

BYLAWS OF NATIONAL CORRECTIONAL INDUSTRIES ASSOCIATION, INC.
A Kentucky Nonprofit Corporation

ARTICLE I: NAME

Section 1.01: The name of this Corporation is National Correctional Industries Association, Inc.

ARTICLE II: OFFICE AND ORGANIZATION

Section 2.01 The principal office of the Corporation for transaction of its business is located at 800 North Charles Street, Suite 550B, Baltimore, Maryland, 21201. The Board of Directors shall designate and may change the principal office from one location to another within the United States. Any change of location of the principal office shall be noted by the Corporate Secretary on these Bylaws in the place provided in this section or this section may be amended to state the new location. The Board may, at any time, establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

Section 2.02 The Organization of the Association shall be an affiliate body of the American Correctional Association, Inc., and any other organizations determined by the Board but shall, at all times, maintain complete autonomy in its management, business affairs, and election of officers and directors.

ARTICLE III: PURPOSES

Section 3.01 General Purposes: This Association is a nonprofit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Corporation Laws of the State of Kentucky for public and educational purposes. Throughout these Bylaws, the terms ‘Association’ and ‘Corporation’ are used interchangeably. This Association is an international nonprofit organization whose mission is to promote excellence in Correctional Industries through professional development and innovative business solutions that improve public safety and successful reentry.

Section 3.02 Specific Purposes: Within the context of its general purposes this Corporation is created:

(A) To establish an association of individuals, entities and agencies, both public and private, who are engaged in and concerned with Correctional Industries as a meaningful rehabilitative program for incarcerated individuals in correctional facilities.

(B) To promote the establishment, development and continual improvement of Correctional Industries by supporting the use of and adherence to best and promising practices.

(C) To promote training, education and rehabilitation of incarcerated individuals participating in Correctional Industries, thus enhancing successful reentry.

(D) To serve as a clearinghouse for the exchange of ideas and information among and between the members of the association and others interested in the principles on which Correctional Industries exists.

(E) To encourage the development of innovative programs, research, design and program evaluation for the improvement of Correctional Industries.

(F) To promote excellence and credibility in the field of Correctional Industries through the professional development of the members of the Association.

(G) To increase public awareness of the benefits of Correctional Industries as work/training programs.

(H) To promote the operation of Correctional Industries in a business-like manner.

(I) To promote the mutual understanding and professional relationship between Correctional Industries and correctional institutions, organized labor, private sector business associations, chambers of commerce and other professional associations.

Section 3.03 Limitations: To operate exclusively in any other manner for such educational and charitable purposes as will qualify it as an exempt organization under Section 501(c) (3) of the Internal Revenue Code of 1954, as amended, or under any corresponding provisions of any subsequent federal tax laws covering the distribution to organizations qualified as tax exempt organizations under the Internal Revenue Code, as amended.

ARTICLE IV: MEMBERSHIP AND VOTING RIGHTS

This association shall have the following classes of members:

Section 4.01 Practitioner Membership: A person shall be eligible for practitioner membership in the Association who works with, supervises or is employed by an entity in a public or privately operated correctional industry, and who supports and subscribes to the purposes for which the Corporation was formed. Jail Industries practitioners are included in this member class with a special designation for the Jail Industries Division.

Section 4.02 Corporate and Corporate Plus Membership: Any business interested in and subscribing to the purposes of the Corporation shall be eligible for corporate membership in the association so long as the services provided and purpose of existence of the corporate entity are not in conflict with any of the purposes for which the Association was formed as determined by the Board of Directors.

Section 4.03 Agency Membership: A governmental agency responsible for the operation of Correctional Industries that subscribes to the purposes of the Association shall be eligible for agency membership in the Association. The type of Agency membership (Agency 1, 2, 3, 4, and 5) shall be determined based upon the number of civilian employees working for the Agency.

