

**UPPER CUMBERLAND
LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
BYLAWS**

ARTICLE I

Name

1.1 Name of Corporation: The name of the Corporation is Upper Cumberland Local Workforce Development Board, Inc. (the "Corporation" or "UCLWDB"). It is intended that the Corporation shall have the status of a corporation which is exempt from federal income taxation under Section 501 (a) of the Internal Revenue Code of 1986, as amended, or any corresponding provisions of any future federal tax laws (hereinafter referred to as the "Code"), as an organization described in Section 501 (c)(3) of the Code.

ARTICLE II

Offices

2.1 Corporate Office: The principal office of the Corporation shall be located at 1000 England Drive, Suite 201, Cookeville, Tennessee, 38501. The Corporation may have such other offices as the Board of Directors may designate or as the affairs of the Corporation may require from time to time.

2.2 Registered Office: The mailing address and registered office of the Corporation required to be maintained in the State of Tennessee by the Tennessee Nonprofit Corporation Act, as amended from time to time, (the "Act") is 1 West First Street, Cookeville, Tennessee, 38501.

ARTICLE III

Vision and Purpose

3.1 Corporate Vision: The vision of the Corporation is to serve as a strategic leader and convener of local workforce development system stakeholders. The Corporation will partner with employers and the workforce development system to develop polices and investments that support public workforce system strategies, regional strategies and economies, the development of effective approaches including local and regional sector partnerships and career pathways and high quality, customer centered service delivery and service delivery approaches.

3.2 Purpose of the Corporation: The Corporation is organized and shall be operated exclusively for charitable, scientific, literary and educational purposes within the meaning of Section 501 (c)(3) of the Code by assisting to increase the employment, retention, and earnings of eligible individuals, and increase the occupational skill attainment by eligible individuals and, as a result, improve the quality of the Nation's workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation.

In furtherance of such purposes, the Corporation intends to be certified by the Governor of the State of Tennessee and to operate as the local workforce development board ("WDB") for the local workforce development area ("LWDA") established by the Governor of the State of Tennessee as the Upper Cumberland area encompassing Cannon, Clay, Cumberland, DeKalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, Van Buren, Warren and White counties of Tennessee and such other areas as may

from time to time be designated as within the Upper Cumberland LWDA. The Board is established in accordance with Workforce Innovation and Opportunity Act of 2014 (WIOA) Section 107 and the Tennessee Workforce Development Act of 1999 and is responsible to carry out the duties under such.

3.3 Use of Funds. In making distributions to effectuate the charitable, scientific, literary and educational purposes of the Corporation, as delineated in Section 3.2 above, the Board of Directors shall have the authority to make distributions of both income and principal in such proportions and amounts as the Board of Directors, in its discretion, determines advisable, provided that all such distributions are consistent with the Workforce Innovation and Opportunity Act of 2014 and any regulations thereunder, and all applicable federal tax laws and regulations. The Corporation is not formed for financial or pecuniary gain; and no part of the assets, income, or profits of the Corporation shall be distributable to, or inure to, the benefit of its directors or officers or any other private person, except as provided in herein as reimbursement for expenses or reasonable compensation for services rendered to the Corporation, and except to make payments and distributions in furtherance of the purposes of the Corporation as set forth in the Charter and Section 3.2 above. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation; and no part of the activities of the Corporation shall be the participation in, or intervention (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

3.4 Administration of Funds: In the event the Corporation is a private foundation within the meaning of Section 509 of the Code for a taxable year, the Corporation (a) shall distribute its income for each tax year in such a manner so that it will not become subject to the tax or undistributed income imposed by Section 4942 of the Code; (b) shall not engage in any act of self-dealing, as defined in Section 4941(d) of the Code; (c) shall not retain any excess business holdings, as defined in Section 4943(c) of the Code; (d) shall not make any investments in a manner that would incur tax liability under Section 4944 of the Code; and (e) shall not make any taxable expenditures, as defined in Section 4945(d) of the Code. In order to fully effectuate the provisions of this Section, the Corporation shall adopt such procedures, and shall otherwise adhere to such administrative requirements as may from time to time be necessary, in order to fully comply with all applicable federal tax laws and regulations.

