



(Copy)
The Albany Council
of the
Traditional Karate Do Organization, Inc.

BY-LAWS

****ESTABLISHED** April 20th, 2006**

*The Albany Council
of the
Traditional Karate Do Organization, Inc. (Copy)*

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ARTICLE I

NAME and TAX STATUS

SECTION 1:

This Organization shall be known as The Albany Council of the Traditional Karate-Do Organization, Inc or referred to as ACTKO throughout these by-laws.

SECTION 2:

ACTKO will be a not-for-profit organization falling under the IRS code 501(c) (3). ACTKO is an educational based organization, which fosters a push for amateur national sports competition, in karate, to children within the community. Additional goals of the organization are to implement community based programs that will help children in socioeconomic disadvantaged environments by providing tutoring and mentoring as well as support to those children who decide to pursue a college degree.

ARTICLE II

PURPOSE

SECTION 1:

The primary purpose of the Council is to:

- 1) Provide opportunities for the exchange of ideas and suggestions between Parents, Instructors, Board Members and Community Representatives.
- 2) Afford the parents and students an organized and effective link with the operations of the Dojo and Board.
- 3) Establish a means of regular communication between Parents, Students, Instructors and Board Members to develop programs, which will benefit the community.
- 4) Provide on-site advice, assistance and exchange of ideas with members.
- 5) Promote various programs, seek grants and raise funding to accomplish these purposes.

SECTION 2:

It is recognized that, in representing the Parents and Students, the actions of the ACTKO are limited only by its Creativeness and Aggressiveness.

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ARTICLE III

MEMBERSHIP

SECTION 1:

Membership is free.

ARTICLE IV

FEEES, DUES and ASSESSMENTS

SECTION 1:

There are no regular fees, dues, or assessments.

SECTION 2:

Operation Costs for meetings will be kept to a minimum.

SECTION 3:

No contributions from members will be solicited to defray necessary expenses and/or to assist in underwriting special programs and promotions. This will purely be on a voluntary basis.

SECTION 4:

No members will be asked for an annual contribution.

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ARTICLE V

EXECUTIVE BOARD

SECTION 1:

The Executive Board of Officers of this Organization shall be comprised of a President, Vice-President, Secretary and Treasurer. Each officer will have voting rights.

SECTION 2:

ACTKO Executive Board shall consist of representatives of parents, instructors, staff and community leaders throughout the Capital Region. The Executive Board shall consist of not less than six (6) nor more than nine (9) members and three (3) At-large members. Each member will have voting rights.

SECTION 3:

The President, as the Chairperson, or his/her representative, will be required to attend all meetings.

SECTION 4:

The President shall preside at all meetings of this Organization. In their absence, the Vice-President will preside.

SECTION 5:

The Secretary shall maintain minutes of all the Executive Board meetings. In the event that the Secretary is absent, the Officer Chairing the meeting shall appoint a temporary replacement.

SECTION 6:

At - Large Members three (3) are appointed by the Board of Directors to sit on the board. These members are from the community and come from different backgrounds, which represent the community businesses, leadership and development.

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ARTICLE V (CONT'D)

EXECUTIVE BOARD

SECTION 7:

The Treasurer shall maintain records of all monies received and account for all monies paid out for approved disbursements authorized by the Board of Directors will report the same to the Executive Board. The Treasurer should be bonded.

SECTION 8:

The Treasurer and/or the CEO shall endorse all checks.

SECTION 9:

All members of the Executive Board are expected to participate in all scheduled Executive Board meetings during the calendar year.

SECTION 10:

A Committee Member may not send a substitute to a meeting.

SECTION 11:

If a committee member cannot attend a meeting, he or she should contact the President or Secretary, who will in turn notify the CEO.

SECTION 12:

Any officer may resign at any time by giving written notice to the CEO, the President or the Secretary of the Organization. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of the resignation shall not be necessary to make it effective.

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ARTICLE V (CONT'D)

EXECUTIVE BOARD

SECTION 13:

After four (4) absences in a calendar year or three (3) consecutive absences (unless there are extenuating circumstances), the President or CEO shall take the following actions:

- 1) The President or CEO will notify the Board of the situation for discussion on appropriate action. The Board will discuss.
- 2) The Executive Board shall inform the member by letter that they will be asked to resign.
- 3) The person who resigns may recommend his/her replacement. That member may or may not be replaced by the recommendation, which will be the discretion of the Executive Board.

SECTION 14:

Former Officers are invited to attend any meeting of the Executive Board as a resource member. This member will not have voting rights.

SECTION 15:

The management of the affairs, property and business of the ACTKO shall be vested in the Board of Directors. In addition to the power and authority expressly conferred upon it by these By-Laws and the Certificate of Incorporation, the Board of Directors or Executive Board may take any action and do all such lawful acts and things on behalf of the Organization.

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ARTICLE VI

SUCCESSION

SECTION 1:

If an Executive Board of Officers position becomes vacant during a term of office, the following rules will apply:

- 1) *PRESIDENT* --- The Vice-President shall immediately assume the Presidents responsibilities until the next October election of Officers. That person may appoint an Acting Vice-President to replace him/her.

