

Bylaws of the Kentucky Rural Health Association

ARTICLE I Name

Section 1. Name

The name of the corporation shall be the Kentucky Rural Health Association (KRHA), organized as a non-profit corporation under the laws of the Commonwealth of Kentucky as filed in the Office of the Secretary of State, herein after referred to as the Association.

Section 2. Purpose

The purpose of the Association shall be to advocate for equitable distribution and access to improved health status for rural Kentuckians.

ARTICLE II Offices

The Association shall have and continuously maintain in the Commonwealth of Kentucky, a registered office, and a registered agent whose office is identical with such registered office, but need not be, identical with the principal office, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE III Members

Section 1. Eligibility

The Association's diverse constituency shall be composed of individuals, community representatives, organizations, corporations, students, and honorary members interested in supporting and providing leadership on rural health issues through communication, education and advocacy.

Section 2. Definition of Membership Categories

- A. Individual: Any individual not holding membership in another category (except Honorary)
- B. Organizations: Organizations and Corporations which are approved by the Board of Directors and have the authority to identify four (4) members of their organization/corporation as individual members and are encouraged to include members of the outside community within this group.
- C. Student: Person who is enrolled as a full time college or high school student.
- D. Honorary

Section 3. Voting Rights

- A. Each individual, student and consumer member in good standing shall be entitled to one vote on each matter submitted to a vote of the membership. Honorary members are not eligible to vote.
- B. Each designated organizational and corporate member in good standing shall be entitled to one vote on each matter submitted to a vote of the membership.

Section 4. Privileges

Each individual, student member and designated organizational member, in good standing, may hold office, be eligible to be elected as a member of the Board of Directors, and serve on Association committees.

Section 5. Term

Membership shall be effective upon receipt of dues and shall continue until the same calendar date of the following year.

Section 6. Dues

The amount of membership dues shall be determined for all categories of membership by the Board of Directors.

ARTICLE IV Parliamentary Authority

All meetings and business of the Association will be conducted under the provisions of Roberts Rules of Order (revised), except as superseded by these bylaws.

ARTICLE V Meetings of Members

Section 1. Annual Meeting - General Membership

An annual meeting of the Association membership will be held at a time and place to be determined by the Board of Directors.

Section 2. Special Meetings - General Membership

Special meetings of the membership of the Association may be called at any time by the president or a majority of the Board of Directors, or at the request of the membership upon receipt of a written request signed by at least ten (10) percent of the members of the Association. Notice of a special meeting, stating the purpose thereof, shall be provided by the president to all members.

Section 3. Place of Meeting - General Membership

The Board of Directors shall designate the location of all general membership meetings.

Section 4. Quorum - General Membership Meetings

Those members present at the annual meeting or a Special Meeting of the Association shall constitute a quorum for the purpose of conducting Association business. The act of a majority of the members at which a quorum is present shall be the act of the General Membership, unless the act of a greater number is required by statute, these bylaws, or the Articles of Incorporation.

ARTICLE VI Officers and Executive Committee

Section 1. Officers

The officers shall be a president, president-elect, secretary, treasurer, and immediate past president.

Section 2. Eligibility

In order to be nominated for, or become an officer, an individual must be a member of the Association as defined in Article III. A candidate for the office of president-elect must be a current member of the Board of Directors.

Section 3. Officers' Term of Office

The term for each officer listed in Section 1 of Article VI is one (1) year.

Section 4. Nomination and Election of Officers

A president-elect, secretary, and treasurer shall be proposed by the Nominating Committee and confirmed by the members of the Association, from among the membership.

Section 5. Officers' Powers and Duties

The president, president-elect, secretary, treasurer, and immediate past president shall be a member of both the Executive Committee and the Board of Directors.

A. The **president** shall be the principal executive officer of the Association and shall in general supervise all the business and affairs of the Association and shall preside at all meetings of the members and of the Board of Directors. The president may execute, with the secretary, treasurer (or any other individual of the Association authorized by the Board of Directors), any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized.

B. The **president-elect** shall assist the president as presiding officer and shall perform all duties incident to the office of president-elect and other duties as may be prescribed by the Board of Directors or president.