3.5 Termination of Corporation: The Board of Directors shall have the authority to dissolve and terminate the Corporation at any time that, by a two-thirds vote, it deems such termination appropriate or advisable, particularly if the Corporation fails to become certified or recertified as a local workforce development board by the Governor of the State of Tennessee. In such event, after paying, or making provisions for the payment of, all liabilities of the Corporation then outstanding and unpaid, the Board of Directors shall distribute the assets of the Corporation to the State of Tennessee or the county governments comprising the Upper Cumberland local workforce area in such a manner and proportions as the Board of Directors shall determine. Any assets not so distributed shall be distributed to one or more governmental units then described under Section 170(c)(1) of the Code, or to one or more organizations then described under Section 501(c)(3) of the Code and Section 170(c)(2) of the Code having purposes substantially similar to those of the Corporation, as the Board of Directors shall determine. Any assets not so disposed of by the Board of Directors shall be disposed of by a court having equity jurisdiction in the county in which the principal office of the Corporation is then located, with the distribution of assets to

be made for such charitable purposes, or to such governmental units then described under Section 170(c)(1) of the Code, or to such organizations then described in Section 501(c)(3) of the Code and Section 170(c)(2) of the Code having purposes substantially similar to those of the Corporation, as such court shall determine.

ARTICLE IV Authority of the Board of Directors

4.1 The Board of Directors for the Corporation is authorized to:

- (a) In partnership with the CLEO, set policy within the UCLWDB that is consistent with State policies.
- (b) develop the UCLWDB plan consistent with WIOA and TDLWD requirements and in partnership with the Chief Elected Officials within the UCLWDB for submission to the Governor of the State of Tennessee;
- (c) enter into memoranda of understanding with one-stop partners;
- (d) designate or certify one-stop operators and terminate them for cause;
- (e) appoint Standing Committees to advise the UCLWDB on activities;
- (f) select eligible youth service providers consistent with Federal, State, and local procurement requirements;
- (g) identify eligible providers of adult and dislocated worker career and training services;
- (h) develop budgets for the purpose of carrying out the duties of the Board under the Workforce Innovation and Opportunity Act of 2014 subject to the approval of the Chief Elected Officials;
- (i) provide program oversight in partnership with the Chief Elected Officials with respect to local programs of youth activities, local employment and training activities, and the One-stop delivery system within the LWDA;
- (j) negotiate local performance measures in conjunction with the Chief Elected Officials and the Governor of Tennessee;
- (k) assist the Governor in developing statewide employment statistics systems;
- (l) coordinate the workforce development activities authorized under the Workforce Innovation and Opportunity Act of 2014, and carry out economic development strategies and develop other employer linkages with such activities;
- (m) promote the participation of private sector employers in the statewide workforce development system and ensure the effective provision through the system of connecting, brokering, and coaching activities through intermediaries such as the one-stop operator within the LWDA or through other organizations to assist employers in meeting hiring needs;
- (n) perform any and all other duties required of the Board, by the duly authorized Chief Elected Officials for the counties within the LWDA or by the Governor of the State of Tennessee acting pursuant to the Workforce Innovation and Opportunity Act of 2014 as amended;
- (o) have the authority to receive, administer, invest and distribute property in accordance with the provisions set forth in these Bylaws;
- (p) maintain a list of eligible training providers including cost and performance data as established in the Eligible Training Provider List Under the Workforce Innovation and Opportunity Act of 2014 (WIOA).

4.2 Non-Profit Activities: At all times the following shall operate as conditions restricting the operations and activities of the Corporation:

- (a) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of the purposes set forth in the Corporate Charter of the Corporation.
- (b) No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene

in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

- (c) Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(C) (3) of the Internal Revenue Code, or the corresponding section of any future code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

ARTICLE V Members

5.1 No Members: The Corporation shall not have paying members but rather a Board of Directors.

ARTICLE VI Board of Directors

6.1 General Powers: The business and affairs of the Corporation shall be supervised by its Board of Directors (or the "Board"), which shall exercise in the name of and on behalf of the Corporation all of the rights and privileges legally exercisable by the Corporation as a corporate entity, except as may otherwise be provided by law, the Charter, these Bylaws, or the Workforce Innovation and Opportunity Act of 2014. The Board of Directors, as the governing body of the Corporation, shall have the authority to receive, administer, invest and distribute funds and property on behalf of the Corporation in accordance with the provisions set forth in these Bylaws. Individuals serving on the Board of Directors are here within called "Directors" or "Members" of the Board of Directors.

