

**NATIONAL ASSOCIATION OF PURCHASING MANAGEMENT-  
CENTRAL KENTUCKY**

**BYLAWS**

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NAPM-Central Kentucky, P.O. Box 11602, Lexington, KY 40576-1602

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## **ARTICLE I NAME AND LOCATION**

**SECTION 1. Name.** The name of this Association shall be NATIONAL ASSOCIATION OF PURCHASING MANAGEMENT OF CENTRAL KENTUCKY, INC., a non-profit corporation organized and existing by virtue of the laws of the Commonwealth of Kentucky. (hereinafter referred to as "NAPMCK").

**SECTION 2. Location.** The principal location of NAPMCK shall be the City of Lexington, State of Kentucky, or in such other localities as may be determined by the Board of Directors.

## **ARTICLE II PURPOSES**

NAPMCK is a non-profit corporation organized and operated not for pecuniary profit, but exclusively for educational purposes within the meaning of Section (501 (c)(3)) of the Internal Revenue Code (hereinafter referred to as the "Code"), and in the connection, the purposes for which NAPMCK shall be organized and operated are as follows:

- (a) To foster and promote interchange of ideas and cooperation among its members.
- (b) To promote the study, development, and application of purchasing management, supply base management, and materials management, including improved procurement or purchasing methods and practices and all matters related to the foregoing (hereinafter referred to as "the purchasing management and supply profession").
- (c) To collect and disseminate by all lawful means information of interest and benefit to its members, including surveys and reports of current business trends and other information of interest and benefit to the purchasing management and supply profession.
- (d) To develop and encourage by all lawful means the practice of high standards of personal and ethical conduct among persons engaged in the purchasing management and supply profession.
- (e) To develop, sponsor, promote and encourage a professional certification program for persons engaged in the purchasing management and supply profession.
- (f) To encourage and cooperate in the institution and development of educational courses, seminars, programs and materials on the subject of purchasing management and supply and all matters related thereto.

- (g) To strive by all lawful means to promote and enhance the purchasing management and supply profession.
- (h) To be affiliated with the Institute for Supply Management, Inc. ('ISM') and other associations or organizations of persons engaged in the purchasing management and supply profession throughout the United States and all foreign countries.
- (I) To cooperate, collaborate and exchange information by lawful means with professional, trade and other associations and organizations of persons engaged in the purchasing management and supply profession, and to advance public relations with governmental agencies and the public in general concerning the purchasing management and supply profession.
- (j) To do any other act or thing incidental to or connected with the foregoing purposes or in advancement thereof, but not for the pecuniary profit or financial gain of its members, directors or officers, except as otherwise permitted by the laws of the Commonwealth of Kentucky.

In the accomplishment of these purposes, it shall be the policy of NAPMCK to comply at all times with all existing and future laws, including the antitrust laws, and in furtherance of this policy, no activity or program shall be sponsored or conducted by or within NAPMCK which in any manner whatsoever shall represent or be deemed a violation of any existing or future law, including the antitrust laws, all in accordance with the ISM *Statement of Antitrust Policy* and *Guide for Antitrust Compliance*, as amended from time to time by the Board of Directors of ISM.

## **ARTICLE III AFFILIATION WITH ISM**

**SECTION I. General.** NAPMCK shall be affiliated with ISM in accordance with the procedures set forth in the ISM Bylaws, and NAPMCK shall comply at all times with ISM policy as it may be adopted from time to time by the ISM Board of Directors and the provisions of this Article.

**SECTION 2. Conditions of Affiliation.** An association formed by persons having common interest in advancing the purchasing and materials management profession shall be eligible to be affiliated with ISM. Applications for affiliation shall be submitted to the Affiliate Support Council and shall require approval by the Board. The affiliation of an Affiliated Association with ISM shall be subject to Policy and such other conditions as the Board, in its discretion, may deem necessary. NAPMCK shall be obligated as a condition of affiliation with ISM to comply with the following:

- (a) To be incorporated as a non-profit corporation in accordance with the laws of the Commonwealth of Kentucky and to be validly existing and in good standing during the period of its affiliation with ISM.
- (b) To cause these Bylaws to conform at all times with the ISM Bylaws and ISM policy including, without limitation, the provisions hereof with respect to the purposes of NAPMCK and eligibility for membership.
- (c) To perform all necessary procedures concerning the review and approval of all applications for membership in NAPMCK and ISM.
- (d) To resolve all questions concerning eligibility for membership in NAPMCK and ISM in a fair and impartial manner in accordance with procedures established from time to time by NAPMCK.
- (e) To comply at all times with ISM policy as it may be adopted from time to time by the ISM Board of Directors, including without limitation, the *ISM Statement of Antitrust Policy and Guide for Antitrust Compliance*.
- (f) To obtain prior written approval of ISM with respect to any proposed amendments to these Bylaws.