- 2) *VICE-PRESIDENT* --- If the Vice-President position becomes vacant, a replacement will be made as soon as possible. At the next scheduled Executive Board Meeting, candidates will be nominated and an election held.
 - A. Position may be filled by appointment by the President with the majority vote approval of Executive Board.

- 3) *SECRETARY* --- If the Secretary position becomes vacant, a replacement will be made as soon as possible. At the next scheduled Executive Board Meeting, candidates will be nominated and an election held.

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ARTICLE VI (CONT'D)

SUCCESSION

SECTION 1 (CONT'D.):

- 4) *TREASURER* --- If the Treasurer position becomes vacant, a replacement will be made as soon as possible. At the next scheduled Executive Board meeting, the Board of Directors will appoint a new candidate to fill the vacant position. The appointed candidate needs to be confirmed by the majority vote of the Executive Board before taking office.
- A. Out-going Treasurer's records must be audited. The records shall include but may not be limited to the following:
 - 1) *Checkbook(s)*
 - 2) *Check Register(s)*
 - 3) *Bank Statements*
 - 4) *Invoices*
 - 5) *Other Financial Documents*
 - B. The audit is to be completed by a member of the Executive Board, either as a volunteer or by appointment by the Board of Directors.
 - C. The audit must be completed prior to the newly confirmed Treasurer taking office.
 - D. An audit must be completed each year (October to September) prior to the start of the next Year and following the election of officers.

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**ARTICLE VII
NOMINATIONS AND ELECTIONS**

SECTION 1:

Nominations for Officers will be submitted by e-mail or in writing in August to the Secretary. The nominator will be kept confidential. Executive Committee members may nominate themselves. All nominees will be notified and will be on a voluntary basis. A slate of nominees will be presented to the Board at the September meeting with nominations taken from the floor at that time. Voting will be done by written ballot at that time and announced.

- A. Nominations and elections to the Board of Officers may be held whenever necessary to fill vacancies.
- B. A majority of the voting Executive Board Members in attendance is necessary for election to office.
- C. Officers who are elected (President, Vice-President and Secretary) will hold office on a one- (1) year basis.
- D. The Board of Directors will appoint a candidate for the office of Treasurer. The candidate may only take office after confirmation by the Executive Board where the majority vote of the Board is in favor of the appointment. A performance review of the appointed Treasurer will be performed each year and a decision will be made by the Board of Directors to either continue with the current officer or opt to appoint a replacement in accordance to *ARTICLE VI, SECTION 1, PART 4*.

SECTION 2:

In order for the Executive Board to conduct business and take action, a quorum of one-half (1/2) plus one (1) of the membership must be present.

SECTION 3:

Throughout the year, recommendations for membership on the Executive Board may come from the Board of Directors, General Membership and/or Executive Board Officers. At such time as the Executive Board agrees a new member should be added, the following process will take place.

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ARTICLE VII (CONT'D)

NOMINATIONS AND ELECTIONS

SECTION 3 (CONT'D):

1) Solicit Interest: This process may involve putting something on the website and in at least one newsletter, indicating that there will be an Executive Board position opening. Additionally, if a more specific targeting industry has been identified for inclusion, Executive Board members and others may be asked to identify and solicit candidates or interest from that specific industry. ***When soliciting interest, there can be no promise of nomination or acceptance, only consideration.***

2) Nominations: Once candidates have been identified, a letter should go out to them. They should be asked to provide specific information about themselves - including years in the industry, areas of expertise, length of involvement, statement of desire to serve, and professional area of responsibility. After a specific length of time, only those candidates who have sent the information will be considered for nomination.

3) Once this information has been returned, a sponsoring member of the Executive Board will contact them to explain the structure and requirements of Executive Board service. This includes monthly Board Meetings and monthly Committee meetings. A copy of the Bylaws will be given to the candidate to be sure they understand the purpose and mission of the organization. It must be emphasized at this time that they will be required to act for the greater good of the organization, which prohibits solicitation for business while serving in the role of an Executive Board member.

4) The sponsoring Executive Board member will report back to the Executive Board regarding the candidate's ability to meet the Executive Board requirements. If appropriate, the candidate may be nominated for a position.

5) If nominated, the candidate will be asked to attend the next Executive Board meeting, as a guest of the sponsoring Executive Board member. At that time, the candidate can meet the members of the board, determine the level of involvement that would be required, and generally see if this is a good fit for all involved. Additionally, the candidate will be asked to attend (and hopefully participate in) at least one committee meeting (of their choosing), to again assess the level of involvement required for a board member.

6) At such time as the Executive Board determines the viability, availability and interest of the candidate, the Board may vote to nominate that candidate for election to the Board of Directors of the ACTKO.

7) After the Board of Directors review of the candidate is performed and accepted the Executive Board will take a vote where the majority vote will determine either appointment or no appointment. The vote will be taken by anonymous paper ballot.