C. The **secretary** shall keep complete records of all proceedings of the Association, Executive Committee, and the Board of Directors; shall have custody of all records except as otherwise provided for in the Management Manual of the Association; shall notify all officers and committee members of their election or appointment; and shall perform all other duties as may be prescribed by the Board of Directors or president. The secretary shall not serve more than three (3) consecutive one (1) year terms. The secretary shall perform all duties incident to the office of secretary and other duties as may be prescribed by the Board of Directors or president.

D. The **treasurer** shall be responsible for all funds and securities of the Association; and assure that monies due and payable to the Association from any source whatsoever, are

received, and receipted, and deposited in the name of the Association in such banks, trust companies or other depositories, and in general, perform all duties incident to the office of treasurer and such other duties as from time to time may be assigned by the president or by the Board of Directors. The treasurer will cause an annual, internal audit to be performed by the Finance Committee and assure adequate copies to be presented to the Board of Directors.

E. The **immediate past president** shall be the chairperson of the Nominating Committee.

Section 6. Executive Committee

The Executive Committee shall consist of the president, president-elect, secretary, treasurer, immediate past president, and one (1) board member elected by the Board of Directors, and the director of the State Office of Rural Health shall serve as ex-officio. They shall meet regularly and when requested by any member of the Executive Committee.

The purpose of the **Executive Committee** is to carry out the day to day activities of the organization and to make decisions which cannot be postponed until the regular meeting of the Board of Directors. The decisions of the Executive Committee are subject to affirmation by the Board of Directors.

Section 7. Vacancies

A. A vacancy in the office of president shall be filled automatically through succession in the following order: president-elect, secretary, treasurer.

B. A vacancy in the office of president-elect shall be filled by the Board in an interim position until the next annual meeting where the president-elect will be confirmed by the general membership.

C. A vacancy in the office of the secretary or treasurer shall be filled by the Board of Directors at their next meeting.

ARTICLE VII Board of Directors

Section 1. Composition and Number

The corporate powers of this Association shall be vested in and exercised by or under the authority of a Board of Directors which consists of the officers and the elected board members. The Board of Directors shall have no fewer than thirteen (13) nor more than seventeen (17) voting members.

The board shall be composed from the following member categories: at least one (1) student; three (3) individual; three (3) organization or corporation; with the remainder of the board members elected at large. Consideration should be made to ensure the board members represent the composition of the organization at large. If no appropriate candidate for a category can be determined, defined composition may be waived by the board for one year. The fulfillment of the remainder of the term of another board member, shall not be included in the two term limit.

Section 2. Eligibility

In order to be nominated for, or hold office on the Board of Directors, an individual must be a member of the Association as defined in Article III. No more than two (2) members of the Board of Directors may be employees of the same organization regardless of membership classification.

Section 3. Board Members' Term of Office

All members of the Board of Directors shall serve two year terms not to exceed two (2) consecutive terms. Time served as an officer does not apply to board member's term of office.

Section 4. Nomination and Election of Board of Directors

The Nominating Committee will identify board representation needs according to geographic and categorical representation guidelines outlined in the Board Representation policy for the Kentucky Rural Health Association (KRHA) Board of Directors.

Section 5. Board Members' Powers and Duties

Subject to any limitation in the Articles of Incorporation and these bylaws, and the laws of the Commonwealth of Kentucky, the Board of Directors shall have the responsibility and authority to supervise and direct the activities and resources of the Association, and to conduct all business affairs of the Association in furtherance of its mission and purposes. Board members shall perform duties, including service on any committee of the board, in good faith and in a manner which the board member believes to be in the best interests of the Association.

BOARD MEMBERS SHALL:

- A. Keep a complete record of all minutes and acts, and present a full statement at the annual membership meeting of the general membership, showing in detail the condition and affairs of the Association.
- B. Manage the affairs of the Association and make an annual report of its activities to the membership at the annual meeting.
- C. Act as trustee for all property, real and personal, the Association may acquire.
- D. Approve and authorize all unusual or extraordinary expenditures of Association funds.
- E. Adopt the annual budget for the Association.
- F. Adopt such rules as are necessary to conduct its affairs.
- G. Establish committees and define their duties, except as otherwise provided in these bylaws.
- H. Approve the appointment of official representatives and define their duties.
- I. Authorize payment for clerical assistance required by the officers in performance of official Association business. No member of the Association, receiving salary from the Association, may serve as a member of the board concurrent with the term of employment.
- J. Elect or remove any officer, agent, or employee of the Association; prescribe such powers and duties for them as may be consistent with the law of the Commonwealth of Kentucky, the

Articles of Incorporation and these bylaws; fix their compensation, if any; and may provide a bond for faithful performance.