**SECTION 3. Organizational Documents.** An Affiliated Association shall be duly incorporated and at all times in good standing as a non-profit corporation in accordance with the laws of its jurisdiction. The Bylaws of an Affiliated Association shall be generally consistent with Section 1 of Article II and Article III of the ISM Bylaws.

**SECTION 4. Suspension or Termination of Affiliation.** The affiliation with ISM of an Affiliated Association may be terminated or suspended by the Board for violation of or failure to comply with these Bylaws or Policy provided the Affiliate Support Council has reviewed the matter and the Affiliated Association has been given reasonable notice and an opportunity to submit proof to support continued affiliation with ISM. Any suspended or terminated Affiliated Association may be reinstated by the Board at any time subsequent to such suspension or termination upon a review thereof by the Affiliate Support Council and proper showing of good cause to justify a reinstatement of affiliation with ISM.

## **ARTICLE IV MEMBERSHIP**

**SECTION 1. Regular Members.** Regular Members of an Affiliated Association shall be limited to the following:

A person shall be eligible to be a regular member of this Association who satisfies the eligibility requirements of a regular member of an Affiliated Association as defined in the bylaws of the Institute for Supply Management, Inc. (ISM), as amended from time to time. Regular members of this Association shall have the right to cast one (1) vote on all questions which require a vote of the regular members of this Association other than those regular members who, pursuant to the ISM Bylaws, as amended from time to time, do not have voting rights.

**SECTION 2. Other Membership Classes.** NAMPCK may have a membership class or classes other than Regular Members, however, a person who is a member of an Affiliated Association in any class other than a Regular Member shall not be a Member of ISM.

**SECTION 3. Dual Membership.** Dual membership may be afforded to individuals who meet the same criteria as Regular Members. Dual Members may vote and hold office. Dual members shall hold regular membership in ISM through one affiliated association.

**SECTION 4. Dues-free Members.** Dues-free members include:

- (a) **Academic Members.** A person with a full-time appointment as a teacher, research specialist, department head, director or dean of a college, university, other academic institution whose academic responsibility includes supply management or other related fields or subjects. Academic members are Regular voting members.
- (b) **Student Members.** An undergraduate or graduate student enrolled full-time in an accredited community college or four-year college or university may receive all the benefits of membership in ISM and this Association and be exempted from payments of all dues and fees. Student members are Regular non-voting members.
- (c) **Lifetime Members.** A person who has been a Regular Member for a period of ten (10) years or more, has retired from all regular employment and has been approved for this category by a majority vote of the Regular Members of the Affiliated Association of which he/she has been a Member. Lifetime members are Regular voting members.
- (d) **Special Membership Extension.** Membership will be extended an additional 12 months without requiring payment of ISM dues for persons who have been a member of ISM and are unemployed for six months, excluding first-time membership applicants, provided that the affiliate also waives the affiliate dues. Dues free membership will be extended to those members serving in full-time active military duty for the length of their service, provided that the affiliate also waives the affiliate dues.

- (e) **Honorary Members.** A person not qualified for regular membership but who has rendered distinguished or unusual services to the supply management profession and who has been elected to the class of membership by vote of the Board of Directors of the Association and by a vote of the regular members of the Association. Election to honorary membership shall be for such a period as the Association may designate, but the Board of Directors of the Association shall have the authority and duty to revoke the honorary membership of any individual whenever they shall determine that continuation of the honorary membership would be inconsistent with the policies and objectives of ISM or the Association.

