

Audubon Area Community Services, Inc.

BY-LAWS

Last Revised and Approved by the Board of Directors October 21, 2008

Article I. NAME AND DESCRIPTION

The name of this agency shall be the Audubon Area Community Services, Inc., a non-profit corporation under the laws of the State of Kentucky and recognized by the Kentucky Revised Statutes (Chapter 273.410 et sequens, entitled "Community Action Agencies"), as revised under amendments by the 1982 General Assembly, as the proper body to carry out the purposes and functions set out in these By-Laws. *(Revised October 18, 1994, Owensboro)*

The central office of the Audubon Area Community Services, Inc., shall be at Owensboro, Kentucky. *(Revised October 18, 1994, Owensboro)*

Article II. PURPOSE

The purpose and function of Audubon Area Community Services, Inc., shall be the following:

A. Administration - To administer the programs of the federal government, Commonwealth of Kentucky, private foundations and other appropriate agencies in the Green River and Pennyriple Area Development Districts and wherever else throughout the Commonwealth of Kentucky that service opportunities and agency interests may exist. *(Revised October, 17, 1989, Owensboro, Kentucky.)*

The functions of the Corporation shall specifically include initiatives and services to expand the supply of decent, safe, sanitary and affordable housing. A variety of approaches-including new construction, rehabilitation, substantial rehabilitation, and acquisition of assisted and non-assisted housing — and such programs and models as may be available may be employed to expand, enhance, and preserve the stock of safe, decent and affordable rental and homeowner housing for the low- and very low-income. *(Added June 20, 1995, Owensboro)*

B. Analysis - To work with the three significant groups in the community — the poor sector, the public sector, and the private sector — and to seek out, identify, and work toward eliminating the causes of poverty within this community. *(Revised October 18, 1984, Owensboro)*

C. Mobilization - To make the entire community more responsive to the needs and interests of the poor by mobilizing available resources and bringing about a greater institutional sensitivity.

D. Planning - To plan and develop a system of priorities among projects, activities and areas as needed for the most effective and efficient use of resources for services for the poor and the aged.

Article III. BOARD OF DIRECTORS

A. Governing Body - The principal representative body of this corporation shall be its Board of Directors, which shall be comprised in accordance with the terms of this article.

B. Membership - The official legally required and voting membership of the Board of Directors of the Audubon Area Community Services, Inc., shall number twenty-seven (27) representatives. This "official"/voting membership

of the Board of Directors shall never exceed fifty-one (51) members and the total official voting membership of this board shall always be divisible by three (3). (Refer to Article V., Subsections D and E.) (*Revised October 18, 1994, Owensboro*)

The corporation's Board shall also have a number of non-voting ex-officio representatives, including a representative of the Head Start Policy Council. That representative shall be the Head Start Policy Council chairperson unless he/she is unwilling to serve. Should the chairperson be unwilling or unable to serve on the agency board a designee may be appointed or elected by the policy council as its By-Laws may dictate. (*Added October 18, 1994, Owensboro. Amended April 15, 1997, Owensboro*)

Other policy-making and policy advisory councils' representatives may be added to the Board in an ex-officio capacity as meets the pleasure of the Board. These may include representatives from subsidiary corporations such as the Lincolnshire Board(s) and housing, senior services, and child care policy and advisory entities. (*Added April 15, 1997, Owensboro*)

The Immediate Past Chairperson (who does not retain his/her voting seat) of the AACS Board of Directors shall remain on the Board as an ex-officio member as long as they remain in that position. (*Amended April 15, 1997, Owensboro, Kentucky*)

Additional non-voting ex-officio members of the Board of Directors may be appointed as the board deems appropriate to further the interests of the corporation. They shall typically represent the public (federal and/or state representatives or their designated staff), private and professional community and provide added stature, corporate/foundation access and involvement, professional counsel and support, and other expertness to the corporation and the deliberations and affairs of the Board of Directors. These ex-officio positions shall be designated by the Board of Directors as Vice Chairperson for their specified interest or special area of influence, such as Vice Chairperson for Community Participation (or corporate/citizen support, involvement, etc.), Vice Chairperson for Community Reinvestment, Vice Chairperson for Governmental Affairs, Vice Chairperson for Legal Affairs, Vice Chairperson for Public Affairs, Vice Chairperson for Strategic Thinking, or any number of other areas of special concern for which the Board of Directors may deem it advisable to add judiciously selected high-level persons of expertness and particular influence to the agency board in an ex-officio capacity. (*Added October 18, 1994, Owensboro. Amended December 15, 2005, Owensboro.*)

C. Board Composition by Sectors. (*Section heading revised October 18, 1994, Owensboro.*)

1. Representatives of the Poor Sector shall be elected to membership on the Board in the manner prescribed in this Article and shall serve for a period of two (2) years, subject to the limitations in federal/state laws, regulations, and these By-Laws. (*Revised December 15, 2005, Owensboro.*)

2. Representatives of Private Community Groups shall be selected to membership on the Board in the manner prescribed in this Article and shall serve for a term(s) of two (2) years, subject to the limitations in federal/state laws, regulations, and these By-Laws. (*Revised October 18, 1994, Owensboro. Newly revised December 15, 2005.*)

3. Representatives of the Public Sector shall be selected to membership on the Board in the manner prescribed in Article IV. All public officials serve at the pleasure of their constituency and shall serve on the Board for as long as they shall maintain their status of public official as defined by federal/state laws and regulations. (*Revised October 18, 1994, Owensboro. Previously revised February 19, 1980, Henderson, Kentucky*)

D. Tenure Restrictions - No representative of the poor or private sectors shall serve on the Board for more than four (4) consecutive two-year terms, or eight (8) consecutive years. (*Revised April 30, 1993, Owensboro, Kentucky. Amended April 15, 1997, Owensboro. Newly revised December 15, 2005, Owensboro.*)

E. Terms of the Board and Board Members - The official term of the Board shall be for two years consecutive and for Board members, excepting the Public Sector representatives, for any two consecutive years from an Annual meeting to Annual meeting. The Board shall employ such means as may be permanently and perpetually applied to stagger the terms of the Poor Sector and Private Sector representatives to ensure a continuity of the Board and to expedite the selection processes. (*Revised February 19, 1980, Henderson, Kentucky.*)

F. Compensation - The Directors of the Corporation shall serve as such without compensation, except that the Board may authorize reimbursement of reasonable expenses incurred by the Directors in performance of their duties. Reimbursements for travel and per diem expenses and other reimbursements as may be permitted under applicable federal/state laws, program regulations, and grantor cost principles may be allowed. Other forms of grantor-permissible allowances shall not be allowed unless these By-Laws shall be amended to permit. *(Revised October 18, 1994, Owensboro. Previously revised February 19, 1980, Henderson)*

G. Corporate Fiscal Year -The fiscal year for the corporation shall be from July 1 to June 30 the succeeding year, and the annual organization-wide audit shall be performed on this basis. *(Revised October 18, 1994, Owensboro. Newly amended December 15, 2005, Owensboro.)*

H. Board Organizational Year - The Board of Directors members' terms and the placement of the annual meeting shall be organized around a January 1 to December 31 administrative year. As provided in Article VI, Section A, the annual meeting is conducted the month of December each year. The annual meeting shall serve as the occasion for the ceremony of passing from one administrative year to another, but the terms and authority of the current governing board and its officers shall continue through twelve o'clock midnight on December 31 of each year and the new board and officers' term shall take effect as of 12:01 a.m., January 1 of each year. *(Added October 18, 1994, Owensboro. Newly amended December 15, 2005, Owensboro.)*