K. Employ staff; fix their compensation; and define their duties.

L. Act on business not otherwise provided for by the Articles of Incorporation and these bylaws.

M. Fill vacancies consistent with the intent of the bylaws.

N. In its discretion, honorary memberships may be granted by the Board of Directors and shall have all rights and privileges of membership, except voting and holding office, with no dues. Members of the Kentucky Legislature may be included in this category.

Section 6. Regular Meetings

Regular Meetings of the board shall be held at least quarterly and at a time determined by the board. All regular, special, or committee meetings of the board are open meetings.

However, only members of the board and committee chairs or designee are required to be notified of such meetings.

Section 7. Special Meetings

Special Meetings of the Board of Directors may be called by the president or a majority of the members of the board at least five (5) days in advance. Notice of a special meeting, stating the purpose thereof, shall be provided to each board member and committee chair personally, verbally, or by mail, or telecommunications.

A. Action Without Meeting. Any action required to be taken at a meeting of the Board of Directors of the Association or any other action which may be taken at a meeting of the Board of Directors, may be taken without meeting if consent is given in writing or by email, setting forth the action so taken, shall be approved by all of the Board of Directors entitled to vote with respect to subject matter thereof.

B. Attendance by Telecommunications. Board members may participate in any meeting through the use of a teleconference, video conference, or other means of communication by which all persons participating in the meeting can communicate with each other and such participation in a meeting shall constitute presence in person at the meeting.

Section 8. Vacancy/Removal from Board of Directors

Any member of the Board of Directors who misses a specified number of consecutive meetings as determined by the Board shall submit a written resignation to the president of the board for action. If such resignation is not received prior to the next consecutive absence, the board may declare the position vacant.

Any vacancy may be filled through appointment by the president for the remainder of the term of the vacated position.

Section 9. Quorum

A majority of the Board of Directors present at a meeting shall constitute a quorum for the purpose of conducting Association business. If an action is taken without meeting,

participation from all Board of Directors will constitute a quorum. The act of a majority of the board members at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, these bylaws, or the Articles of Incorporation.

Section 10. Compensation

Members of the Board of Directors shall receive no compensation for their services, but may, as determined by board policy, receive reimbursement for such reasonable expenses as may be necessary pursuant to the business of the Association.

ARTICLE VIII

Executive Director

Section 1. Executive Director

Contracting with an Executive Director shall be approved by the Board of Directors. The Executive Director shall serve as the chief staff officer of the Association and shall be compensated for his/her services as provided for in the budget and pursuant to independent contract. The Executive Director shall serve at the pleasure of the Board of Directors, subject to applicable state and federal regulations and procedures, and shall not be considered an employee of the Association as that term is commonly understood and interpreted.

Section 2. Duties

The Executive Director shall perform any and all duties and assume all such responsibilities of the office as directed by the Board of Directors. The Executive Director shall carry out the directives of the Board and shall be responsible to the Board of Directors for conducting the day-to-day affairs of Association, as outlined in writing by the Board of Directors.

ARTICLE IX Representatives

Section 1. National Rural Health Association

The president of the Kentucky Rural Health Association shall recommend to the Board of Directors two (2) representatives in good standing to serve on the National Rural Health Association's State Association Council. The board-approved representatives shall serve for two (2) years with staggered terms.

Section 2. Other Representatives

The Board of Directors shall decide to which other organizations the Association shall send representatives and prescribe the qualifications for each representative.

Section 3. Appointments

The president shall have the authority to appoint members in good standing as the official representatives of the Association to other organizations. The term of appointment shall run concurrently with that of the president.

ARTICLE X Committees

Section 1. Committee Chairperson Powers and Duties

The committee chairperson shall be responsible for overseeing the activities of the committee and be responsible for:

- A. Appointment of a vice chairperson.
- B. Reporting to the president-elect regularly on the progress of the committee.
- C. Assuring that minutes are recorded.
- D. Being prepared to report committee activities at regular board meetings (in person or by written report.)
- E. Briefly summarizing activities for the past year for presentation at the annual meeting.