**SECTION 5. Non-voting Membership.** The Association shall have the following non-voting membership classes which shall not represent regular membership in ISM nor entitle any member of such class to hold office in the Association, nor to serve as Chair of the Association's Committees:

- (a) **Associate Members.** A person who satisfies the eligibility standards of Article IV, Section 1.
- (b) **Honorary Members** as described in Section 4(e) of this article.
- (c) **Student Members** are Regular non-voting members as described in Section 4 (b) of this article.

**SECTION 6. Sales Activity.** NAPMCK may not admit to Membership, or retain as a Member, any person primarily engaged in the solicitation of orders, or who is primarily responsible for sales, even though such person may be otherwise eligible for membership; *provided, however,* that no person shall be ineligible by reason of incidentally disposing of scrap, surplus stock, or equipment of the concern by which he or she is employed. For purposes of this Section 5, primarily shall mean a majority of a person's time. The eligibility of an editor, secretary, or business manager employed by an Affiliated Association shall not be affected by reasons of sales activities directly related to any magazine, bulletin, or other publication, or any exhibit, product show, or similar activity sponsored by such association.

**SECTION 7. Admission of Members.** Admission of all applicants for membership in NAPMCK shall be in accordance with the following procedures:

- (a) Application for membership shall be submitted, along with scheduled first year dues directly to ISM or to NAPMCK VP-Membership.
- (b) After confirmation from the ISM National office that they have received and processed the new applicant paperwork, the NAPMCK VP-Membership, at the next regularly scheduled

Board of Directors Meeting, will present all applications for acceptance or rejection to the NAPMCK Board of Directors.

(c) The NAPMCK Board of Directors shall review and have final approval and denial of all applications for membership in NAPMCK.

**SECTION 8. Denial of Membership.** The NAPMCK shall have the right to deny membership to any applicant who fails to satisfy the eligibility requirements for any class of membership, provided, however, denial of membership shall occur only after the applicant has been advised of the proposed denial of membership and has been given an opportunity to submit proof in support of his eligibility for membership in NAPMCK. An applicant denied membership in NAPMCK shall be given written notice of such denial and shall be advised in writing that he or she may appeal the action taken by NAPMCK to the Affiliate Support Council by filing a notice of intent to appeal to the Affiliate Support Council at least thirty (30) days prior to the next regularly scheduled meeting of the Affiliate Support Council. Upon receipt of a timely filed notice of appeal, the Affiliate Support Council shall consider the appeal and shall allow the applicant the opportunity to submit proof in support of the applicant's eligibility for membership in NAPMCK. Except for rare and extraordinary circumstances, the decision of the Affiliate Support Council concerning denial of membership shall be final and binding and will not be considered by the Board of Directors of ISM.

**SECTION 9. Expulsion of Members.** The NAPMCK shall have the right to expel a member of any classification from membership in NAPMCK for nonpayment of dues or for violation of the provisions of these Bylaws, the ISM Bylaws, the ISM Policies, the ISM Policy Manual for National Groups, the ISM Standards of Conduct or such other statements of policy as may be adopted by NAPMCK or the ISM Board of Directors from time to time.

Expulsion for any reason other than nonpayment of dues shall occur only after the member has been advised of the proposed expulsion and the reasons therefor, and has been given an opportunity to submit proof in support of continued membership in NAPMCK. A member expelled from membership in NAPMCK shall be given written notice of such expulsion and shall be advised in writing that he or she may appeal the action taken by NAPMCK to the Affiliate Support Council by filing a notice of intent to appeal to the Affiliate Support Council at least thirty (30) days prior to the next regularly scheduled meeting of the Affiliate Support Council.

Upon receipt of a timely filed notice of appeal, the Affiliate Support Council shall consider the appeal and shall allow the expelled member the opportunity to submit proof in support of continued membership in NAPMCK. The decision of the Affiliate Support Council concerning expulsion of a nonvoting member shall be final and binding and will not be considered by the ISM Board of Directors. Except for rare and extraordinary circumstances, the decision of the Affiliate Support Council concerning the expulsion of a regular member will likewise be final and binding and will not be considered by the ISM Board of Directors.

**SECTION 10. Reinstatement.** A former member of NAPMCK, whether resigned or expelled member, desiring reinstatement of membership, may be reinstated as a member of NAPMCK upon showing proof of eligibility and paying all the Scheduled Years Dues and an Administration Fee or similar charge which may be imposed by NAPMCK from time to time.