Article IV. MEMBERSHIP OF THE BOARD

A. Representation of the Public Sector

1. Public Sector Allocation - One-third of the total seats (nine of the total of twenty-seven seats) of the governing board is allocated to the public officials. The chief elected officials of each political subdivision, who designated the CAA, must be allocated at least one seat for each such political subdivision. These political subdivisions shall be the counties of Daviess, Hancock, Henderson, McLean, Ohio, Union, and Webster. Political subdivisions that are located within the geographical boundaries of the political subdivision which designated the CAA, may also be allocated seats. The remaining two (2) public sector seats may be allocated to State or Federal Senator(s) and/or State or Federal Representative(s) or to the City of Owensboro, County of Daviess, and/or the City of Henderson, County of Henderson; each Board-selected official or entity may be allocated one (1) seat each on the Board of Directors on a permanent basis. *(Revised February 19, 1980, Henderson, Kentucky. Newly amended December 15, 2005, Owensboro.)*

2. Public Agencies - Public agencies may also be allocated seats. These shall be explicitly identified and it shall be clear whether such seats will be allocated on a permanent or rotating basis. Such organizations as may be selected pursuant to this provision and an expansion of the membership of the Board shall have responsibilities that require them to deal with poverty related issues. *(Revised February 19, 1980, Henderson, Kentucky.)*

3. Conditions - Each political subdivision or public agency allocated a seat shall select its own representative. *(Revised December 15, 1981, Owensboro, Kentucky.)* The AACS Board, its respective members in each jurisdiction, and the agency CEO may consult as needed with the respective appointing officials to assist in the selection and appointment process. *(Added April 15, 1997, Owensboro)*

Chief Elected Public Officials may sit on the Board of Directors or they may designate elected public officials to serve on the Board. If none are available and willing to serve, then an appointed public official may be selected. Both the elected and the appointed public officials selected to serve on the Board shall have general responsibilities that require them to deal with poverty-related issues. Each public official selected to serve on the Board may choose a permanent representative to serve either full-time in his/her place, or whenever he/she is unable to attend a meeting. If public officials who are willing to serve do not comprise one-third of the Board, the remainder of the public seats shall remain vacant. However, designation officials may fill these seats at any time, as soon as an official is willing to sit on the Board.

4. Notification Provisions - The chief elected official of the political subdivisions designated for seating on the Board shall, prior to the annual meeting if possible, notify the Chairperson of the Board in writing of his intent to occupy his seat. He shall also be requested to designate a representative to substitute for him in his required absence

or to otherwise serve at his pleasure. Newly elected public officials shall be requested to submit their notification pursuant to these provisions as soon as possible after taking their office. (See also Article IV, Section F, Sub-section 1) (*Revised February 19, 1980, Henderson, Kentucky.*)

B. Representation of the Poor / Consumer Representatives

1. Poor Sector Representation Allocation - At least one-third of the total membership (nine of the total of twenty-seven seats) of the Board shall be comprised of democratically-elected “representatives of the poor,” which may also be referred to as “consumer representatives.” (*Amended April 15, 1997, Owensboro, Kentucky*)

2. Selection Procedures - Such representatives need not be poor themselves, but will be chosen in a manner to insure that they truly represent the poor. (*Revised February 19, 1980, Henderson, Kentucky and August 19, 1980, Henderson, Kentucky.*) The AACS Board, its respective members in each jurisdiction, and the agency CEO may assist the selection and appointment process. (*Added April 15, 1997, Owensboro*)

All residents of any given target area and/or AACS Board election district may participate in the selection process, but special emphasis shall be given to insuring that those residents who are poor participate fully in the selection process.

The election of representatives shall be in accordance with applicable federal/state laws and regulations. Only those persons who certify themselves below poverty guidelines may cast one ballot each for the respective representative and alternative representative of the poor. (*Revised October 18, 1994, Owensboro; previous Sabbath Day prohibition deleted October 21, 2008, Owensboro*)

The specific procedure for election consumer representatives/representatives of the poor and their alternates shall be as follows:

Nominating Procedure. The AACS Board reserves the right to place nominations on the ballot(s) for the respective consumer sector elections. Nominations may also be solicited from the organized low-income groups and organizations located within low-income “target area” communities and in each respective county. Nominations may be received from diverse low-income community groups. All such community-based organizations’ nominations shall originate from duly publicized and conducted public meetings open to low-income citizens within each designated geographic area. The low-income population should be encouraged to participate widely in this democratic process. More than a single session or group nominating meeting may be held in a given AACS election district due to dual service centers, the districts which overlap county/council boundaries, or similar considerations. All nominees from a given geographic district, regardless of nomination council or group, will be placed on a single election ballot for that district. (*Amended April 15, 1997, Owensboro, Kentucky*)

The eligible poor may nominate anyone within their district to serve as their representative. Low-income adult and district resident restrictions on those eligible to nominate and vote shall insure that those elected are the selection of the poor they shall represent. The Board and nominating low-income community groups shall ensure open participation such that eligible poor persons have the opportunity to nominate a representative, if they so desire. Nominations from low-income community groups shall be forwarded to the AACS along with the meeting minutes and attendance sheet. (*Amended April 15, 1997, Owensboro, Kentucky*)

Election Procedure. Ballots prepared by district and listing each nominee will be prepared for each eligible voter’s use on the officially designated day. Each eligible voter will then indicate his selection on this secret ballot, then fold and place his or her ballot in secured ballot boxes which will be returned to the AACS central office immediately following the closing of the polls for tabulation. District voting will be tabulated on a district total basis by adding returns from the total number of election center sites. For example, an area with two or more polling centers will elect its representative on the basis of the plurality of the total valid votes within that district. No individual may vote more than once. The candidate within each designated district with the plurality of votes shall be deemed the duly elected representative of the respective district. In the event a runoff election is necessary, due to a tie, the election procedure will be repeated at the earliest possible date.

Write-in voting on Election Day will be permitted. A space for write-ins shall be provided on the ballots printed

with nominees' names that will be provided to eligible voters. Voting hours will be posted; however, if persons are still arriving to vote at the hour the polls are to close, eligible voters will not be turned away from the polls until they have had their opportunity to vote. The election(s) shall be widely publicized at least one week in advance of the event.

At the election, any challenged voters ballots will be placed in sealed envelopes and will be counted if the election results would be changed by including these votes. In the event, an investigation would be conducted immediately. The election(s) will be monitored by appointed agency officials, including an Election Review Board appointed by the Chairperson of the Board. Results of the election will be published in all local media. (Refer to Article VII, Section C.2. "Nominating Committee," Second paragraph, concerning the Election Review Board. *(Revised January 26, 1982.)*)

Voter Eligibility. Prior to receiving an official ballot in order to vote in the election for consumer representative/ representative of the poor, each person must certify himself/herself to be (1) a resident of the district where he/she shall cast a ballot, (2) be at least eighteen years of age, and (3) have a total annual family income which falls below the poverty-level income guidelines. If a voter's eligibility is challenged, he will be allowed to vote, his ballot will be accepted, but not placed in the ballot box. The matter of contested ballots will be resolved following the election if the number of such ballots could affect the outcome of the election. *(Amended April 15, 1997, Owensboro, Kentucky)*

Each voter's self-declaration of eligibility shall be attested by him/her on a certification form on which he/she shall provide his name (signature), address, and telephone number. The official polling site officer and observers shall ensure that no more than one ballot is received by any voter. The election tabulators and the Election Review Board appointed by the AACS Board Chairperson shall ensure that no duplicate or multiple voting has occurred before certifying the results of the election. The Election Review Board shall also resolve any contested ballots, if necessary. *(Amended April 15, 1997, Owensboro, Kentucky)*

Safeguards on the Integrity of the Election of the Consumer Representatives/Representatives of the Poor. When necessary, the Chairperson of the Board shall appoint an Election Review Board from the Board of Directors to plan, initiate, publicize, monitor, evaluate, and certify the nomination/election process for the consumer representatives/ representatives of the poor. The Election Review Board shall resolve all questions and certify the results in its official report to the Board of Directors upon the conclusion of the electing process. *(Amended April 15, 1997, Owensboro, Kentucky; revised October 21, 2008, Owensboro)*