Section 4.04 Correctional Institution Membership: The Correctional Institution membership is for prisons that are interested in joining NCIA to support NCIA's mission regardless of whether a Correctional Industries program is operating at their institution. This membership category does not replace a Correctional Industries Agency membership; it may be in addition to such at a particular institution.

Section 4.05 Agency Plus Membership: The Agency Plus membership is for agencies noted in Section 4.03 that would like to include correctional institutions within their state as part of their agency membership.

Section 4.06 Life Membership: Life membership shall be conferred by the Board of Directors, upon the individual's request after retirement from the Correctional Industries profession, to the following: any Past President of the Association or any person who has been the recipient of the Rodli Award.

Section 4.07 Affiliate Membership: Any nonprofit organization whose mission and purposes are deemed by the Board of Directors to be congruent with the Corporation shall be considered for affiliate membership in the Association.

Section 4.08 Individual Associate Membership: A person eligible for individual associate membership shall be one who is not eligible under any other membership class, who is not employed in Correctional Industries, but who is from the non-profit or government sector. The individual cannot be employed by the private for-profit sector. The individual must support the purposes for which the Association was formed.

Section 4.09 Student Membership: A student enrolled in an institution of higher learning or corrections academy that supports the purposes for which the Association was formed shall be eligible for student membership in the Association.

Section 4.10 Retiree Membership: A person shall be eligible for retiree membership in the Association who has retired from employment by an entity in a public or privately-operated correctional industry or retired as a vendor selling to such entity and who supports and subscribes to the purposes for which the Corporation was formed. This retired Correctional Industries practitioner or vendor must no longer be actively engaged in any work associated with Correctional Industries such as a vendor, consultant, or contractor.

Section 4.11 Fees and Assessments: The Board may assess a membership fee on each class of members as a condition of initial and/or continued membership.

Section 4.12 Voting rights of the membership shall be on the basis of one person-one vote, except for Agency and Jail Industries Agency members, which shall be on the basis of one vote per entity.

Corporate, Corporate Plus, Correctional Institution, Life, Affiliate, Individual Associate, Student and Retiree members shall not have voting powers in the Association.

Section 4.13 Lapsed membership resulting in a suspension of a member's rights and privileges shall occur upon the expiration of ninety (90) days after annual dues or assessments are due and payable; however, the delinquent member may be reinstated upon the payment of appropriate dues.

Section 4.14 Membership periods for all classes of members shall begin on the join date and end twelve (12) months from that date.

ARTICLE V: BOARD OF DIRECTORS

Section 5.01 General Corporate Powers: Subject to the provisions and limitations of the Nonprofit Corporation Laws of the State of Kentucky and any other applicable laws, and subject to any limitation of the Articles of Incorporation or Bylaws regarding actions of the Board of Directors, the Corporation's activities and affairs shall be managed and all corporate powers shall be exercised, by or under the direction of the Board.

Section 5.02 Specific Powers: Without prejudice to the general powers set forth in Section 5.01 of these Bylaws, but subject to the same limitations, the Directors shall have the power to:

(A) Appoint and remove, at the pleasure of the Board, all the Corporation's committees, agents and employees; prescribe powers and duties for them that are consistent with law, with the articles of incorporation, and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(B) Adopt and use a corporate seal.

(C) Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation and other evidences of debt and securities.

(D) Appoint an Executive Director of the Corporation, who shall serve at their pleasure, to assist the officers and directors in the conduct of their respective duties and responsibilities. The selection process, duties, responsibilities, rate of compensation, expenses and other benefits of the Executive Director shall be set forth in a formal contract between the Executive Director and the Association. The Executive Director shall be the Chief Administrative Officer of the Association and is authorized to speak for the Association to communicate Association policies, standards, resolutions, and positions. This office shall be responsible to the Board of Directors for the administration and the business affairs of the Association. The Executive Director shall serve as an ex-officio, non-voting member of the Board of Directors.