6.2 Number: The number of "directors" or "members" of the Board of Directors shall be not less than the minimum number required under the Act as set forth in the Workforce Innovation and Opportunity Act (WIOA) of 2014, as amended from time to time. The number of members may be increased or decreased from time to time by the Chief Elected Officials of the counties within the UCLWDB, but no decrease shall have the effect of shortening the term of the incumbent officer or member or reducing the number of members below the minimum number required under the Act. The Chief Elected Official of the LWDA shall appoint the members of the Board in accordance with the criteria established by the Governor of the State of Tennessee pursuant to Section 107, "LOCAL WORKFORCE DEVELOPMENT BOARDS", of the Workforce Innovation and Opportunity Act of 2014.

6.3 Terms: At the CLEO's discretion, members shall be appointed for a one (1), two (2), three (3), or four (4) year(s) term length. The terms of the UCLWDB members will be staggered so that only a portion of the membership expires in a given year. Members may be reappointed in succession.

6.4 Qualifications: Criteria for the appointment of members to the Board of Directors shall require, at a minimum, that the membership of the Board of Directors shall include:

LWDB Members	Who May Satisfy the Requirement
<i>Representatives of Business</i> WIOA Section 107 (b)(2)(A)	The majority of the members of the Local Board must be representatives of business in the local area. At a minimum, two members must represent small business as defined by the U.S. Small Business Administration. Business representatives serving on Local Boards may also serve on the State Board. Each business representative must meet the following criteria:

	<ul style="list-style-type: none"> • be and owner, chief executive officer, chief operating officer, or other individual with optimum policymaking or hiring authority; • provide employment opportunities in and in-demand industry sector or occupation, as those terms defined in WIOA section 3(23); and provide high-quality , work-relevant training and development opportunities to its workforce or the workforce of others (in the case of organizations representing business as per WIOA Sec. 107 (b)(2)(A)(ii); and • are appointed from among individuals nominated by local business organizations and business trade associations.
<p><i>Representatives of Workforce</i> WIOA Section 107 (b)(2)(B)</p>	<p>Not less than 20 percent of the members of the Local Board must be workforce representatives. These representatives must include:</p> <ul style="list-style-type: none"> • two or more representatives of labor organizations, where such organizations exist in the local area. Where labor organizations do not exist, representatives must be selected from other employee representatives; • one or more representatives of joint labor-management, or union affiliated, registered apprenticeship program within the area who must be a training director or a member of a labor organization. If no union affiliated registered apprenticeship programs exist in the area, a representative of a registered apprenticeship program with no union affiliation must be appointed, if one exists; and may include: <p>In addition to the representatives enumerated above, the Board may include the following to contribute to the 20 percent requirement:</p> <ul style="list-style-type: none"> • one or more representatives of community based organizations that have demonstrated experience and expertise in addressing the employment, training or education needs of individuals with barriers to employment, including organizations that serve veterans or provide or support competitive integrated employment for individuals with disabilities; and • one or more representatives of organizations that demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth.
<p><i>Representatives of Education & Training</i> WIOA Section 107 (b)(2)(C)</p>	<p>The balance of the Local Board membership must include:</p> <ul style="list-style-type: none"> • At least one eligible provider administering adult education and literacy activities under WIOA title II; • At least one representative from an institution of higher education providing workforce investment activities, including community colleges; and • At least one representative from each of the following governmental and economic and community development entities: <ul style="list-style-type: none"> ○ Economic and community development entities ○ The state Employment Service Office under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) serving the local area and; ○ The programs carried out under Title I of the Rehabilitation Act of 1973, other than sec. 112 or Part C of that title.

	<p>In addition to the representatives enumerated above, the CLEO may appoint other appropriate entities in the local area including:</p> <ul style="list-style-type: none"> • Entities administering education and training activities who represent local educational agencies or community based organizations with demonstrated expertise in addressing the education or training needs for individuals with barriers to employment; • Governmental and economic and community development entities who represent transportation, housing, and public assistance programs; • Philanthropic organizations serving the local area; and • Other appropriate individuals as determined by the Chief Elected Official.
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6.5 Board Vacancy: Any vacancy occurring on the Board of Directors, including vacancies created by the removal of members for cause, shall be filled within a reasonable amount of time within the vacancy. The CLEO is authorized to make all appointments and reappointments of members.