The Election Review Board shall be assisted in the performance of its duties by the staff, official election observers at each polling site, and ballot tabulators. Each official Polling Site Observer shall submit to the Election Review Board a written report on his/her site's conduct of the election and any problems encountered. (Refer to Article VII, Section C.2. "Nominating Committee," Second paragraph, concerning the Election Review Board. *(Revised January 26, 1982.)*)

C. Representation of Private Groups and Interests

1. Private Sector Seats - Allocation and Appointments - The remainder of the Board (nine of a total of twenty-seven seats) shall be comprised of representatives from private community groups and organizations. The private sector of the Board shall not constitute more than one-third of its total membership. The selection of private sector groups and organizations shall be performed by the Board of Directors prior to the annual meeting after which new representatives of these organizations would take office. *(Revised February 19, 1980, Henderson, Kentucky. Amended April 15, 1997, Owensboro, Kentucky.)*

The AACS Board, its respective members in each jurisdiction, and the agency CEO may consult as needed with the Board-approved private sector organizations in each area to assist them in the selection and appointment process. *(Added April 15, 1997, Owensboro)*

2. Private Interests - Private community groups shall be defined as any organization concerned with business, industrial, labor, religious, private welfare, private education, civic, professional, or significant interests, minority groups, or other community interests. The groups and interests selected for membership on the board shall represent

a balance of those interests and geographical distribution of the organizations selected. *(Revised February 19, 1980, Henderson, Kentucky and August 19, 1980, Henderson, Kentucky.)*

These private sector groups need not be incorporated entities, but they shall be significant, representative, and organized interests with a mission and assemblage of stakeholders and/or community advocates whose association could strengthen the agency and its Board. *(Added April 15, 1997, Owensboro)*

3. Rotations of Interest - As many of the interests in sub-section 2 as possible shall be represented on the Board. If there are more private groups willing to serve than there are seats available, then a system of rotations shall be devised to permit each such group an opportunity to serve. The affected groups will be notified of such rotation at least thirty (30) days prior to each annual meeting.

The Board shall annually review the requests from private sector organizations for seats on the Board of Directors. The Board will determine whether organizations should be approved for seating on the Board on the basis of the respective organization's purpose, community service, membership, organizational philosophy and constituency, and its prior demonstrated or professed concern for the poor and poverty-related issues. Organizations currently accorded seats on the Board shall also be reconsidered based on their current desire to continue its representation on the Board, the past attendance and contribution of its representatives, its general support for the agency and the poor, and the factors above for which all private organization shall be considered.

The Board shall approve those organizations it deems appropriate for membership on the Board and shall designate the specific organization for seating on the Board for a given two-year term. Where there are two or more approved organizations available and interested in membership on the Board, the Board shall designate the rotating order of the organizations' seating and the specific calendar dates for the terms of each. The approved rotation system shall continue so long as the organizations remain interested in and approved for seating on the Board or such time as other approved organizations may be added to the rotation. Organizations newly approved may be given preference over those organizations previously seated for a term of service on the Board. *(Revised December 15, 1981, Owensboro, Kentucky.)*

4. Minority Representation - Significant minority group representation will be continually present on the Board, and such groups will not be rotated off the Board. Significant minority representation shall be construed to mean that at least one minority organization shall be selected to represent each of the Owensboro and Henderson areas of the Green River Area Development District.

5. Selection and Notification Provisions - The private community groups who will be entitled to representation on the Board shall be notified in writing of their provisional selection and invited to nominate a representative and an alternate to serve on the Board. The agency's Board of Directors will consider the qualifications and application of each private sector organization's nominee for Board representative and alternate and approve or disapprove the nominee(s). If approved, the individual representative and/or alternate representative shall be a member of the Board and his/her nominating organization so notified. *(Amended April 15, 1997, Owensboro, Kentucky)*

D. Residence of Representatives

Every member of the Board who is selected to represent a specific geographic area within the community must reside within the area which he represents. This requirement of residency shall apply to:

1. All representatives of the poor,
2. Those public officials (or their representatives) who represent a specific political subdivision, or district(s); and, *(Revised October 18, 1994, Owensboro)*
3. Representatives of private community groups that are organized on a geographic basis.

Geographical Representation - The drafting of area boundaries and the democratic selection of the representatives from those areas shall be done in such a manner to insure proportionate representation of private sector interests and the poor community as a whole. That is to say that each private sector representative shall represent approximately the same portion of the general population and each representative of the poor shall represent approximately the same number of low-income individuals. *(Previously Revised August 19, 1980, Henderson, Kentucky. Moved from Article IV, Section B, Subsection 3 and Revised April 15, 1997, Owensboro, Kentucky)*

Apportionment of Private and Consumer Sectors' Representation [This Section took effect with the Spring 1998 Board consumer sector elections and private sector selections/appointments] - The Board of Directors shall adopt a plan of geographic private sector appointment districts and consumer sector election districts. These districts shall be drawn on the basis of the population of the seven county Green River Area Development District — total population and poor population, respectively, for the private and consumer sectors — as equally divided as possible, using the most current official census data broken down by county census divisions. The districts shall be drawn to the extent possible on the basis of county census division lines, not withstanding the city and county boundaries. Districts may fall within a single county or may encompass one or more counties or parts thereof. Care shall be taken to configure the respective district boundaries so as to promote the representation of certain segments, e.g., minority communities and the poor population, through the arrangement of the districts. *(Previously Revised August 19, 1980, Henderson, Kentucky. Moved from Article IV, Section B, Subsection 3 and Revised April 15, 1997, Owensboro, Kentucky)*

E. Vacancies

Any vacancy which occurs on the Board for any reason shall be assumed by the alternate representative unless there is none, in which case the vacancy shall be filled in the same manner and by the same body which originally sent a representative to that seat. Such alternate or new representative will serve for the remainder of the un-expired term.

A vacancy shall occur when: (1) a Board member is notified of his/her removal by action of the Board for cause (see Article VI, Section L, Subsections 1 and 5), (2) A Board member notifies the Board of his/her voluntary resignations, (3) the designating officials remove a public official, or (4) a public official leaves office. *(Revised February 19, 1980, Henderson, Kentucky.)*

F. Alternates *(Added November 20, 1979, Owensboro, Kentucky)*

Alternate members shall be allowed to substitute for regular members, subject to the following provisions:

1. Public Officials

Each public official, elected or appointed, and reserved a seat to serve on the Board, may choose one permanent representative to serve on the Board either full-time in his/her place or whenever he/she is unable to attend a meeting. These representatives need not be public officials themselves, but they shall have full authority to act for the public officials whom they represent at meetings of the board. (See also Article IV, Section A, Subsection 4.)

As stated above, public officials on the board may select a representative to serve in his/her place or in his/her absence. These representatives, however, may not select alternates to substitute for them.

2. Representatives of the Poor

Alternates for representatives of the poor shall be selected in the same manner and at the same time as the representatives themselves. The voters who select the representative shall also select the alternate.

3. Private Sector Representatives

The private organization represented on the board shall select their own alternate, just as they select their own representative. As with the representative of the organization, the alternate shall be empowered to speak and act on behalf of the organization that he/she represents.

4. Limitations

Each board member may have only one alternate. Each alternate may substitute for only one board member. No alternate may serve as an officer of the Board. Alternates may **not** vote when their Representative is present and voting. *(Amended April 15, 1997, Owensboro, Kentucky)*

Article V. PRIVATE ORGANIZATION PETITIONING PROCEDURE

A. Eligible Groups - Any private community group or representative group of the poor or their shared interests which feels itself inadequately represented on the Board may petition for adequate representation. *(Amended April 15, 1997, Owensboro, Kentucky)*

B. Eligible Petitions - Any such petition must be signed by fifty members of the petitioning group or by 50 percent of the bona fide members of that group or organization.