Section 2. Committees of the Association

The following committees shall serve as standing committees of the Association. The president shall appoint all committees except the Nominating Committee. The president and president-elect shall serve as ex-officio on all standing committees.

A. NOMINATING COMMITTEE

The Nominating Committee shall be elected annually by the Board of Directors and be responsible for identifying persons qualified to serve as officers and Board of Directors of the Association.

There shall be a Nominating Committee comprised of five (5) members with terms of one (1) year duration. The Chair of the Nominating Committee shall be the past president of the Association. One member shall be from the following categories: student, individual, and organizational. No member may serve more than two (2) consecutive terms.

The Nominating Committee shall be responsible for identifying persons qualified for, and interested in, becoming board members.

B. MEMBERSHIP COMMITTEE

The Membership Committee shall be responsible for marketing the Association in the recruitment and retention of members.

C. ANNUAL CONFERENCE/AWARDS COMMITTEE

The chairperson (president-elect) of the annual meeting shall recommend the subcommittee chairpersons to the Board of Directors. The annual meeting chairperson and the subcommittee chairpersons shall constitute the annual conference committee.

D. FINANCE COMMITTEE

To track all revenues and expenditures of the Association, develop an operational budget, conduct an annual internal audit and report to the Association. The treasurer shall serve as chair of this committee.

E. LEGISLATIVE COMMITTEE

The Association supports the legislation of rural health interests. The Association seeks to establish broad membership consensus on issues that affect access to quality health care. To this end, the Association is committed to creating legislative proposals, providing education on legislative issues, and to participating in coalitions to advance the interests of the public's health.

The legislative interests of the Association are defined as those interests that are brought forth through resolutions passed by the general membership and goals established by the Board of Directors. The legislative committee functions in support of these broad commitments and interests.

F. GOVERNANCE COMMITTEE

The Governance Committee shall oversee issues concerning the infrastructure of the Association, such as amendments to the bylaws, modifications and additions to the Policy Manual, and leadership development.

G. STUDENT ORGANIZATION COMMITTEE

The responsibilities of this committee shall be to promote the interest and involvement of higher education students in Kentucky with a concern for health care in rural Kentucky.

H. AD HOC and WORKING COMMITTEES

The president shall establish such working or ad hoc committees as are needed to conduct the business of the Association.

Section 3. Term of Office

Each member of a committee shall serve for the term of the president.

Section 4. Vacancies

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 5. Quorum

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting, shall be the act of the committee.

Section 6. Rules

Each committee shall adopt rules for its own governance not inconsistent with these bylaws or with rules adopted by the Board of Directors.

ARTICLE XI Contracts, Checks, Deposits and Funds

Section 1. Contracts

The Board of Directors may authorize any officer or officers, agent or agents of the Association to enter into any contract and execute and deliver any instrument in the name or on behalf of the Association within the provisions of these bylaws. Such authority may be general or may be confined to a specific instance or transaction.

Section 2. Checks and Drafts

Signatures on all checks drawn on the Association accounts shall be that of the secretary, treasurer, or the president, or other authorized member of the Board of Directors.

Section 3. Deposits

All funds of the Association shall be handled in a manner consistent with operational and investment policies set by the Board of Directors.

Section 4. Revenue

The Board of Directors may accept in the name of, and on behalf of the Association, any contribution, gift, grant, contract bequest or device for any purpose of the Association. Any revenue generated by the Association shall become the property of the Association and shall be deposited accordingly. All gifts will be accepted within boundaries of the appropriate ethics as established by the Board of Directors.

Section 5. Bonding

All officers and other persons authorized to handle or disburse the funds of the Association may, at the discretion of the Board of Directors, be bonded at the expense of the Association in such amount as the Board of Directors may determine to be adequate for the protection of the Association.

Section 6. Loans

No loans shall be made by the Association to its board members or officers.

ARTICLE XII Books and Records

Section 1. Responsibility

The treasurer shall be responsible for assuring that correct and complete financial books and records of the Association are maintained.

The secretary shall be responsible for assuring that correct and complete non-financial books and records of the Association are maintained.

The Association will keep a complete record of proceedings of meetings of the Board of Directors and all committees.

The Board of Directors shall be responsible for assuring the accuracy of all records.

Section 2. Fiscal Year

The fiscal year of the Association shall be July 1 through June 30.