The procedure for an appeal of an adverse determination to reinstate a former member shall be the same as provided in Section 8 of this Article, provided, however, an appeal has been decided by the Affiliate Support Council concerning the expulsion of the same member seeking reinstatement.

**SECTION 11. Resignation.** Any member of NAPMCK may resign by filing a written resignation with NAPMCK, but such resignation shall not release the member so resigning of the obligation to pay any dues, or other charges theretofore accrued but unpaid.

**SECTION 12. Transfer of Membership.** Membership in NAPMCK shall be vested in the individual member of NAPMCK, however, regular membership may be transferred pursuant to the ISM Policy Manual.

## **ARTICLE V GROUPS AND FORUMS**

**SECTION 1. Purposes and Organization.** Members of NAPMCK having common interest as purchasing managers, supply base manager, or material managers in a particular industry or commercial activity, or common interests in a certain classification of commodities or material, may organize a Group/Forum to promote the interchange of ideas and discussion of mutual problems. The Board of Directors of NAPMCK may provide reasonable procedures and requirements for the formation, recognition, encouragement and operation of Groups/Forums, which shall be organized and operated within NAPMCK as a Committee of NAPMCK.

**SECTION 2. Regular Members and Associates.** The regular membership of any Group/Forum within NAPMCK shall consist only of persons who are regular members of NAPMCK. Any Group/Forum may have associate members who are not regular members of NAPMCK, provided such associate members meet the eligibility standards set forth in Section 1 Article IV. Membership in NAPMCK as a nonvoting member shall be required for election as an associate member of a Group/Forum and associate members of a Group/Forum shall not vote or hold office in the Group/Forum.

## **ARTICLE VI DUES AND ADMINISTRATIVE CHARGES**

**SECTION 1. Amount.** The amount of annual dues for regular members and each class of nonvoting members of NAPMCK shall be determined from time to time by the NAPMCK Board of Directors and a vote of the members of NAPMCK. Annual dues for regular members of NAPMCK shall include an amount equal to the annual dues in effect from time to time for membership in ISM. NAPMCK may deduct from payments to ISM amounts equivalent to dues for regular members whose qualifications for membership are set forth in Article IV on condition that the ISM Board of Directors has waived all ISM dues with respect to such members.

**SECTION 2. Payment.** Dues for regular and nonvoting members in NAPMCK shall be assessed on a calendar year basis and shall be payable in advance approximately December of each year for the following year of membership. Members elected to membership in NAPMCK at any time during a calendar year shall be required to pay the dues in effect at the time of their election to membership.

**SECTION 3. Non-payment of Dues.** A member of NAPMCK whose dues are 30 days in arrears may be expelled from membership in NAPMCK and ISM upon notice by ISM or NAPMCK to such member, such expulsion to be effective upon the date of such notice. A member expelled from membership for nonpayment of dues may be reinstated upon full payment of all delinquent dues plus payment of an administrative fee or other similar charge, which may be required from time to time by NAPMCK or ISM.

**SECTION 4. Schedule of Dues.** NAPMCK has elected to have the ISM National office collect NAPMCK annual dues. ISM shall send to each member of NAPMCK approximately the beginning of November of each year an invoice for annual dues, payable for each category of membership approximately mid December of that year for membership the following calendar year.

## **ARTICLE VII NAPMCK BOARD OF DIRECTORS**

**SECTION 1. Authority and Responsibility.** The governing body of NAPMCK shall be the NAPMCK Board of Directors. The NAPMCK Board of Directors shall have general charge, management, and control of the affairs, funds and properties of NAPMCK and, subject to the provisions of these Bylaws and any contrary statement of policy enacted by vote of the membership of NAPMCK, shall have authority to take such action in matters of policy and procedure as, in its judgement, will best promote the interest and welfare of NAPMCK, including authority to promulgate, amend or rescind in whole or in part all statements of NAPMCK policy as they may exist from time to time.

**SECTION 2. Membership.** The Board of Directors shall consist of a President/CEO, VP-Affiliate Support, President Elect, VP-Administration, VP-Finance/CFO, VP-Membership, VP-Professional Development, VP-Communication, and three (3) VP at Large positions. Additional VP at Large positions may be voted in by the Board of Directors from time to time as deemed necessary by the reigning Board of Directors. All members of the Board of Directors must be regular members of NAPMCK and ISM.