C. Hearings - The organization or group presenting such a petition shall promptly be afforded an informal open hearing before the Board in order that they may have a full and fair opportunity to present their request.

D. Seating - When a petitioning group is granted a seat on the Board pursuant to such a hearing, that representative shall be seated at the next annual meeting and afforded all rights and privileges of membership on the board. *(Revised February 19, 1980, Henderson, Kentucky.)*

E. Board Realignment - The Board shall be readjusted and realigned in order to maintain the proper representation of public officials and the poor within the fifty-one member limitation. The Board realignment pursuant to this article shall be limited to no more than once between any two consecutive annual meetings. Such realignment subsequent to the granting of a seat to a petitioning group shall be effective at the next immediate annual meeting of the Board. *(Revised February 19, 1980, Henderson, Kentucky.)*

F. Notification - The Board shall notify authorities of action on petitioning groups' requests as required by federal/state laws and/or regulations, if any, as may be in effect at the time of such requests and action by the governing board. *(Revised October 18, 1994, Owensboro)*

Article VI. MEETINGS OF THE BOARD

A. Annual Meeting - The annual meeting of the Board of Directors shall be held during the month of December each year; the meeting shall be set at the discretion of the Board or Chairperson of the Board. *(Amended December 15, 2005, Owensboro.)*

B. Regular Meetings - All regular meetings of the full Board of Directors shall be held on the third Tuesday at least in the months of February, April, June, August, October, and December. The full Board meetings shall be held (unless preceded by committee meetings) at 6:00 p.m., with the possible exception of the December meeting which may, at the discretion of the Board, be held in conjunction with (before or after) an agency-wide "Christmas Gathering." *(Amended December 15, 2005, Owensboro.)*

The regular meetings of the Executive Committee of the Board of Directors should occur in February and August *if* the full Board does not meet, or between the six regular, bi-monthly, scheduled meetings of the Board of Directors and Executive Committee. If preceded by committee meetings beginning at the customary meeting hour of 6:00 p.m., the Executive Committee meeting following them shall begin within fifteen minutes after the last committee concluded its business, but in no event later than 7:30 p.m. *(Amended December 15, 2005, Owensboro.)*

Committee meetings should be held four times annually. The Board Chairperson and the Executive Director will coordinate member notification on the scheduling and timing of Board and committee meetings. Nothing in these By-Laws shall preclude the Board or its committees meeting more often than provided herein; these provisions are intended to ensure that the Board (which by law must meet once in each quarter of the year) and its committees do meet. (See Article VIII, Section C.) In addition, however, nothing in these By-Laws shall compel a committee to meet unless there is a legitimate need for the committee to do so. *(Entire section revised June 16, 1998, Owensboro. Previously revised April 15, 1997, Owensboro, and November 20, 1979, Owensboro. Newly revised December 15, 2005, Owensboro.)*

C. Special Call Meetings - Special meetings may be called by the Chairperson of the Board or upon the request of any ten members of the Board pursuant to the notice requirements of this article.

D. Notification Requirement – In accordance with current law, written notice stating the place, date, and time of each full board meeting shall be received by each Board member to such meetings. Such notice in the case of all special meetings shall include the purpose of that meeting. (*Revised February 19, 1980, Henderson, Kentucky. Newly revised December 15, 2005, Owensboro.*)

E. Location - All meetings of the Board of Directors shall be held in Henderson or Owensboro or counties served by the agency. (*Revised December 15, 2005, Owensboro.*)

F. Quorum – A quorum may be presumed to be present unless challenged by any member present at a regularly scheduled or called meeting of the Board or any committee.

1. **Quorum Requirement.** The presence of fifty percent of the qualified members representing the allocated voting seats of the Board of Directors of this corporation at any meeting thereof shall constitute a quorum of that body. No business may be conducted at any meeting unless a quorum is present.
2. **Telecommute/Online Attendance of Member(s) to Establish Quorum.** Should a quorum be challenged and found insufficient to qualify for the above fifty percent attendance requirement by voting seats, the Board or committee thereof may elect to establish a quorum through the “emergency” use of live interactive telecommunications — generally via telephone or Internet Web connectivity — to connect no more than three (3) members to the meeting. Members so connected shall be listed in the meeting minutes as “attending,” but the minutes shall specify the nature of their “online” connection to the meeting. Generally speaking, this telecommute/online participation should be limited to those times members cannot attend due to health, weather, or other extraordinary reasons barring their actual attendance at the meeting — certainly not for members’ mere “convenience.” Inasmuch as members are notified by mail prior to meetings and follow-up telephone calls are typically made to members shortly prior to the respective meetings, members should notify the executive director or his/her designee in advance of the respective meeting, whenever possible, that he/she will be unable to attend and provide notification that he/she would be available at the appointed meeting time for telecommute/online participation in the meeting should that form of his/her attendance be required to establish a quorum so that the Board or committee can conduct its business as provided in the meeting notice and such other late-arriving business as the Board may deem necessary for that meeting.

G. Board Actions - The act of the majority of the Directors at any meeting at which a quorum is present shall be an act of the Board.

H. Public Meetings - All regular and special meetings shall be open to the general public except those meetings which intend to address sensitive personnel actions or unevaluated data of a sensitive nature . They may be held in closed session upon a majority vote of a simple quorum of the Board.

I. Parliamentary Procedures - The parliamentary procedures of all meetings of this corporation shall be conducted in accordance with Robert’s Rules of Order, Revised.

J. Secret Ballot - Secret ballot may be used in voting on all motions to (*Amended December 15, 2005, Owensboro*):

1. Call a closed session of the Board,
2. Remove a Board member for cause,
3. Hire or fire an Executive Director of this corporation,
4. Elect any officer of this corporation.

K. Proxy Voting - Each member of the Board shall be entitled to one vote. Proxy voting is prohibited.

L. Removal, Resignation

1. Removal for Cause - Any member of the Board from the poor or private sector may be removed from membership for cause. Public officials, or their representatives, may be removed from the Board only by the designating officials. The Board may petition the designating officials for removal for cause or absenteeism. Removal for cause must be supported by two-thirds vote of a meeting at which a quorum is present. Cause shall be

construed to mean excessive non-advised absenteeism, persistent disruptions of meetings, behavior contrary to the established policy role and responsibility of Board members, behavior detrimental to the interests of the Agency, and other unreformed acts or behavior as may be formally cited by the Board. (*Revised February 19, 1980, Henderson, Kentucky and August 19, 1980, Henderson, Kentucky.*)

2. Resignation by Consecutive Absences - Any member of the Board (and/or alternate in the absence of their member representative) who, without just cause, is absent (seat vacant) from three consecutive regularly scheduled meetings of the Board shall no longer be a member of the Board. The Alternate shall take over the seat of the unexpired term. (Voluntary resignations are covered under Article IV, Section E, "Vacancies".) (*Revised February 19, 1980, Henderson, Kentucky; October 21, 2008, Owensboro.*)

The Board Chair, informed by the agency CEO, shall advise the Board upon the occurrence of any member having three consecutive unexcused absences from the regularly scheduled meetings of the Board of Directors. Unless directed otherwise, the agency CEO shall then notify the absentee member—and, if appropriate, his/her nominating organization—of his/her removal from the AACS Board. (*Added April 15, 1997, Owensboro, Kentucky. Revised October 18, 2005, Owensboro.*)

3. Removal by Loss of Official Status - Any member of the Board who ceases to be a member of the group, area, or community which he represents on the Board, or any public official who ceases to hold the office which entitles him to sit on the Board shall no longer be a member of that Board. The Board Chair, informed by the agency CEO, shall advise the Board upon the occurrence of any member having ceased his/her constituent affiliation or eligibility to remain on the Board of Directors. Unless directed otherwise, the agency CEO shall then notify the ineligible member—and, if appropriate, his/her nominating organization—of his/her removal from the AACS Board. (*Added April 15, 1997, Owensboro, Kentucky*)

