the voting shall be published in an official IAWP publication distributed to members and be posted on the IAWP website after the voting period has closed and the vote and results certified.

8.8 Binding Results

The voting results shall be binding on the membership and the Board of Directors.

Article XIV Amendment and Repeal

Section 1. Non Substantive Changes

In the event there are non-substantive changes including but not limited to grammar, spelling, headers, footers, the Board of Directors may make the changes with the majority vote of the board.

What are examples of these changes that could be made? Who defines non-substantive and how quickly will members be advised of these changes? If members do not agree they are non-substantive, what is their method of recourse.

I think most of the answer to this question is addressed in an answer above. In terms of recourse, the proposed bylaws provide a way for members to petition a repeal or amendment (below). Please note that the current bylaws does not have this provision.

Section 3. Repeal or Amend by Petition of Members

Action to repeal or amend these bylaws may be initiated by a petition submitted to the Board signed by 10% of members in good standing and entitled to vote on such matter. The Board shall verify the authenticity of the petition and signatures prior as well as ensure the proposed action is not in violation of the Articles of Incorporation prior to the presentation of the proposal to the membership for vote. At least two-thirds (2/3) of the total number of members voting must vote in favor for the changes to be approved.

ARTICLE XV MISCELLANEOUS

Section 2. Construction

If there is any conflict between the provisions of these **Bylaws and the Articles of Incorporation** of this Corporation, the provisions of the Articles of Incorporation shall govern. Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.

What are Articles of Incorporation? What is role of Standing Rules in this Article? Please clarify.

As I mentioned in an answer above, nothing can supersede the articles of incorporation. So, if there is a conflict between something in the bylaws and something in the articles of incorporation, we are bound to follow the article of incorporation. The standing rules are not applicable to this section. You will find the reference to the standing rules in the proposed bylaws in article XIII. You will note the last sentence of section 2 (below) does state the standing rules may not supersede the bylaws or articles.

Section 2. Standing Rules

The Standing Rules shall be the official organizational rules, policies and operating procedures to implement these bylaws. The Standing Rules may be amended by a two-thirds (2/3) vote of the Board or two-thirds (2/3) vote of the members entitled to cast a vote and casting a vote. No provision of the Standing Rules however may supersede or conflict with these Articles of Incorporation or these bylaws.