Section 5.03 Number and Qualifications of Directors: The authorized number of at-large Directors of the Corporation shall be eight (8): four (4) elected at large in even years and four (4) elected at

large in odd years, by the membership to serve two-year terms. In addition, the Board of Directors shall consist of the following, all of which are two-year term positions:

(A) Each Officer of the Corporation shall serve as a member of the Board of Directors.

(B) The Chair from each of the following regional organizations: the Western Correctional Industries Association, the Central Correctional Industries Association, the South Central Correctional Industries Association, the Northeast Correctional Industries Association, and the Southeast Correctional Industries Association, shall be appointed as a member of the Board of Directors.

(C) A representative from the American Correctional Association (ACA), as appointed by the ACA Executive Director from the ACA Board of Governors, shall serve as an ex-officio non-voting member of the Board of Directors.

Section 5.04 Term Limits: Membership on the Board is limited to two consecutive elected terms except for regional appointees who may serve consecutive elected terms as long as they are serving as the elected chair of their region.

Section 5.05 Executive Committee: The Officers shall constitute the Executive Committee of the Corporation. The Executive Committee may act in the best interest of the Corporation between regular meetings of the Board of Directors with the full power of the Corporation on any matter that requires immediate action. At each meeting of the Board of Directors that follows a meeting of the Executive Committee, the President of the Association shall inform the Board of the substantive matters that were addressed. All actions taken by the Executive Committee shall be reported to the Board in an expeditious manner, and not later than at its next regular meeting and recorded in the official minutes of the Corporation.

Section 5.06 Vacancies on the Board of Directors:

(A) Events Causing Vacancies: A vacancy or vacancies on the Board shall exist on the occurrence of the following: (1) the death or resignation of any member; 2) the declaration by resolution of the Board of a vacancy in the office of a member who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty.

(B) Resignation: Except as provided below, any member or officer may resign by giving written or electronic notice to the President or the Secretary of the Corporation. The resignation shall be effective when notice is given unless it specifies a later time for the resignation to become effective.

(C) Filling Vacancies: The President shall appoint any member who is qualified to serve on the Board of Directors to fill the unexpired term of any vacant position with the majority approval of the Board of Directors. For this provision and any other, "majority" shall be deemed fifty-one percent (51%) unless otherwise stated.

Section 5.07 Board of Directors' Meetings: The Board shall hold a regular meeting twice annually for purposes of organization, and transaction of other business, one of which shall be held at the

NCIA National Training Conference and the other shall be held in conjunction with the summer American Correctional Association Congress of Correction. Other regular or special meetings of the Board may be held at such time and place as the Board may see fit from time to time. Meetings of the Board shall be open to all members of the Association and guests.

(A) Board Members are required to attend both Board meetings held each year. When circumstances prevent attendance, Board members are required to notify the Executive Director and President no later than 30 days prior to the scheduled meeting, preferably earlier. If an emergency arises that prevents a Board member from attending the Board Meeting at the last minute, he/she should notify the Executive Director by email or by phone. Any Board Member who does not provide notice of his/her inability to attend the meeting, and is subsequently absent from the meeting, can be removed from the Board of Directors, as determined by the President.

(B) Special meetings of the Board, when circumstances warrant, may be called at any time by the Executive Committee. Notice of the time and place of special meetings shall be given to each member by one of the following methods: (1) by personal delivery of written notice; (2) by first class mail, postage prepaid; (3) by telephone, either directly to the member or to a person at the member's office who would reasonably be expected to communicate that notice promptly to the member; or (4) by electronic communication. All such notices shall be given or sent to the member's mailing or email address, telephone or fax number as shown on the records of the Corporation.

(C) Notices of a special meeting excluding executive session shall be given to the membership at least fourteen (14) days before the time set for a special meeting of the Board.