4. Removal of Organizations - The Board may also act to remove an organization seat on the Board for cause as specified in Article VI, Section L, Sub-section 1, or for failure to notify the Board within sixty (60) days of notice and request for appointment of their representative should a vacancy occur due to the absence of a representative of that organization on the Board. (*Revised February 19, 1980, Henderson, Kentucky.*) The agency CEO shall then notify the organization and its then ineligible member(s) of their removal from the AACS Board. (*Added April 15, 1997, Owensboro, Kentucky*)

5. Removal Appeal and Hearing Procedures - An individual member whose excessive non-advised absenteeism or apparent loss of eligibility for Board membership which calls for automatic removal shall receive a written notice of potential cause for removal from the Board Chair prior to any action to remove a member or organization and shall be provided an opportunity to be heard by the Board. Due process shall include informal efforts to resolve problems prior to formal actions by the Board to remove a member or organization. (*Revised February 19, 1980, Henderson, Kentucky. Amended April 15, 1997, Owensboro, Kentucky*)

M. Agenda Notification - An agenda of any meeting of the Board be it regular or specially called shall accompany the notice of that meeting and shall be sent to all Board members. (*Revised August 19, 1980, Henderson, Kentucky.*)

N. Limitations - No meeting, be it regularly scheduled or special call, may address the issues of:

1. Removal of a member of the Board for cause,
2. The election of officer(s) of the Board,
3. The amendment or revision of these By-Laws, or
4. The hiring or firing of the Executive Director of this corporation,...

...unless such items appear on an agenda circulated pursuant of the requirements of this article.

O. Minutes - Written minutes shall be kept for each meeting and shall include a record of the action on all motions. Minutes of previous meetings shall be distributed to all Board members prior to the next meeting. Minutes of meetings shall be made available for public inspection. (*Revised February 19, 1980, Henderson, Kentucky.*)

P. Community Housing Development Organization (CHDO) Input Process and Methods. When the agency is approved as a CHDO, opportunity will be provided at meetings of the agency Board of Directors and through other

means to ensure that low-income persons will be provided scheduled, regular and continuing forums and means for their input on all CHDO-related matters under the Board's purview. (*Amended April 15, 1997, Owensboro, Kentucky*) These may include:

1. A Forum at Board Meetings to provide formal input and serve in an advisory role with respect to CHDO projects selection and design, location of sites, and generally advise on the full range of activity under the CHDO with the development and management of affordable housing.
2. A Formal System for Ad Hoc Neighborhood/Community Involvement (including site development committees) to advise and assist the Board on all facets of CHDO activity within the respective counties and communities. This may include, but are not limited to, site committees, neighborhood advisory councils, neighborhood/town meetings, and county-level low-income advisory groups.
3. Resident Councils and Other Resident Groups to provide input to the management of any "CHDO-owned" (AACS owned and CHDO-supported) rental projects.
4. Other Means As May Be Devised to assure that the Board and agency fully comply with all reasonable and legal requirements under its CHDO designation to carry out its mandate and ensure that the input of low-income persons with respect to CHDO-related matters actually receives the consideration of the Board.

(The entire Section P above was added June 20, 1995, at Owensboro in consideration of its desire to seek designation as a CHDO.)

Article VII. OFFICERS OF THE BOARD

A. Officers - The officers of this corporation shall be the Chairperson, Vice-Chairperson, and Secretary-~~Treasurer~~. All officers of this corporation shall be duly selected members of the Board. (Alternates are not eligible to serve as officers.) (*Revised October 21, 2008, Owensboro*)

1. Chairperson of the Board. The Chairperson shall be the principal representative of the corporation and, subject to the control of the Board, shall, in general, supervise all of the business and affairs of this corporation. When present, he/she shall preside at all meetings of the Board. He/she may sign, with the Secretary or any other designated individual thereto authorized by the Board, any contract, check, agreement, or other instrument that the Board has authorized. He/she shall, in general, perform all duties incident to the office of Chairperson and such other duties as may be prescribed by the Board from time to time. (*Revised October 18, 1994, Owensboro*)

2. Vice-Chairperson. The Vice-Chairperson shall perform all duties of the Chairperson of the Board in the absence of that officer. He/she may perform such other duties as may be assigned him by the Board. (*Revised October 18, 1994, Owensboro*)

3. Secretary. The Secretary shall:

- (a) See that the minutes of the Board are recorded, kept in good order, and available and/or reported at the subsequent Board meeting(s)
- (b) Sign all required documents and/or Resolutions enacted by the Board, and
- (c) In general, perform all the duties incident to the office of Secretary.

(Subsection amended December 15, 2005, Owensboro; October 21, 2008, Owensboro.)

4. Bonding. The Chairperson of the Board and the Vice-Chairperson of this corporation shall be bonded. No officer of this corporation shall receive compensation for duties performed in the exercise of their office. (*Revised October 18, 1994, Owensboro; October 21, 2008, Owensboro*)

B. Election of Officers - All officers of this Corporation shall be elected no later than the first regular meeting in February following the annual meeting in December of each year. Each officer shall serve for a period of one year, ending December 31 of each year or until replaced, pursuant to the aforementioned election provisions. Each officer may succeed himself/herself in the same office up to, but not to exceed, two consecutive years of service in the

same position. The Chairperson of the Board shall appoint a Nominating Committee prior to the annual meeting of the Corporation to nominate at the annual meeting of the Board new officers for the year; nominations may also be made from the floor. Officers shall be elected by a majority vote of a quorum of the membership present. *(Revised October 18, 1994, Owensboro. Previously revised November 20, 1979, Owensboro. Newly revised December 15, 2005)*

C. Vacancies - Any vacancy in any office because of death, resignation, or otherwise may be filled by the Board for the un-expired portion of the term.

D. Executive Agent - The Executive Director shall be the chief executive or agent for the Board of Directors.

Article VIII. COMMITTEES OF THE BOARD

A. Principal Standing Committee

Executive Committee. The Chairperson of the Board will appoint an Executive Committee to transact Board business between meetings of the full Board. Executive Committee actions shall have the force of the action of the full Board until the next regularly scheduled Board meeting. Executive Committee actions must be ratified or rejected at that meeting. Should no quorum be present at the next regularly scheduled meeting of the full board, Executive Committee actions shall remain valid.

B. Other Standing Committees. The Chairperson of the Board will appoint such other standing committees as the Board will deem necessary. Such standing/operational committees may include, but shall not be limited to:

- Board Committee for Administrative Support Services
- Board Committee for Child and Family Services
- Board Committee for Community Services
- Board Committee for Community Support

These committees are each assigned duties and responsibilities within specified spheres of interest within the agency, as noted below. Each committee has the duty to perform its work and make reports to the Board of Directors or Executive Committee. Normally these reporting obligations occur a minimum of six times per year, i.e., the four regularly scheduled Board meetings and the two regularly scheduled Executive Committee meetings. Additional reports may, however, be required. *(Revised/added June 16, 1998; Amended April 15, 1997, Owensboro, Kentucky)*

1. Board Committee for Administrative Support Services. This committee shall:

Provide oversight and support for the general administrative, fiscal, infrastructure/technical, personnel, equal opportunity, marketing, and long range/strategic planning functions and services of the agency.

Provide oversight and support to the Board and its committees in these areas:

- Recruiting new Board/committee members “permanent” ex-officio members, and “temporary advisors” (non-voting “members”) selected for their insight/expertise in areas needed by the Board or committee(s)
- Assuring well-informed Board members who understand what the agency does and are properly engaged and focused on their appropriate role:
 - Planning and implementing suitable orientation to teach members their roles and responsibilities.
 - Focusing on the agency’s core Mission and the agency’s overall performance in addressing it.
 - Supporting the CEO, management, and staff
 - Developing and monitoring policies/procedures and long-range/strategic plans
 - Continually assessing the Board’s directions, strengths, weaknesses, and priorities as well as the paid staff side of the enterprise:
 - Monitoring the composition of the Board; assuring the development and emergence of Board leaders; evaluating and improving the member-selection process
 - Observe and recommend measures to strengthen overall Board/committees performance
 - Tracking Board members’ participation and contributions; assessing member situations and

recommending the removal of “inert” members; “saving” members who only need added support or training to become effective, contributing members of the Board; helping all members live up to the commitments they’ve made to the Board, the agency, their appointing/electing authority, and their constituents.