6.6 Expenses and Compensation: All members of the Board of Directors for the Corporation serve on a volunteer basis. No member shall be entitled to receive compensation for services rendered to the Board, as a member of the Board or as a member of any committee thereof. However, upon prior approval by the Board, a member may be paid for reasonable expenses incurred by the member, which directly related to the affairs of the Board upon proper substantiation of such expenses. No such payments shall preclude any member from serving the Board in any other capacity and receiving compensation therefore.

6.7 Removal by CLEO: Members of the Board of Directors shall be removed by the CLEO if any of the following occurs: Documented violation of the conflict of interest policy; Failure to meet UCLWDB member representation requirements defined in the Workforce and Innovation Opportunity Act; or Documented proof of fraud and/or abuse. Removal of a member shall also constitute removal as an Officer of the Board and as a member of all committees of the Board. The cause for removal will be documented in writing and maintained on file.

6.8 Removal by Vote: Any member of the Corporate Board of Directors may be removed for cause by a two-thirds (2/3) vote at a meeting, at which quorum is present, in accordance with this article. Removal of a member shall also constitute removal as an Officer of the Board and as a member of all committees of the Board. Intent to remove a member must be stated in the call of the meeting and provided to all voting members at least five (5) days prior to the meeting. Cause for removal shall include: Missing three meetings within a calendar year; A change in employment that results in a change of membership classification; Failure or refusal to work cooperatively with the Board and abide by the By-Laws; Other causes as determined by the Board.

6.9 Appeal of Removal: A removed member may file an appeal in writing submitted to the Chairperson of the Board of Directors within 60 calendar days of the removal date. The Executive Committee shall rule on the appeal or request the Chairperson of the Board of Directors to establish an arbitration committee. The ruling of either committee is final and will be issued within 60 days of the receipt of the appeal.

6.10 Resignation: A member of the Board of Directors may resign his or her membership at any time by tendering his or her resignation in writing to the Chairman of the Board of Directors, or in the case of the resignation of the Chairman, to the Secretary. A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of the resignation by the Board.

ARTICLE VII Officers

7.1 Board Officers: There shall be a President and Secretary of the Corporation, each of whom shall be elected or appointed in accordance with the provisions of Article VII. The Board of Directors may also elect such other assistant officers, as the Board may from time to time deem necessary or appropriate. Any two or more offices may be held by the same person, except for that of the offices of President and Secretary.

7.2 Term of Office: The officers of the Board of Directors shall serve a two-year term, be eligible for re-election or re-appointment, and may succeed themselves in office.

7.3 President: The President of the Corporation shall also be called the Chairperson of the Board of Directors and shall (a) be elected from among the members of the Board (b) be a representative of business or private sector (c) be designated the Chairperson of the Board and shall in general perform all duties and be primarily responsible for the general management of the programmatic affairs of the Board and for implementing the policies and directives of the Board, (d) preside at all meetings of the Board and the Executive Committee, (e) be a member of all standing committees, (f) have authority to sign contracts, proposals, plans, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or these Bylaws to some other officer or agent of the Board, or shall be required by law to be otherwise signed or executed.

7.4 Secretary: The Secretary of the Corporation shall also be called the Vice Chairperson of the Board of Directors and shall (a) be appointed by the President of the Corporation (b) keep the minutes of the Board of Directors (c) see that all notices are duly given in accordance with the provisions of these Bylaws (d) keep a register of the post office address of each member of the Board of Directors (e) preside at all meetings of the Board during the absence or disability of the President (f) have authority to sign, with approval of the President, contracts, proposals, plans, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or these Bylaws to some other officer or agent of the Board, or shall be required by law to be otherwise signed or executed, and (g) perform such other duties as from time to time may be assigned by the President.

7.6 Absence: In the absence of the President and Secretary, the President shall designate a member of the Board of Directors to preside over the regularly scheduled meeting.

7.7 Vacancies: A vacancy of any officer may be filled by the affirmative vote of a majority of the Board at a meeting, at which a quorum is present, for the unexpired portion of the term of his or her predecessor, and until the next election of officers at the board's annual meeting.