**SECTION 3. Election.** The members of the Board of Directors shall be elected by the regular members of NAPMCK at their annual meeting in accordance with Bylaws Article IX.

**SECTION 4. Term of Office.** All Board positions shall be elected for a term of one year.

**SECTION 5. Alternates.** In the event of the temporary inability of a member of the Board of Directors to perform the duties of office, resulting from illness or any other cause, an alternate shall be immediately appointed by the Board of Directors to perform the duties of the office until such time as the members of the Board of Directors shall be able to resume these duties and NAPMCK revokes the authority of the alternate. The member appointed as an alternate shall possess the qualifications set forth in Section 2 of this Article.

**SECTION 6. Vacancies.** In the event of a vacancy in the Board of Directors resulting from death, resignation, disqualification or permanent inability to serve, a successor shall be appointed by the President/CEO, with the approval of the Board of Directors, for the unexpired term of the office in accordance with Article IX hereof within thirty (30) days after the date the office is vacated. The successor elected or appointed to fill such vacancy shall possess the qualifications set forth in Section 2 of this Article.

**SECTION 7. Meetings.** Regular Board of Directors meetings will be held on a monthly basis. Any regular Board of Directors monthly meeting can be waived by the President/CEO if deemed unnecessary. A special Board of Directors meetings as well as regular Board of Directors meetings will be announced in an adequate amount of time prior to the meeting. Special Board of Directors meetings may also be called upon the written request of ten (10) regular members.

**SECTION 8. Board Action by Electronic Means.** Any one or more members of the Board of Directors, or of any committee thereof, may participate in a meeting of the Board of Directors or committee by electronic means, which enable all persons participating to communicate with each other at the same time. Participation by such means shall constitute presence in person at such a meeting.

**SECTION 9. Quorum and Voting.** A simple majority of the Board of Directors is required for a quorum and for any official vote.

**SECTION 10. Executive Committee.** The NAPMCK Board of Directors may, if it so desires, elect from among its members an Executive Committee of three (3) or more members. Such Executive Committee shall act under the direction of the NAPMCK Board of Directors, and all

its acts shall be subject to review by the Board of Directors.

## **ARTICLE VIII OFFICERS**

**SECTION 1. Officers.** The Officers of NAPMCK shall be as follows: President/CEO, VP-Affiliate Support, President Elect, VP-Administration, VP-Finance/CFO, VP-Membership, VP-Professional Development, VP-Communication, and VP at Large.

**SECTION 2. Election.** The officers shall be elected by the regular members of NAPMCK at their annual meeting held in accordance with Article IX. Selection of nominees for offices shall be subject to the following limitations and/or restrictions:

(a) Nominees for President/CEO must have served previously as President Elect or in an elective office.

(b) Nominees for VP-Affiliate Support must have served previously as President/CEO of NAPMCK and have been a member of ISM for at least three years.

The names of nominees shall be sent by written notice to all regular members or posted to the local web page at least thirty (30) days prior to election and presented at the regular meeting immediately preceding that at which election is to take place. No name shall be presented without the consent of the nominee. Members of the nominating committee shall be eligible for nomination.

**SECTION 3. Duties of President/CEO.** The President/CEO shall be Chief Executive Officer and Chairman of the Board of Directors, and shall exercise general supervision over the executive affairs of NAPMCK. The President/CEO shall preside at all meetings of the NAPMCK membership and of the Board of Directors and shall be a member, ex officio, of all NAPMCK committees. The President/CEO shall have, in addition, the duties made incumbent upon the office by any other provision of these Bylaws or as assigned by the NAPMCK Board of Directors.

In the event of a vacancy in the office of President resulting from death, resignation, disqualification or permanent inability to serve, the President Elect shall assume the office of President and shall perform all the duties of such office for the unexpired term.

**SECTION 4. Duties of Vice President-Affiliate Support.** The VP-Affiliate Support primary focus of this position shall be to address all needs of the Affiliate in coordination with ISM Bylaws and operating procedures; to serve as the informational resource for the reigning President/CEO; and to perform any other official duties that shall be determined and specified by the Board of Directors as needed from time to time. The previous President/CEO of NAPMCK shall be designated to serve as the VP-Affiliate Support immediately following their

President/CEO term of office. If the immediate past President/CEO is unable to fulfill this obligation, the NAPMCK Board of Directors shall appoint as replacement, a former President or any such member who has served on the NAPMCK Board of Directors for at least 3 years.