—In the absence of a duly appointed Nominating Committee, the “Administration Committee” **may** function in the capacity of a Nominating Committee with respect to filling Board vacancies among the member-seats or the elected officers of the Board (See Article VIII, “Special Committees,” paragraph two, “Nominating Committee.”)

For the purpose of subdividing its internal agency oversight, the “Administration Committee” **may** appoint subcommittees, which could include the following: a Staff Development Committee, a Marketing and Public Relations Committee, a Planning and Operations Committee, and a Fiscal Committee. Each sub-committee may have a Chairperson, which shall be appointed by the Committee Chairperson. *(Entire Sub-section added June 16, 1998, Owensboro)*

—Directly (or, as it may deem appropriate, through its financially oriented and specialized Audit/Internal Controls Review Committee) exercising and coordinating federal-, state-, and agency-mandated financial/fiscal oversight of agency operations, including the work of the Audit/Internal Controls Review Committee and its other subcommittees and standing Board oversight committees with respect to financial matters. In the absence of such delegation, the Administrative Support Committee shall assume those functions described below in the last paragraph under sub-section (e) (2) of Article VIII (B) (1). On behalf of the Board generally oversee and assure agency compliance with 45 CFR 1304.50(g)(1), requisite legal and fiscal responsibility of agency-administered grants and contracts. *(Paragraph added April 17, 2007, Owensboro)*

a. Staff Development Subcommittee. The Staff Development Subcommittee may formulate, recommend, and review personnel policies and procedures and overall staff development plans for the full committee. It may also help formulate, recommend, and review the agency’s human rights, equal opportunity, and affirmative action policies for the full committee. The subcommittee may assist in the agency’s equal opportunity and affirmative action programs and documents. The subcommittee chairperson may assist in the screening and selection of chief administrative officers for major components such as Head Start. The subcommittee may assist in the screening and recommendation of candidates for the position of executive director to the full committee and/or the Board of Directors, subject to Board/full committee authorization. The subcommittee shall make reports to the full committee. *(Revised June 16, 1998, Owensboro; Portions added June 16, 1998; Amended April 15, 1997, Owensboro, Kentucky)*

b. Marketing and Public Relations Subcommittee. The Marketing and Public Relations Subcommittee may help formulate, recommend, and review the agency’s marketing and public relations program(s) and initiatives for the full committee (or the Board of Directors). The subcommittee may assist the agency’s marketing/public relations staff in the development, implementation, and furtherance of efforts to promote the agency and promote the growth of good will in its behalf in the local area. The subcommittee shall make reports to the full committee. *(Revised June 16, 1998, Owensboro; Portions added June 16, 1998; Amended April 15, 1997, Owensboro, Kentucky)*

c. Strategic Planning and Operations Subcommittee. The Strategic Planning and Operations Subcommittee may help formulate and recommend the agency’s strategic goals, priorities, and work plan. It may assess and evaluate agency operations and programs in conjunction with the requirements of the Board’s approved strategic plan(s) and its planning and evaluation processes, and make reports to the full committee. *(Revised June 16, 1998; Portions added June 16, 1998; Amended April 15, 1997, Owensboro, Kentucky)*

The duties which may be performed by the foregoing subcommittees are the responsibility of the “Administration Committee” whether delegated to subcommittees or performed within the full committee. *(Added June 16, 1998, Owensboro, Kentucky)*

d. Investment/Oversight Committee. In accordance with the agency’s Board-approved Investment Policy, the Investment/Oversight Committee shall oversee and manage the agency’s equity securities

portfolio and other agency-owned investments. It should assess and evaluate agency equities and investments with a view toward both growth and security. The committee shall include two Board members appointed by the Board Chairperson and the Executive Director and be supported by the advice and counsel of the Chief Financial Officer and such other investment advisors as the committee may see fit. It shall make reports of its decisions, actions, and/or recommendations to the full Board and Board Committee for Administrative Support Services.

(Subsection "d." Added December 15, 2005, Owensboro, Kentucky.)

e. Audit/Internal Controls Review Committee. *(Subcommittee title amended April 17, 2007)* The Audit/Internal Controls Review Committee shall convene upon the Independent Auditors' completion of each agency audit, meeting with the designated representative(s) if the independent auditing firm(s) to thoroughly review and discuss the audit(s) with the auditor(s), assess the current state of the agency's fiscal systems and internal controls, and consider any recommendations offered by the auditor(s). Based on audit findings and auditors' recommendations, the Committee may assess and review the agency's fiscal needs, conditions, procedures, and problems. In its review with the independent auditor(s) the committee shall assure that all federal/agency finances and property are handled in strict accordance with federal requirements, and that no unwarranted use or abuse of such agency resources, whether property or finance, is present or likely to occur. The committee shall report its findings to the to the full committee (Administrative Support Committee), which shall, in turn, report on the audit(s), any findings or recommendations, and measures it may have taken to the full Board.

The Audit/Internal Controls Review Committee will also receive a copy of any audit engagement letter and be informed when the agency is in the process of bidding out audit services. The committee will be involved in the process of reviewing bids for auditing services and serve in an advisory capacity to the executive director in selecting the agency's independent audit firm(s). The committee may work with the executive director in the event the agency perceives a need to work with its independent auditor(s) regarding a particular lead partner or auditor(s) provided by the firm to perform services under its contract with the AACS, Inc.

With the approval of the Administrative Support Committee and/or the Board of Directors, the Audit/Internal Controls Review Committee may assist the agency's executive director and designated (staff) finance and property officers in assuring the conduct of an efficient, responsible fiscal management and reporting program. The committee may periodically assist the executive director to assess and evaluate the agency's budgets and financial. *(Revised June 16, 1998; Portions added June 16, 1998. Amended April 15, 1997, Owensboro, Kentucky. Revised December 21, 2004, Owensboro, Kentucky. Renumbered December 15, 2005, Owensboro.)*

The Committee may be delegated specific oversight for agency-wide financial and internal controls requirements and standards imposed under Head Start Performance Standards and Program Review Instrument for Systems Monitoring (PRISM) review standards under 45 CFR 1304.50(g)(2) and 45 CFR Part 74.21(b)(3), internal controls; 45 CFR 1304.51(h)(1), financial and operational reports; and 45 CFR 1304.51(i)(2), fiscal/facilities/equipment/corrective action monitoring. The Committee may, as delegated responsibility by the Administrative Support Committee, assure, monitor and coordinate financial reviews by other standing (primarily programmatic) oversight committees of the Board. *(Paragraph added April 17, 2007)*

2. Board Committee for Child and Family Services. This committee shall:

Provide oversight and support for AACS programs and services in the early childhood development and childcare arena. The Committee is delegated programmatic oversight for programs under its jurisdiction and financial reviews consistent with requirements imposed under the Improving Head Start for School Readiness Act of 2007 (Public Law 110-134) and standards under 45 CFR 1304.51(h)(1), financial and operational reports; 45 CFR 1304.51(i)(1), annual self-assessment(s); and 45 CFR 1304.51(i)(2), performance monitoring; 45 CFR Part 74.21(b)(3) and 45 CFR 1304.51(i)(3), corrective action/timetetable monitoring. Operationally, this means that the Committee shall regularly, periodically receive and appropriately act upon both programmatic and financial reports

concerning its assigned programs/operations, and make recommendations to the Board or other Board committees as it deems advisable — except that all such financial/internal controls related matters shall customarily be forwarded to the Administrative Support Committee or, upon its delegation to its subcommittee, the Audit/Internal Controls Review Committee. In conformance with 45 CFR 1304.50(d)(2)(v), this Committee shall also be charged with hearing complaints about or concerning programmatic operations of the agency's Head Start program/modules, resolving such complaints and issues as it may within its limited scope of authority, and referring — with committee recommendations — all other unresolved issues to the Board of Directors. *(Revised April 17, 2007, Owensboro; October 21, 2008, Owensboro)*

