

BY-LAWS
OF
KNOXVILLE AREA PROGRAMS AND
PARTNERSHIPS FOR ACHIEVEMENT
FOUNDATION
(K.A.P.P.A. FOUNDATION)
EIN: 22-3972860

These By-Laws of the **Knoxville Area Programs and Partnerships for Achievement Foundation**, hereafter referred to as the K.A.P.P.A. Foundation are made and effective this 12th day of December of the year two thousand and seven (2007).

MISSION STATEMENT

To provide activities and assistance in support of programs designed to enhance the social, economic, and educational achievement of youth, disadvantaged and elderly within the greater Knox County and East Tennessee area.

ARTICLE 1- ORGANIZATION

Section A. The name of the organization shall be the Knoxville Area Programs and Partnerships for Achievement.

Section B. The organization may, at its pleasure by a majority vote of active members change its name.

ARTICLE 2- PURPOSES

Section A. The K.A.P.P.A. Foundation is a separate non-profit organization, with the main objective of developing and implementing charitable and philanthropic programs on behalf of the Knoxville Alumni Chapter of Kappa Alpha Psi Fraternity, Incorporated. Kappa Alpha Psi was founded in 1911 under the motto of “achievement in every field of human endeavor”, with the Knoxville Alumni Chapter of the Fraternity being founded in 1946. Since its founding, the Knoxville Alumni Chapter has served the community in many capacities, contributing to the social, economic, and educational advancement of the greater Knoxville, Tennessee area. The purpose of the K.A.P.P.A. Foundation is to further support these community outreach initiatives. It was established in 2007 as a tax exempt, publicly supported organization as described in section 501-(C) (3) of the internal revenue service code. **Said organization is organized exclusively for charitable, religious, educational, and**

scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501 © (3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

ARTICLE 3- MEMBERSHIP

Section A. Membership in the K.A.P.P.A. Foundation shall be open to (1) all area members of Kappa Alpha Psi Fraternity Incorporated initiated into any of the sanctioned undergraduate or alumni chapters having a legitimate and recognizable status within Kappa Alpha Psi Fraternity and (2) to those non-members of Kappa Alpha Psi residing within the service area with an interest in pursuing membership.

ARTICLE 4- MEETINGS

Section A. The annual membership meeting of this organization shall be held on second Tuesday of December each and every year except if such day is a legal holiday, then and in that event, the Board of Directors shall fix the day but it shall not be more than two weeks from the date fixed by these By-Laws.

Section B. The Secretary shall cause to be mailed to every member in good standing at the address listed as it appears in the membership roll book in this organization a notice telling the time and place of such annual meeting.

Section C. Regular meetings of this organization shall be held in the First Tennessee Building's Club LeConte at 2700 Plaza Tower in Knoxville, Tennessee or at a location to be determined prior to the meeting.

Section D. The presence of not less than fifty percent (50%) of the members shall constitute a quorum and shall be necessary to conduct the business of this organization; but a lesser percentage may adjourn the meeting for a period of not more than two weeks from the date scheduled by these By-Laws and the secretary shall cause a notice of this scheduled meeting to be sent to all those members who were not present at the meeting originally called. A quorum as herein before set shall be required at any adjourned meeting.

Section E. Special meetings of this organization may be called by the president when he deems it for the best interest of the organization. Notices of such meeting shall be mailed to all members at their addresses as they appear in the membership roll book at least fourteen (14) days before the scheduled date set for such special meeting. Such notice shall state the reasons that such meeting has been called, the business to be transacted at such meeting and by whom it was called. At the request of fifty percent (50%)

of the members of the Board of Directors or fifty percent (50%) of the members of the organization, the president shall cause a special meeting to be called but such request must be made in writing at least two weeks (14 days) before the requested scheduled date.

Section F. No other business but that specified in the notice may be transacted at such special meeting without the unanimous consent of all present at such meeting.

ARTICLE -5 VOTING

Section A. At all meetings, except for the election of officers and directors, all votes shall be by voice. For election of officers, ballots shall be provided and there shall not appear any place on such ballot that might tend to indicate the person who cast such ballot.

Section B. At any regular or special meeting, if a majority so requires, any question may be voted upon in the manner and style provided for election of officers and directors. At all votes by ballot the chairman of such meeting shall, prior to the commencement of balloting, appoint a committee of three who shall act as “Inspectors of Election” and who shall, at the conclusion of such balloting, certify in writing to the chairman the results and the certified copy shall be physically affixed in the minutes of that meeting.

Section C. No inspector of election shall be a candidate for office or shall be personally interested in the question voted upon.

ARTICLE -6 ORDER OF BUSINESS

Section A. Roll Call

Section B. Reading of the Minutes of the preceding meeting.