**SECTION 5. Duties of President Elect.** The President Elect shall perform such duties as may be assigned from time to time by the President/CEO and NAPMCK Board of Directors. In the event of the temporary inability of the President/CEO to perform the duties of his or her office resulting from illness, absence or any other cause, the President Elect shall perform all duties of the office of President/CEO until such time as the incumbent is able to resume the duties of the office. The President Elect should make all preparations to succeed the current President/CEO at the end of his/her term of office.

**SECTION 6. Duties of Vice President-Administration.** The VP-Administration shall be responsible for the preparation of all minutes of the NAPMCK Board of Directors meetings, regular membership meetings, or any other NAPMCK special meetings; maintenance and safekeeping of all corporate and membership records of NAPMCK; and the serving or publication of all notices required by law or these Bylaws concerning any meeting or any other matter applicable to NAPMCK; and shall perform such other duties as may be assigned from time to time by the President/CEO, the NAPMCK Board of Directors, or which may be required by law.

**SECTION 7. Duties of Vice President-Finance/CFO.** The VP-Finance/CFO shall have the custody of all NAPMCK funds and securities; shall maintain a full and accurate account of all receipts and disbursements in books belonging to NAPMCK; shall deposit all NAPMCK funds in the name and to the credit of NAPMCK in such depositories as may be designated by the NAPMCK Board of Directors; shall disburse the funds of NAPMCK by check (countersigned by the President/CEO when required according to Section 2 of Article XI), in accordance with instructions furnished by the NAPMCK Board of Directors; shall render to the NAPMCK Board of Directors and members upon request, but at least annually, an account of all his or her transactions and of the financial condition of NAPMCK; and shall perform such other duties as may be assigned from time to time by the President/CEO and the NAPMCK Board of Directors or which may be required by law.

**SECTION 8. Duties of Vice President-Membership.** The VP-Membership shall document and validate all applications received by NAPMCK, shall be responsible for the presentation of all membership applications to the NAPMCK Board of Directors at the monthly meeting, shall process all applications to and from the National ISM office in a timely manner, shall update the local and National roster as needed, shall report any changes to membership status, and shall be responsible to validate semi-annual membership billings from the National ISM office; shall maintain and keep safe all corporate and membership records of NAPMCK required by law or these Bylaws concerning any applications or any other matter applicable to NAPMCK; and shall perform such other duties as may be assigned from time to time by the President/CEO, the NAPMCK Board of Directors, or which may be required by law.

**SECTION 9. Duties of Vice President-Professional Development.** The VP-Professional Development shall take responsibility for the promotion and education of the purchasing management and supply professionals of the affiliate; shall be knowledgeable of the ISM Certification and re-certification programs, shall promote certification at all times maintain records of our affiliate goals and current status, shall source qualified programs to enhance knowledge at the monthly membership meetings, shall report updated changes in the industry, and perform such duties as may be assigned from time to time by the President/CEO and the NAPMCK Board of Directors or which may be required by law.

**SECTION 10. Duties of Vice President-Communications.** The VP-Communications shall perform all communication duties necessary to keep the membership informed. This shall include, but not be limited to overseeing the publication of a monthly newsletter, submission of announcements to the local paper, posting the meeting notices in the paper, distribution of notices, preparation of all award nominations to the National office, sending notes of appreciation and any additional such duties as may be assigned from time to time by the President/CEO and the NAPMCK Board of Directors or which may be required by law.

**SECTION 11. Duties of Vice President-At Large.** The VP-At Large shall perform such duties as may be assigned from time to time by the President/CEO and the NAPMCK Board of Directors or which may be required by law.

## **ARTICLE IX MEETINGS OF THE ASSOCIATION MEMBERS**

**SECTION 1. Annual Meeting.** The annual meeting of the NAPMCK membership shall be held at the regular monthly meeting in April of each year at such place and on such date as may be determined by the NAPMCK Board of Directors. Notice thereof shall be given to all members at least thirty (30) days prior thereto.