The committee shall also coordinate support activities, relationships with the Head Start Policy Council (the principal Policy Council relationship remains directly with the Board.) Within the scope of 45 CFR 1304.50(c), 45 CFR 1304.50(d)(1)(i), 45 CFR 1304.50(d)(1)(v-vi-viii-ix-x and xi), 45 CFR 1304.50(f), 45 CFR 1304.50 Appendix a, Parts I-II- and III (as adapted and jointly approved by the Board and Policy Council), 45 CFR 1304.50(h), the Board and Policy Council's jointly approved "impasse" procedure, the committee shall serve as the Board's lead entity for assuring a good and sound policy-level working partnership between the Board, Head Start Policy Council, other relevant policy groups within its oversight domain, and AACS programmatic management staff. *(Revised April 17, 2007, Owensboro)*

The committee may subdivide its work into subcommittees of its own determination. These subcommittees shall be appointed by the committee chairperson; each committee may have a chairperson, also appointed by the committee chairperson. *(Entire Subsection added June 16, 1998, Owensboro. Subsection revised December 15, 2005, Owensboro.)*

3. Board Committee for Community Services. This committee shall:

Provide oversight and support for AACS programs and services dealing with general assistance, social/family/juvenile casework, aging and volunteerism. The committee is delegated programmatic oversight for programs under its jurisdiction and financial reviews consistent with requirements imposed under the Improving Head Start for School Readiness Act of 2007 (Public Law 110-134) and standards under 45 CFR 1304.51(h)(1), financial and operational reports; 45 CFR 1304.51(i)(1), annual self-assessment(s); and 45 CFR 1304.51(i)(2), performance monitoring; and 45 CFR 1304.51(i)(3), corrective action/timetable monitoring. Operationally, this means that the committee shall regularly, periodically receive and appropriately act upon both programmatic and financial reports concerning its assigned programs/operations, and make recommendations to the Board or other Board committees as it deems advisable — except that all such financial/internal controls related matters shall customarily be forwarded to the Administrative Support Committee or, upon its delegation to its subcommittee, the Audit/Internal Controls Review Committee. *(Revised April 17, 2007, Owensboro; October 21, 2008, Owensboro)*

The committee shall also coordinate support activities, relationships with the Senior Service Corps Advisory Committee. The committee shall serve as the Board's lead entity for assuring a good and sound policy-level working partnership between the Board, other relevant policy groups within its oversight domain, and AACS programmatic management staff. *(Revised April 17, 2007, Owensboro)*

This committee may subdivide its work into subcommittees of its own determination. These subcommittees shall be appointed by the committee chairperson; each committee may have a chairperson, also appointed by the committee chairperson. *(Entire Sub-section added June 16, 1998, Owensboro. Subsection revised December 15, 2005, Owensboro.)*

4. Board Committee for Community Support. This committee shall:

Provide oversight and support for AACS housing, transportation, and related programs and services. The Committee is delegated programmatic oversight for programs under its jurisdiction and financial reviews consistent with requirements imposed under the Improving Head Start for School Readiness Act of 2007 (Public Law 110-134) and standards under 45 CFR 1304.51(h)(1), financial and operational reports; 45 CFR 1304.51(i)(1), annual self-assessment(s); and 45 CFR 1304.51(i)(2), performance monitoring; and 45 CFR 1304.51(i)(3), corrective action/timetable monitoring. Operationally, this means that the Committee shall regularly, periodically receive and appropriately act upon both programmatic and financial reports concerning its assigned programs/operations, and

make recommendations to the Board or other Board committees as it deems advisable — except that all such financial/internal controls related matters shall customarily be forwarded to the Administrative Support Committee or, upon its delegation to its subcommittee, the Audit/Internal Controls Review Committee. *(Revised April 17, 2007, Owensboro; October 21, 2008, Owensboro)*

The committee shall also coordinate support activities, relationships with Lincolnshire Apartments/Lincolnshire North Apartments Boards of Directors. The committee shall serve as the Board's lead entity for assuring a good and sound policy-level working partnership between the Board, Lincolnshire and Lincolnshire North boards, other relevant policy groups within its oversight domain, and AACS programmatic management staff. *(Revised April 17, 2007, Owensboro)*

The committee may subdivide its work into subcommittees of its own determination. These subcommittees shall be appointed by the committee chairperson; each committee may have a chairperson, also appointed by the committee chairperson. *(Entire Sub-section added June 16, 1998, Owensboro. Subsection revised December 15, 2005, Owensboro.)*

C. Meetings of Standing Committees. The Standing Committees should meet four times per year in the months of February, April, August, and October. (See Article VI, Section B, paragraph 3, for the customarily assigned meeting times for each of the Standing Committees.) The meeting times noted therein are intended to ensure that the committees do, in fact, meet. At the committees' discretion, meetings may be scheduled at other times, for example, strategically timed prior to the next Board or Executive Committee meeting to prepare their recommendation on items under their area of review. Such alternative meeting dates will be designated by the respective committees in the course of their operations and/or called by the respective committee chairs. *(Revised June 16, 1998; Added April 15, 1997, Owensboro, Kentucky)*

C. Special Committees. The Chairperson of the Board may appoint special committees from time to time depending upon the needs of the Board. Such committees may have policy-making or advisory functions and shall serve for as long as their need exists. These may include a Grievance Committee, a Nominating Committee, and others.

Nominating Committee. The Nominating Committee shall be appointed by the Chairperson of the Board, or the Vice-Chairperson in the absence of a Chairperson, to consider and nominate candidates for officers of the Board of Directors at the annual meeting, or to fill vacancies among the officers which may occur. In behalf of the Board of Directors, the committee shall be responsible for approving private sector organizations' nominees. The committee shall make its recommendation(s) to the full board. *(Revised January 26, 1982, Owensboro, Kentucky. Amended April 15, 1997, Owensboro)*

Pursuant to the provisions of By-Laws Article IV, Section B.2., "Election Procedure" Sub-section 2, last paragraph, calling for an Election Review Board to assist in monitoring AACS elections, the duly appointed Nominating Committee shall serve as the AACS Election Review Board. It shall be charged with the responsibility to ensure that all Board vacancies are filled in a prompt manner and consistent with AACS By-Laws requirements. It shall be charged with the responsibility of conducting and certifying all AACS Board election processes. The Nominating Committee shall also be responsible for soliciting replacements to fill vacancies in the Public and Private Sectors of the Board membership. It shall recommend to the Board the plan for the apportionment of Poor Sector Representation Districts and the seating/rotation of interests and organizations for the Private Sector. *(Revised December 15, 1981, Owensboro, Kentucky.)*

D. Membership - All standing and special committees of the Board shall fairly reflect the composition of the full Board and at least one-third of their number shall be representatives of the poor.

E. Ratification - Any and all acts of any and all standing and special committees must be ratified by an Act of the Board at the next scheduled meeting of that body, subject to the provisions for the force of Executive Committee actions in the absence of a quorum at a succeeding full board meeting.

F. Quorum and Acts - A simple majority of any committee shall constitute a quorum of that committee. Any act of the majority of a committee at which a quorum is present shall constitute an act of that committee.

G. Notice - Each member of any committee must be notified in writing of the time, date, and location of such meeting at least five (5) days before the committee shall meet. The requirement for notice may be waived, however, upon written agreement of all members of the committee which is meeting.