7.8 Recall of Officers: The Board may, by a two-thirds (2/3) vote at a meeting, at which a quorum is present, remove any officer when, in its judgment, the best interest of the Board will be served thereby. Intent to recall or remove an officer must be stated in the call of the meeting with notice provided to the officer to be removed and all other voting members at least five (5) days prior to the meeting.

7.9 Resignation: An officer may resign his or her office at any time by tendering his or her resignation in writing to the President or, in the case of the resignation of the President, to the Secretary. A resignation shall become effective upon the date specified in such notice, or if no date is specified, upon receipt of the resignation by the Board. An officer may resign his or her position as an officer of the board, but retain his or her position as a member of the board.

ARTICLE VII Meetings

8.1 Regular Meetings: The regular meetings of the Board of Directors shall be held at least quarterly at a time and place determined by the CLEO. Meetings shall be publicly announced, open, and accessible to the public as required by the Americans with Disabilities Act of 1990. Meeting notices will be posted in a prominent place in all comprehensive, affiliate, and itinerant UCLWDB career centers, county courthouses, and administrative entity office(s). The Board may elect to meet more frequently in order to address the issues confronting the Workforce Development Area.

In addition to attending board meetings, board members are invited and encouraged to participate in all workforce activities within the local workforce area and across the state, such as employer-focused meetings, hiring functions, and employer round table meetings. These activities aim to engage members in convening the workforce development system's stakeholders, brokering relationships with a diverse range of employers, and leveraging support for workforce development activities.

8.2 Special or Called Meetings: Special meetings of the Board may be called by the Chairperson or at the request of the WIOA Director. Special meetings may also be called upon the written request of five members of the Board of Directors. The purpose of the meeting shall be stated in the call and no other business shall be transacted at the meeting. The Chairperson shall arrange the time and place and provide notice to all voting members at least five (5) days prior to the meeting. The notice shall state the location, time, and date of the meeting.

8.3 Quorums: One-third (1/3) of the voting members of the Board of Directors will constitute a quorum for the transaction of business at any meeting thereof. Action of the Board must be authorized by the affirmative vote of a majority of all voting members present at a meeting at which a quorum is present.

8.4 Participation in Meetings: Each Board member, other than an advisory member or a Committee member who has no vote as set forth in Article V, Section 5.1, shall be entitled to one (1) vote on any matter properly submitted for a vote to the Board of Directors: The affirmative vote of a majority of the members present at a meeting, at which a quorum is present, shall be the act of the Board, except as may otherwise be specifically provided by law, by the Corporate Charter, or by these Bylaws. Members of the Board absent from any meeting shall be permitted to vote at such a meeting by written proxies in accordance with the provisions of Article VI, Section 6.9. The members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or of such committee, by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear one another; and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. The members shall be promptly furnished a copy of the minutes of the meeting of the Board.

8.5 Technology: Technology will be used to the extent possible to increase board member participation. Strategies may include sending out appropriate meeting materials, including agendas and previous minutes, prior to all board meetings as well as maintaining communication via email between

meetings when necessary. Technology may also be used by the Board of Directors to act or vote between regular meetings if all members entitled to vote consent in writing to the action or vote.

8.6 Open Meeting Requirement: All meetings and actions of the Board of Directors must comply with the Tennessee Open Meeting Act, Tenn. Code Ann. 8-44-101 *et seq.*

8.7 Presumption of Assent: A member of the Board of Directors who is present at a meeting of the Board at which action on any Board matter is taken shall be presumed to have assented to the action taken, unless his or her dissent shall be entered in the minutes of the meeting, or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or forward such dissent by registered mail to the Secretary of the Board immediately after the adjournment of the meeting. Such right to dissent shall not apply to a member who voted in favor of such action.

8.8 Vote by Proxy: Any member of the Board of Directors may proxy to another sitting Board member once per calendar year by completing and filing the Member Proxy Form. Duly executed proxies must be filed with the Board Chairperson prior to the commencement of the board meeting in which the board member is to be absent.

The board member accepting such proxy must be in good standing with the Corporation. Such proxies shall be considered valid votes in matters considered by the Board and shall constitute member participation in absentia.

8.9 Advisory Members: The Board of Directors may elect advisory members from time to time, who may attend, without vote, all meetings of the Board of Directors. Advisory members serve at the pleasure of the Board of Directors and shall advise and counsel the Board of Directors on appropriate matters.