**SECTION 2. Special Meetings.** Special meetings of the NAPMCK membership may be called by the NAPMCK Board of Directors or the NAPMCK members in accordance with the provisions set forth in the Non-Profit Corporation Act of the State of Kentucky.

**SECTION 3. Quorum.** At all annual or special meetings of the NAPMCK membership a quorum shall be considered two thirds (2/3) of the regular membership present at the meeting.

**SECTION 4. Voting.** On all questions or issues presented for a vote at the annual meeting or any special meeting of NAPMCK, each regular member who dues are paid shall be

entitled to cast one vote. Except as otherwise required by these Bylaws, all questions or issues presented to a vote at an annual or special meeting of the NAPMCK membership of the NAPMCK Membership shall be authorized by a simple majority of the votes cast.

**SECTION 5. Action by NAPMCK Membership without a Meeting.** If permitted by local law and desired, and except as otherwise provided in these Bylaws, the Board of Directors may, with the written consent of each member of the Board, take any action without a meeting that it might take at a meeting duly held.

**SECTION 6. Order of Business.** At any meeting of NAPMCK membership, the order of business shall be as stated on the agenda for the meeting furnished with the notice of such meeting required by this Article.

**SECTION 7. Parliamentary Rules.** At all meetings of NAPMCK, including the Board of Directors, Advisory Council, and in all cases to which it is applicable, the Roberts' Rules of Order, when not in conflict with this Constitution and Bylaws, shall govern NAPMCK.

## **ARTICLE X COMMITTEES**

**SECTION 1. Standing Committees.** The NAPMCK Board of Directors shall be authorized from time to time to appoint Standing Committee(s) whenever in their sole judgment such action is deemed necessary. Within reasonable time following his or her election, the President/CEO shall call a meeting of the Board of Directors and shall appoint certain Standing Committees such as he/she deems necessary.

**SECTION 2. Special Committees.** The President/CEO, with the approval of the NAPMCK Board of Directors, shall appoint such other special committees, subcommittees or task forces as may be deemed necessary and which are not in conflict with other provisions of these Bylaws. The duties of any such special committee shall be prescribed by the NAPMCK Board of Directors upon their appointment.

**SECTION 3. Nominating Committee.** At least ninety (90) days prior to the annual election, the President/CEO shall appoint a nominating committee of at least three members, not more than one of whom shall be a member of the existing NAPMCK Board of Directors. This committee shall present a proposed slate of candidates for all officers and shall, at least 75 days prior to the election, submit report and names of consenting nominees to the President/CEO and Membership in writing. The committee shall also be responsible for conducting the election procedures.

The names of consenting nominees for the various offices shall be announced at the regular meeting preceding the Annual Meeting by the Chairperson of the Nominating Committee. He or she shall file a list of the nominees, certified by the Committee, with the Vice President -

Administration immediately after such announcement. After nominees are announced, the floor will be opened for nominations for any position. Any nominations being received shall be investigated by the Nominating Committee for qualifications of the nominee. If nominee meets the criteria, that nominee will be placed on the ballot for voting at the Annual Meeting.

## **ARTICLE XI FINANCES**

**SECTION 1. Fiscal Year.** The fiscal year of the NAPMCK shall begin on September 1 of each year and terminate on August 31 of the following year.

**SECTION 2. Appropriations.** Appropriation of funds from NAPMCK will be made only by the NAPMCK Board of Directors. It shall not contract indebtedness in excess of available funds in the treasury not otherwise required or previously appropriated. All NAPMCK funds exceeding \$500 per instance that are disbursed by check shall be signed by the VP-Finance/CFO and countersigned by the President/CEO.

**SECTION 3. Audits.** NAPMCK will schedule a periodic external audit of the affiliate books as needed, but not to exceed more than a 2 years gap from the previous audit.

## **ARTICLE XII DISSOLUTION**

**SECTION 1. Dissolution.** NAPMCK may be dissolved upon adoption of a plan of dissolution and distribution of assets adopted by the NAPMCK Board of Directors and approved by the regular members of NAPMCK in accordance with the Non-Profit Corporation Act of the Commonwealth of Kentucky, as amended from time to time.