Section C. Reports of Committees

Section D. Reports of Officers

Section E. Old and Unfinished Business

Section F. New Business

Section G. Adjournments

ARTICLE -7 BOARD OF DIRECTORS

- Section A. The business of this organization shall be managed by a Board of Directors consisting of five (5) members, together with officers of this organization. At least one of the directors elected shall be a resident of the State of Tennessee and citizen of the United States of America. The composition of the Board of Directors shall be as follows: (1) the sitting Vice Polemarch of the Knoxville Alumni Chapter of Kappa Alpha Psi Fraternity Incorporated, (2) the current President of the Knoxville Kappa Alpha Psi Silhouette organization, (3) a current financial member within the local undergraduate chapter (s), (4) a Kappa Alpha Psi member-at-large, and (5) a representative selected by the membership from within the Knox, Anderson, or Blount county community.
- Section B. The directors to be chosen for the ensuing year shall be chosen at the annual meeting of this organization in the same manner and style as the officers of this organization and they shall serve for a term of two (2) years.
- Section C. The Board of Directors shall have the control and management of the affairs and business of this organization. Such Board of Directors shall only act in the name of the organization when it shall be regularly convened by its chairman after due notice to all the directors of such meeting.
- Section D. Sixty percent (60%) of the members of the Board of Directors shall constitute a quorum and the meetings of the Board of Directors shall be held regularly on the date specified in Article 4 Section A of this document.
- Section E. Each director shall have one vote and such voting may not be done by proxy.
- Section F. The Board of Directors may make such rules and regulations covering its meetings as it may in its discretion determine necessary.
- Section G. Vacancies in the Board of Directors shall be filled by a vote of the majority of the remaining members of the Board of Directors for the balance of the year.
- Section H. The President of the organization by virtue of his office shall be Chairman of the Board of Directors.
- Section I. The Board of Directors shall select from one of their members a secretary.
- Section J. A director may be removed when sufficient cause exists for such removal. The Board of Directors may entertain charges against any director. A director may be represented by counsel upon any removal hearing. The

Board shall adopt such rules for this hearing as it may in its discretion consider necessary for the best interests of the organization.

ARTICLE -8 OFFICERS

- Section A. The initial officers of the organization shall be as follows:
[PRESIDENT] [VICE PRESIDENT]
[SECRETARY] [TREASURER]
- Section B. The President shall preside at all membership meetings. He shall be virtue of his office be Chairman of the Board of Directors. He shall present at each annual meeting of the organization an annual report of the work of the organization. He shall appoint all committees, temporary or permanent. He shall see all books, reports and certificates required by law are properly kept or filed. He shall be one of the officers who may sign the checks or drafts of the organization. He shall have such powers as may be reasonably construed as belonging to the chief executive of any organization.
- Section C. The Vice President shall in the event of the absence or inability of the President to exercise his office become acting president of the organization with all the rights, privileges and powers as if he had been the duly elected president.
- Section D. The Secretary shall keep the minutes and records of the organization in appropriate books. It shall be his duty to file any certificate required by any statute, federal or state. He shall give and serve all notices to members of this organization. He shall be the official custodian of the records and seal. He may be one of the officers required to sign the checks and drafts of the organization. He shall present to the membership at any meetings any communication addressed to him as Secretary of the organization. He shall submit to the Board any communications which shall be addressed to him as Secretary of the organization. He shall attend to all correspondence of the organization and shall exercise all duties incident to the office of Secretary.
- Section E. The Treasurer shall have the care and custody of all monies belonging to the organization and shall be solely responsible for such monies or securities of the organization. He shall cause to be deposited in a regular business bank or trust company a sum not exceeding five hundred dollars (\$500.00) and the balance of the funds of the organization shall be deposited in a savings bank except that the Board of Directors may cause such funds to be invested in such investments as shall be legal for a non-profit corporation in this state. He must be one of the officers who shall sign checks or drafts of the organization. No special fund may be set aside that shall make it unnecessary for the Treasurer to sign the checks issued

upon it. He shall render at stated periods as the Board of Directors shall determine a written account of the finances of the organization and such report shall be physically affixed to the minutes of the Board of Directors of such meeting. He shall exercise all duties incident to the office of Treasurer.

Section F. Officers shall by virtue of their office be members of the Board of Directors.

Section G. No officer shall for reason of his office be entitled to receive any salary or compensation, but nothing herein shall be construed to prevent an officer or director for receiving any compensation from the organization for duties other than as a director or officer.

Section H. All officers will be in compliance with the existing conflict of interest policy as outlined in Appendix A of these by-laws.

ARTICLE -9 SALARIES

Section A. The Board of Directors shall hire and fix the compensation of any and all employees which they in their discretion may determine to be necessary for the conduct of the business of the organization.

ARTICLE -10 COMMITTEES

Section A. All committees of this organization shall be appointed by the Board of Directors and their term of office shall be for a period of one year or less if sooner terminated by the action of the Board of Directors.

Section B. The permanent committees shall be: (1) Budget and Finance Committee – It shall be the duty of this committee to formulate the proposed budget of the organization and to identify a means of financing the proposed budget for the upcoming fiscal year. (2) Organization Oversight Committee – It shall be the duty of this committee to provide an annual review of the direction of the organization and provide recommendations and assessments to the officers on the need to adjust programmatic direction.

ARTICLE -11 DUES

Section A. The dues of this organization shall be fifty dollars (\$65.00) per annum and shall be payable on January 31st of each program year.

ARTICLE -12 AMENDMENTS

Section A. These By-Laws may be altered, amended, repealed or added to by an affirmative vote of not less than sixty percent (60%) of the members.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

PRESIDENT

VICE PRESIDENT

Authorized Signature

Authorized Signature

Print Name and Title

Print Name and Title

SECRETARY

TREASURER

Authorized Signature

Authorized Signature

Print Name and Title

Print Name and Title

APPENDIX A

Conflict of Interest Policy

Article I Purpose

The purpose of the conflict of interest policy is to protect the Knoxville Area Programs and Partnerships for Achievement Foundation's, **hereafter referred as the Organization**, tax-exempt interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to non-profit and charitable organizations.

Article II Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which this organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b.** The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c.** After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d.** If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b.** If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV **Records of Proceedings**

The minutes of the governing board and all committees with board delegated powers shall contain:

- a.** The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b.** The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V **Compensation**

- a.** A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b.** A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c.** No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI **Annual Statements**

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a.** Has received a copy of the conflicts of interest policy,
- b.** Has read and understands the policy,
- c.** Has agreed to comply with the policy, and
- d.** Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII **Periodic Reviews**

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a.** Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b.** Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.