8) If the candidate is not appointed to the position a statement from the Executive Board will be provided to the candidate explaining the reason.

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ARTICLE VIII

COMMITTEES

SECTION 1:

Within the Executive Board, committees shall be formed to promote the various programs (Seminars, Tours, Guest Speakers, etc.), as may be deemed necessary to fulfill *ARTICLE II & ARTICLE X*.

SECTION 2:

The Board of Directors may appoint a committee, made up of non-board members, to perform a specific function to further the goals set out by the Board of Directors for the year.

SECTION 2:

The Executive Board may by resolution passed by a majority of the entire Board or by written consent of all of the members, designate one or more committees, each committee to consist of one or more of the acting members. The Executive Board may also designate one or more members as alternate members of any committee who may replace any absent or disqualified committee member at any committee meeting. Any such committee, to the extent provided in the resolution, except as restricted by law, shall have and may exercise the powers of the Executive Board in the management of the affairs, business and property of the Organization, and may authorize the seal of the Organization to be affixed to all papers which may require it, following Board of Directors approval. Each committee shall consist of parents and other industry representatives.

ARTICLE IX

AMENDMENTS

SECTION 1:

Amendments to the By-Laws must be by majority vote of the Executive Board under the guidelines set forth in *ARTICLE XIII*.

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ARTICLE X

MEETINGS

SECTION 1:

An open Organizational Meeting will be held in compliance with the stated "Purpose" as stated in *ARTICLE II*, no less than four (4) times a year.

The Date, Time, Location, Subject, and Contents of the Meeting will be determined by a majority vote of the Executive Board members in attendance.

SECTION 2:

The Executive Board shall schedule their meetings for the First Week of every Month at a Time, Place and Frequency determined by the Executive Board of Officers.

SECTION 3:

Due to weather conditions, prior commitments, holidays, or other unforeseen circumstances, the Executive Board may select an alternate day and/or time for the next scheduled Executive Board meeting. In case of a change in the scheduled meeting day and/or time, the Executive Board Officers will notify each Executive Board member of the change.

ARTICLE XI

PROCEEDINGS

SECTION 1:

The proceedings of the Organization, where not covered by the By-Laws of this Organization, shall be governed by the ROBERT'S RULES OF ORDER.

- A. The Secretary shall have possession of the Master Printed Copy of the BY-LAWS including any and all amendments to the BY-LAWS of the Organization. The Board of Directors shall also maintain a copy.

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ARTICLE XII

**DISTRIBUTION OF ASSETS
IN THE CASE OF DISSOLUTION**

SECTION 1:

In the event The Albany Council of the Traditional Karate-Do Organization, Inc is dissolved, the assets shall be distributed solely for exempt purposes which are charitable, religious, educational or scientific.

ARTICLE XIII

PERIODIC REVIEWS

SECTION 1:

To ensure the Organization operates in a manner consistent with the mission 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 the 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.

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ARTICLE XIV

CONFLICT OF INTEREST

SECTION 1: PURPOSE

The purpose of the conflict of interest policy is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction arrangement that might benefit the private interest or an officer, director or member 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 nonprofit and charitable organizations.

SECTION 2: DEFINITIONS

1. Interested Person – is any director, 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 of 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 the Organization has a transaction or arrangement.
 - 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.
3. Compensation – includes direct and indirect remuneration as well as gifts of favors that are not insubstantial
4. A financial interest is not necessarily a conflict of interest. Under Article XIV, Section 3, 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.

SECTION 3: PROCEDURES

1. Duty to Disclosure:

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 officers and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

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ARTICLE XIV (CONT'D)

CONFLICT OF INTEREST

SECTION 3: PROCEDURES (CONT'D)

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 officers and members, whether the transaction or arrangement is in the Organization's best interest or its own benefit, and whether it is fair and reasonable. In conformity of 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 failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

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ARTICLE XIV (CONT'D)

CONFLICT OF INTEREST

SECTION 4: RECORDS OF PROCEEDINGS

1. 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 in connection with the proceedings.

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ARTICLE XV

AMENDMENT UPDATING

SECTION 1:

Updated amendments to the Bylaws of this Organization must be submitted for consideration to the entire current Executive Board.

SECTION 2:

Each updated amendment must contain a reference to the specific ARTICLE and SECTION, if applicable, to be amended.

SECTION 3:

Each updated amendment must be dated with the date (Month/Year) of approval and the date (Month/Year) the amendment is to be effective, if it is not the date of approval.

SECTION 4:

Updated amendments must receive a majority vote approval of the current Executive Board to be adopted.

SECTION 5:

Updated amendments are to follow this section in order of approval. (See following example.)

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BY-LAW TO BE REVISED

ARTICLE NUMBER: _____

SECTION NUMBER: _____

PROPOSED CHANGE: _____

AMENDMENT APPROVED: _____
(Month/Year)

AMENDMENT EFFECTIVE DATE: _____
(Month/Year)