ARTICLE IX

Committees of the Board of Directors

9.1 Executive Committee: The Executive Committee shall have supervision of the affairs of the Board between its business meeting and conduct necessary business to ensure compliance with the Workforce Innovation and Opportunity Act as may be amended from time to time, and applicable state and federal regulations.

The Executive Committee may make recommendations to the Board, and perform such other duties as are specified in the bylaws. The Executive Committee shall be subject to the order of the Board, and none of its acts shall conflict with these bylaws or policies of the Board.

The Board Chairperson shall chair the Executive Committee. Officers and Standing Committee chairs will serve on the Executive committee. The Board Chairperson shall call meetings when necessary at a date, time, and place of his/her choosing. The Chairperson shall call a special meeting upon the written request of three members of the Executive Committee.

9.2 Committees: The Chairperson of the Board of Directors may create such other committees that shall have, and may exercise, such powers as shall be conferred or authorized by resolution of the Board. A majority of any such committee may determine its action, and fix the time and place of its meetings, unless the Board shall otherwise provide. The Board, by such affirmative vote, shall have power, at any time, to change the powers, and to dispose of, any such committee.

The Chairperson shall have the authority to designate members of the Board to sit on committees, representing to the extent possible each of the disciplines as shown in Article VI, Section 6.1. The Chairperson of the Board shall have the authority to appoint committee Chairpersons. Committees shall meet as necessary to fulfill their responsibilities. All actions of Committee meetings will be reported to the Board at each regular scheduled meeting of the Board.

9.3 Standing Committees: The Board of Directors may establish Standing Committees to assist in carrying out its responsibilities. The Standing Committees shall be chaired by a member of the Board and may include members of the Board and other individuals (non-members) appointed by the Board who have demonstrated experience and expertise in appropriate subject matters. Standing committees may be particularly beneficial in serving targeted groups with disabilities, youth, and addressing One-Stop system issues.

The following Standing Committees shall be established:

- a) Budget Committee
- b) Targeted Population and Disability Committee
- c) American Job Center (AJC) Committee

9.4 Temporary Committee: When deemed necessary or appropriate the Chairperson of the Board of Directors shall have the authority to appoint Temporary Committees, including the chairperson of the temporary committee, for the purpose of special projects.

ARTICLE X

Contracts, Loans, Checks, Deposits, Investments and Shortages

10.1 Contracts and Employment of Agents: The Board of Directors may authorize any director, officer, or agent to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the Corporation. The Board of Directors shall be specifically authorized, in its sole discretion, to employ and to pay the compensation of such agents, accountants, custodians, experts, consultants and other counsel, legal, investment, or otherwise, as the Board of Directors shall deem advisable, and to delegate discretionary powers to, and rely upon information furnished by, such individuals or entities. Such authority may be general or confined to specific instances.

10.2 Loans: No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

10.3 Checks, Drafts, etc.: All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation, and in such manner, as shall from time to time be determined by resolution of the Board of Directors.

10.4 Loss of Funds: All activities of the Corporation are contingent upon WIOA grant funds availability. Any shortage of funds will be absorbed by the Corporation in a manner conforming with Section 3.3 herein and shall not be passed along to any of the counties within the Upper Cumberland local workforce service area or their elected officials. In the event of a total loss of WIOA grant funds the Corporation will be dissolved in accordance with Section 3.5 of herein.

ARTICLE XI
Conflict of Interest

11.1 Conflict of Interest: Each member of the Board of Directors must sign a Conflict of Interest Statement which must be updated whenever a change in circumstance may occur. Members shall adhere to the following in regards to conflict of interest:

- a) A Board member may not vote on any matter that would provide direct financial benefit to the member or the member's immediate family, or on matters of the provision of services by the member or the entity the member represents.
- b) A Board member shall avoid even the appearance of a conflict of interest. Prior to taking office, Board members must provide to the Board Chair a written declaration of all substantial business interests or relationships they, or their immediate families, have with all businesses or organizations that have received, currently receive, or are likely to receive contracts or funding from the Board. Such declarations shall be updated annually or within 30 days to reflect any changes in such business interests or relationships. The Board shall appoint an individual to timely review the disclosure information and advise the Board Chair and appropriate members of potential conflicts.
- c) Prior to a discussion, vote, or decision on any matter before the Board, if a member, or a person in the immediate family of such member, has a substantial interest in or relationship to a business entity, organization, or property that would be affected by any official Board action, the member shall disclose the nature and extent of the interest or relationship and shall abstain from discussion and voting on or in any other way participating in the decision on the matter. All abstentions shall be recorded in the minutes of the Board meeting and be maintained as part of the official record.
- d) It is the responsibility of the Board to monitor potential conflict of interest and bring it to the Board's attention in the event the member does not make a self-declaration.
- e) The Board shall ensure that its members, or its employees, do not directly control the daily activities of its workforce service providers.
- f) Board members or their organizations may receive services as a customer of a local workforce service provider.