Article IX. POWERS OF THE BOARD

The Board of Directors shall be responsible for the planning, coordination, evaluation, and administration of the community action program. In this regard, the Board shall have the power to receive and administer federal, state, foundation, corporate, public, or private programs and funds pursuant to the requirements of these programs. (Revised October 18, 1994, Owensboro)

The Board shall have the power to transfer funds so received and to delegate powers to other agencies subject to its overall program responsibilities.

The Board shall have the power to contract and to do any and all acts necessary to carry out its function in accordance with Title II of the Economic Opportunity Act of 1964, as amended; its successors, the "Community Services Act" of 1974, the Community Services Block Grant Act of 1981 (Sections 671-683 of the Consolidated Omnibus Reconciliation Act [COBRA] of 1981)-and its subsequent amendments; and all subsequent amendments to the federal and state authorizing acts which pertain to the status, requirements, roles and responsibilities of "community action agencies" or their successors. (*Revised October 18, 1994, Owensboro*)

Article X. CONFLICTS OF INTEREST

In the course of business, situations may arise in which a Board member, whether representative or alternate, has a conflict of interest, or in which the process of making a decision may create an appearance of a conflict of interest. All Board members, Policy Council members and employees have an obligation to avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of the agency in dealing with outside entities or individuals. If any potential conflict of interest should exist, a member must disclose real and apparent conflicts of interest to appropriate official(s), and refrain from participation in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.

A conflict of interest arises when a member is involved in making a decision is in the position to benefit, directly or indirectly, from his/her dealings with the agency or person conducting business with the agency. A potential conflict of interest exists when such person, or his/her immediate family (as defined in the agency's personnel manual), owes/receives more than 1% of the benefiting business/profits.

Conflicts of interest include, but are not limited to, situations in which a board member may negotiate, promote or approve a contract, purchase, or lease on behalf of the agency and has a direct or indirect interest in, or receives personal benefit from, the entity or individual providing the goods or services. It also applies when a Board member may negotiate, promote or approve a contract, sale, or lease on behalf of the agency and has a direct or indirect interest in, or receives personal benefit from, the entity or individual receiving the goods or services. The agency is prohibited from employing persons who are members of his/her "immediate family," as defined in the agency's Board-approved personnel manual.

Other conflict of interest policies, provisions and restrictions are stated in section 4 of the agency's Financial Policies and Procedures Manual and Section 6.7 of the agency's Personnel Policies and Procedures Manual. These documents along with numerous federal and state regulations provide a more comprehensive statement of conflict of interest prohibitions to which board members are subject. (*Article added October 21, 2008, Owensboro*)

Article XI. AREA BOARD AND COUNCILS

Neighborhood-based organizations composed of residents of the area of members of such organizations may be involved according to the discretion of the Board of Directors whenever practicable to assist in the planning, conduct, and evaluation of agency programs. While these organizations would not have the powers of the area Board of Directors, they could have a vital role in community action. They should be encouraged-within the scope

of the agency's respective funded programs and their mission, plan, mandate, objectives, and approved methods-to conduct projects within their neighborhoods and areas, serve as constructive monitoring and support groups for community-wide projects, perform planning functions, and respond to proposed program activities designed for their area. Neighborhood-based organizations should provide a more direct voice and a sense of participation for the poor. When available, they should be provided a role and meaningful input in policy making for the agency. (Revised October 18, 1994, Owensboro)

In certain projects which require a policy advisory committee having specific powers and responsibilities, the Board will give due consideration to the recommendations of such policy advisory committees. In some matters, for example/such as the selection of the project director, and any application for assistance, the policy advisory committee and the agency's governing Board of Directors shall concur as may be required by grantors of program funding. (Entire Section and following "Definitions" added April 15, 1997, Owensboro)

Article XII. REVIEW AND AMENDMENT OF BY-LAWS

A. Quinquennial Review - These By-Laws shall be reviewed at least quinquennially — every five (5) years — to ensure currency and relevancy.

B. Amendments - These By-Laws may be amended by a two-thirds (2/3) vote of the members present at a quorum meeting of the Board of Directors — regular or special meeting — provided that a full and complete notice (and text) of the proposed amendment has been sent to all members of the Board at least seven (7) days prior to the meeting at which the amendment is to be voted upon.

(Entire Article "XI" Newly Approved December 15, 2005, Owensboro.)

Definitions

Alternates. Alternates serve in the place of their member representative. They do not count toward the establishment of a quorum unless their member representative is absent, in which event the alternate occupies the seat with all rights and privileges accorded to their member representative when present, including the vote. Alternates do not vote when their member representative is present at a given meeting. Alternates receive notices of all meetings and are encouraged to attend with their member representatives so as to be well informed about agency business and be prepared to act in their stead (and vote) should the member representative be unable to attend. *(Added October 21, 2008, Owensboro.)*

Board Sectors. By law, the Board must be organized on a “tripartite” composition basis. Those sectors are defined as follows:

Consumer. This sector is also designated in federal and state law as the “representatives of the poor.” These representatives must be democratically elected by persons who qualify as low-income under current federal poverty guidelines, which are reissued annually—generally no later than February of each year. These representatives (and alternates) do not have to be low-income themselves, but they must be elected to the Board by qualified, verified, documented low-income citizens. “At least one-third” of the Board’s voting members must come from this sector.

Public. One-third of the Board’s membership is comprised of elected public officials or their appointee representatives. These elected officials do NOT have to be the “chief” elected official of their respective political jurisdictions, but may come from any publicly elected office.

Private. The remainder (may be less than one-third) of the Board comes from representatives of “private” organizations. However, this sector’s representatives do not, strictly speaking, have to come only from non-public entities; they may also come from public entities with like interests as Audubon Area Community Services.

(The above “Board Sectors” definitions added October 21, 2008, Owensboro.)

Community Group. An open membership community-level group is an organized, open and stable community assembly, association or entity that performs social good in some area of altruistic service, human development, or community improvement but is not legally incorporated. Stable is defined as having been in existence and functioning continuously at least the three preceding years.

Community Interest. An open membership community-level interest is an organized, open and stable community assembly, association or entity which performs social good in some area of altruistic service, human development, or community improvement. It is not legally incorporated, and does not necessarily meet the three years’ service definition of a community group. Like the more formalized assemblies defined here, these community interests do have a demonstrated concern for many of the same service areas and issues as would be consistent with those of the AACS, Inc. This category is also sufficiently broad to encompass virtually any voluntary association not covered either as a “community group” or a “community organization.”

Community Organization. An open membership community-based organization, for the purposes of these By-Laws, is a legally incorporated, is a non-profit entity which is devoted to some area of altruistic service, human development, or community improvement, often focusing their efforts on or in low income areas and people.

Ex-Officio. This term means “by virtue of office or position.” In AACS, Inc. parlance it also means non voting. Ex-officio members of the Board serve for their expertise and advice, but the legally mandated structure of the Board precludes the full exercise of customary Board prerogatives such as making motions and seconding and voting on the items of business the Board considers..

Private Group. A proprietary community group, usually a defined membership association, which is an organized and stable community assembly, association or entity which performs social good in some area of altruistic service, human development, or community improvement but is not legally incorporated. Stable is defined as having been in existence and functioning continuously at least the three preceding years.

Private Interest. A proprietary community interest, usually a defined membership association, which is an organized and stable community assembly, association or entity that performs social good in some area of altruistic service, human development, or community improvement. It is not legally incorporated, and does not necessarily meet the three years' service definition of a community group. Like the more formalized assemblies defined here, these private interests do have a demonstrated concern for many of the same service areas and issues as would be consistent with those of the AACCS, Inc. This category is also sufficiently broad to encompass virtually any voluntary association not covered either as a "community group" or a "community organization."

Private Organization. A proprietary community organization such as a defined membership association, which, for the purposes of these By-Laws, is a legally incorporated, non-profit entity which is devoted to some area of altruistic service, human development, or community improvement, often focusing their efforts on or in low income areas and people.