The "organizational year," which includes the term for officers and board of directors, shall be the election day of one annual meeting until the election day of the next annual meeting.

ARTICLE XIII Indemnification and Limitation on Director's Liability

Section 1.

Each person who is or was a member, director, trustee, or officer of the Association, whether elected or appointed, and each person who is or was serving at the request of the Association as a member, director, trustee, or officer of another corporation, whether elected or appointed, including the heirs, executors, administrators, or estate of any such person, shall be indemnified by the Association to the full amount against any liability, and the reasonable cost of expense (including attorney fees, monetary or other judgments, fines, excise taxes, or penalties and amounts paid or to be paid in settlement) incurred by such person in such person's capacity as a member, director, trustee, officer, or employee or arising out of such person's status as a member, director, trustee, officer, or employee; provided, however, no such person shall be indemnified against any such liability, cost, or expense incurred in connection with any action, suit, or proceeding in which such person shall have been adjudged liable on the basis that personal benefit was improperly received by such person, or if such indemnification would be prohibited by law. Such right of indemnification shall be a contract right and shall include the right to be paid by the Association the reasonable expenses incurred in defending any threatened or pending action, suit, or proceeding in advance of its final disposition; provided, however, that such advance payment of expenses shall be made only after delivery to the Association of an undertaking by or on behalf of such person to repay all amounts so advanced if it shall be determined that such person is not entitled to such indemnification. Any repeal or modification of this article shall not affect any rights or obligations then existing. If any indemnification payment required by this article is not paid by the Association within 90 days after a written claim has been received by the Association, the member, director, trustee, officer, or employee may at any time thereafter bring suit against the Association to recover the unpaid amount and, if successful in whole or in part, such person shall be entitled to be paid also the expense of prosecuting such claim. The Association may maintain insurance, at its own expense under the Kentucky Nonprofit Corporation Acts or under this article, but it shall not be obligated to do so. The indemnification provided by this article shall not be deemed exclusive of any other rights which those seeking indemnification may have or hereafter acquire under any bylaw, agreement, statute, vote of members or board of directors, or otherwise. If this article or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the Association shall nevertheless indemnify each such person to the full extent permitted by any applicable portion of this article that shall not have been invalidated or by any other applicable law.

Section 2

No Board of Director shall be personally liable to the Association for monetary damages for breach of his or her duties as a director except for liability: a) For any transaction in which the director's personal financial interest is in conflict with the financial interests of the Association; b) For acts or omissions not in good faith or which involve misconduct or are

known to the Board of Director to be a violation of law; or c) For any transaction from which the Board of Director derives an improper personal benefit.

If the Kentucky Revised Statutes are amended after approval of this article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a Board of Director of the Association shall be deemed to be eliminated or limited by this provision to the fullest extent then permitted by the Kentucky Revised Statutes, as so amended. Any repeal or modification of this article shall not adversely affect any right or protection of a Board of Director of the Association existing at the time of such repeal or modification.

ARTICLE XIV Dissolution

Section 1

In the event of dissolution of the Association, any of its assets not required by law or by conditions imposed by the donor to be otherwise applied or distributed shall be distributed as the Executive Committee may direct to one or more organizations organized and operated exclusively for the purposes described in Sections 501 (c) (1), (c) (3), (c) (4), or (c) (6) of the Internal Revenue Code of 1986 or their successors.

ARTICLE XV Waiver of Notice

Section 1

Whenever any notice is required to be given under the provisions of applicable statutes, bylaws or Articles of Incorporation, a waiver thereof in writing signed by the person or persons entitled to such notice whether before or after the time stated there in, shall be deemed equivalent to the giving of such notice. Signing an approval of any minutes or resolution of any meeting of the board shall be deemed a waiver of notice thereof. Audio tapes of telephoned waivers shall be deemed a valid waiver of notice thereof.

ARTICLE XVI Amendments

Section 1

The membership of the Association by affirmative vote of two-thirds (2/3) of the members present, may alter, amend, or revoke the bylaws at any general or special membership meeting of the Association, providing that written notice shall be given to all members at least thirty (30) days prior to any action being taken.

KNOW ALL PERSONS BY THESE PRESENT, that the foregoing bylaws were adopted as the bylaws of the Association by resolution of the Board of Directors, and ratified by the membership of the Association at its annual meeting in 1999.