ARTICLE XII
Compliance with Law

12.1 Compliance with Tennessee Law: The Corporation, in execution of its business, shall comply with all applicable Tennessee statutes and regulations including, but not limited to, the governing procurement standards or regulations for the LWDA, the Sunshine Law, and the State Travel Regulations.

12.2 Compliance with WIOA Regulations: The Corporation, in execution of its business, shall comply with the Workforce Innovation and Opportunity Act of 2014 and regulations as well as policies and directives from the Tennessee Department of Labor and Workforce Development and State Board.

ARTICLE XIII Standards of Conduct

13.1 Standards of Conduct: Directors and officers of the Corporation shall discharge his/her duties as a director or officer, including the duties as a member of a committee:

- a) in good faith;
- b) with the care of an ordinarily prudent person in a like position would exercise in a similar situation;
- c) and in a manner, he/she reasonably believes to be in the best interest of the Corporation.

13.2 Reliance on Third Parties: In discharging his/her duties, a director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, of prepared and presented by:

- a) One or more officers or employees of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented;
- b) Legal counsel, public accountants, or other persons as to matter the directors or officers reasonably believes are within the person's professional or expert competence;
- c) With respect to a director, a committee of the Board of Directors of which the director is not a member, as to matters within its jurisdiction, of the director or officer reasonably believes the committee merits confidence.

13.3 Bad Faith: A director or officer is not acting in good faith if he/she has knowledge concerning a matter in question that makes reliance otherwise permitted by Section 13.2 unwarranted.

13.4 No Liability: A director or officer is not liable for any action taken, or any failure to act, as a director or officer, if he or she performs the duties of his or her office in compliance with the provisions of this Article, or if he or she is immune from suit under the provisions of Section 48-58-601 of the Act. No repeal or modification of the provisions of this section 13.4, either directly or by the adoption of a provision inconsistent with the provisions of this Section, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

ARTICLE XIV Indemnification and Advancement of Expenses

14.1 Mandatory Indemnification of Directors and Officers: To the maximum extent permitted by the provisions of Section 48-58-501, et seq., of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), the Corporation shall indemnify and advance expenses to any person who is or was a director or officer of the Corporation, or to such person's heirs, executors, administrators and legal representatives, for the defense of any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal (any such action, suit or proceeding being hereinafter referred to as the "Proceeding"), to which such person was, is or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof, reasonable expenses actually incurred with respect to the Proceeding, all fines, judgements, penalties and amounts paid in settlement thereof, subject to the following conditions:

- a) The Proceeding was instituted by reason of the fact that such person is or was a director or officer of the Corporation; and
- b) The Director or officer conducted himself or herself in good faith, and he or she reasonably believed (i) in the case of conduct in his or her official capacity with the Corporation, that his or her conduct was in its best interest; (ii) in all other cases, that his or her conduct was at least not opposed to the best interest of the Corporation; and (iii) in the case of any criminal proceeding, that he or she had no reasonable cause to believe his or her conduct was unlawful. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director or officer did not meet the standard of conduct herein described.

14.2 Permissive Indemnification of Employees and Agents: The Corporation may, to the maximum extent permitted by the provisions of Section 48-58-501, et seq., of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation, or to such person's heirs, executors, administrators and legal representatives, to the same extent as set forth in Section 14.1 above, provided that the Proceeding was instituted by reason of the fact that such person is or was employee or agent of the Corporation and met the standards of conduct set forth in subsection 14.1 (b) above. The Corporation may also indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation to the extent, consistent with public policy, as may be provided by the Charter, by these Bylaws, by contract, or by general or specific action of the Board of Directors.