**SECTION 2. Dedication of Funds.** The NAPMCK shall use its funds only to accomplish the objectives and purposes specified in these Bylaws and no part of said funds shall be distributed to the members of NAPMCK. (On dissolution of NAPMCK, any funds remaining shall be distributed to one or more regularly organized and qualified organizations engaged in the promotion or education of the purchasing and materials management profession to be selected by the NAPMCK Board of Directors and regular members of NAPMCK).

## **ARTICLE XIII CHAPTERS**

**SECTION 1. Location.** NAPMCK may establish chapters for members who are located in geographical areas distant from the designated meeting place for regular meetings.

**SECTION 2. Approval.** The NAPMCK Board of Directors determines the need, the organizational structure, and approves the operating procedures for chapters within the guidelines of these Bylaws.

- (a) A minimum membership of 25 shall be required to sustain a chapter. If a membership of 25 is not reached within twelve (12) months from time of organization, or falls below this minimum for a period of twelve (12) months, the NAPMCK Board of Directors shall review the chapter status as to the possible continuing functional ability.
- (b) Such chapters will have no national standing, but members shall retain all rights and privileges as members of ISM.
- (c) The organization of chapter officers and chairmen shall function under the direction of the same officers and committee chairmen of the NAPMCK.
- (d) Chapter status may be dissolved by recommendation of a majority of the officers and committee chairmen of the chapter.
- (e) A chapter of NAPMCK must have a sustained minimum membership of 45 before considering obtaining Association status.

## **ARTICLE XIV INDEMNIFICATION**

**SECTION 1. Litigation.** NAPMCK shall indemnify any officer, made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of any other Corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any officer of NAPMCK served in any capacity at the request of NAPMCK, by reason of the fact that he or she, his or her testator or intestate, was an officer of NAPMCK or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorney's fees, actually and necessarily incurred as a result of such action or proceeding, or any appeal therein; provided, however, that no indemnification shall be made to or on behalf of any officer if a judgment or adjudication adverse to the officer establishes that his or her act was committed in bad faith or the result of active and deliberate dishonesty and were

material to the cause of action so adjudicated, or that he or she personally gained in fact a financial profit or other advantage in which he or she is not legally entitled.

**SECTION 2. Authorization.** Any indemnification made pursuant to Section 1 of this Article hereof, shall be made by NAPMCK; if authorized in one of the following ways:

- (a) By the NAPMCK Board of Directors acting by a quorum consisting of officers who are not parties to such action or proceeding upon a finding that the officer has not violated the standard of conduct as set forth in Section 1 of this Article hereof-, or
- (b) If a quorum under subparagraph (a) above is not obtainable, or even if obtainable, a quorum of disinterested officers so directs:
  - 1) by the Board upon the opinion in writing of independent legal counsel that indemnification is proper under the circumstances because the standard of conduct set forth in Section I of this Article has not been violated by such officer, or
  - 2) by the members upon a finding that the officer has not violated the standard of conduct set forth in Section I of this Article.

**SECTION 3. Expenses Incurred.** NAPMCK shall pay expenses incurred in defending a civil or criminal action or proceeding in advance of final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such officer to repay such amounts as, and to the extent, the person receiving such advancement or allowance is ultimately found, not to be entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced by NAPMCK exceed the indemnification to which he or she is entitled. If any action with respect to indemnification of officers is taken, then NAPMCK shall, not later than the next Annual Meeting, unless such meeting is held within three (3) months from the date of such action and, in any event within fifteen (15) months from the date of such action, mail to its members of record at the time entitled to vote for the election of officers a statement specifying the action taken.

**SECTION 4. Personal Liability.** The officers of this incorporated NAPMCK shall not be personally liable to the Association or its members for damages for any breach of duty in his or her capacity as such: provided, however, that this provision shall not limit or eliminate the liability of any officer if a judgment or other final adjudication adverse to him or her establishes that his or her acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled or that his or her acts violated any portion of the Commonwealth of Kentucky Non-Profit Corporation Law, or for any act or omission which occurred prior to the adoption of this provision.

## **ARTICLE XV AMENDMENTS**

These Bylaws may be amended at a regular meeting of NAPMCK by a vote of two thirds (2/3) of the regular members present and voting, such amendment(s) having been previously proposed electronically or in writing.