14.3 Non-Exclusive Application: The rights to indemnification and advancement of expenses set forth in Sections 14.1 and 14.2 above are contractual between the Corporation and the person being indemnified, and his or her heirs, executors, administrators and legal representatives, and are not exclusive of other similar rights of indemnification or advancement of expenses to which such person may be

entitled, whether by contract, by law, by the Charter, by a resolution of the Board of Directors, by these Bylaws, by the purchase and maintenance by the Corporation of insurance on behalf of a director, officer, employee, or agent of the Corporation, or by an agreement with the Corporation providing for such indemnification, all of which means of indemnification and advancement of expenses are hereby specifically authorized.

14.4 Non-Limiting Application: The provisions of this Article XIV shall not limit the power of the Corporation to pay or reimburse expenses incurred by a director, officer, employee, or agent of the Corporation in connection with such person's appearing as a witness in a Proceeding at a time when he or she has not been made a named defendant or respondent to the Proceeding.

14.5 Prohibited Indemnification: Notwithstanding any other provision of this Article XIV, the Corporation shall not indemnify or advance expenses to or on behalf of any director, officer, employee, or agent of the Corporation, or such person's heirs, executors, administrators or legal representatives:

- a) If a judgment or other final adjudication adverse to such person establishes his or her liability for any breach of the duty of loyalty to the Corporation, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, or under Section 48-58-304 of the Act; or
- b) In connection with a Proceeding by or in the right of the Corporation in which such person was adjudged liable to the Corporation; or
- c) In connection with any other Proceeding charging improper personal benefit to such person, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.

14.6 Repeal or Modification Not Retroactive: No repeal or modification of the provisions of this Article XIV, either directly or by the adoption of a provision inconsistent with the provisions of this Article, shall adversely affect any right or protection, as set forth herein, existing in a favor of a particular individual at the time of such repeal or modification.

ARTICLE XV

Notices and Waiver of Notice

15.1 Notices: The notices provided for in these Bylaws shall be communicated in person, by telephone, newspaper, facsimile or e-mail transmission, telegraph, teletype, internet or by mail or private carrier. Written notice is effective at the earliest of (a) receipt, (b) five (5) days after its deposit in the United States mail, if mailed correctly addressed and with first-class postage affixed thereon, (c) on the date shown on the return receipt, of sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee, (d) twenty (20) days after its deposit in the United States mail, if mailed correctly addressed, and with other than first-class, registered, or certified postage affixed, or (e) in the case of facsimile or e-mail transmission, when successfully sent to the fax number or email address shown on the records of the Corporation. Whenever any notice is required to be given to any director, officer, or committee member of the Corporation under the provisions of the Charter, these

By laws, or the WIOA, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XVI
Fiscal Year

16.1 Fiscal Year. The Fiscal year of the Corporation shall end on the last day of June, or on such other date as may be fixed from time to time by the Board of Directors.

ARTICLE XVII
Exempt Status

17.1 Exempt Status: The Corporation has been organized and will be operated exclusively for exempt purposes within the meaning of Section 501 (c)(3) of the Code and, as such, will be exempt from taxation under Section 501(a) of the Code and will not be a private foundation by reason of Section 509(a)(1) of the Code. The Corporation intends to apply for recognition of its exempt status by filing Internal Revenue Service Form 1023 within the time prescribed under Section 508 of the Code and Treasury Regulation Section 1.508-1(a)(2). Any provision of these Bylaws or of the Charter which would in any manner adversely affect the Corporation's tax-exempt status or its status as an organization described in Section 509(a)(1) of the Code shall be void and shall be deleted or modified as necessary to comply with all applicable federal and state requirements for the maintenance of the Corporation's tax- exempt status and its status as other than a private foundation.

ARTICLE XVIII
Term and Amendments

18.1 Term of Bylaws: These Bylaws shall be in effect from the date of signatures below and remain in effect until expiration two(2) calendar years thereafter.

18.2 Amendment of Bylaws: These Bylaws may be altered, amended, or repealed during their effective term upon an affirmative two-thirds (2/3) vote of the voting members of the Board at any regular meeting at which a quorum is present, provided that the amendment has been submitted to the voting members of the Board in writing two weeks prior to the meeting at which the vote on the amendment(s) is to be taken.

APPROVED:

Signature:



President/Chairman of the Board of Directors

9-13-22

Date



Secretary of the Board of Directors

9-19-22

Date