(D) Notice of a meeting need not be given to any Board member who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of the meeting need not be given to any Board member who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

Section 5.08 Quorum:

(A) A majority of the Directors of the Board shall constitute a quorum for the transaction of business at a regular or special meeting, except to adjourn. Every action taken or decision made by a majority of the members present at a duly held meeting at which a quorum is present shall be the act of the Board, including, without limitation, those provisions relating to approval of contracts or transactions in which a member has a direct or indirect material financial interest; approval of certain transactions between corporations having common directorships; creation of and appointment to committees of the Board; and indemnification of members. A meeting at which a quorum is initially present may continue to discuss business, despite the withdrawal of members, except that any action taken or decision made must be approved with a quorum present.

(B) A majority of the members present, whether or not a quorum is present, may adjourn any meeting to another time and place.

(C) In the absence of a quorum, the President may direct the Executive Director to prepare a written or electronic ballot for Board response. Such ballot shall contain a summary of the items discussed by the non-majority Board members present at a meeting and how each person present voted on each matter. The ballot and summary shall be sent by standard mail or electronic transmission to each Board member not present at the meeting. Each Board member shall respond within seven (7) days after receipt of the ballot and meeting summary.

Section 5.09 Action Without A Meeting: Any action that the Board is required or permitted to take may be taken without a meeting if a quorum of members of the Board consent in writing to the action; provided, however, that the consent of any member who has a material financial interest in a transaction to which the Corporation is a party shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents can be communicated electronically and shall be filed with the minutes of the proceedings of the Board.

Section 5.10 Compensation and Reimbursement: Officers and directors may receive such compensation, if any, for their services as officers and directors and such reimbursement of expenses, as the Board may determine by resolution, to be just and reasonable.

Section 5.11 Executive Sessions: At the discretion of the President or a majority of the Board members present at a meeting held when a quorum is present, the Board of Directors may enter into an executive session to discuss matters of a sensitive nature. Only elected and appointed members of the Board and persons invited by the Board may be present during an executive session.

Section 5.12 Regional Organizations:

(A) The Corporation recognizes the following regional organizations as subunits of the Corporation: the Western Correctional Industries Association, the Central Correctional Industries Association, the South Central Correctional Industries Association, the Northeast Correctional Industries Association, and the Southeast Correctional Industries Association. As such, the subunits must comply fully with the Corporation's mission and tax exempt requirements.

(B) As provided in Section 5.03 (B), the Chair of each regional organization shall be appointed as a member of the Board of Directors of this Corporation under the following conditions:

- (1) Each regional organization shall be structured to conform to the requirements for nonprofit status in compliance with NCIA's 501(c) (3) status.
- (2) The Bylaws of each regional organization shall substantially conform in scope and purposes to the Bylaws of this Corporation.
- (3) The Chair of the Region shall be responsible for reviewing the region's bylaws with their membership annually at the regional business meeting held during the national conference. Any revisions adopted, or confirmation that there are no revisions, shall be forwarded to the National Office for approval by NCIA.

(C) Each regional organization shall agree to follow the policies and procedures established by the Board of Directors for regional organizations including resource utilization and financial reporting requirements.

(D) Each regional organization shall promote membership in this Corporation from among the members of the regional organization.

(E) For the purpose of the conduct of training and membership development, each regional organization, respectively, shall have jurisdiction over the states and provinces hereinafter set forth:

Central Region:

Illinois

Indiana

Iowa

Michigan

Minnesota

Ohio

Wisconsin

Manitoba

Saskatchewan

UNICOR, Jail Industries and CORCAN sites located within the states and provinces listed

Northeast Region:

Connecticut

Delaware

District of Columbia

Maine

Maryland

Massachusetts

New Hampshire

New Jersey

New York

Pennsylvania

Rhode Island

Vermont

Ontario

Quebec

UNICOR, Jail Industries and CORCAN sites located within the states and provinces listed

Southeast Region:

Alabama

Florida

Georgia

Kentucky

North Carolina

South Carolina

Tennessee

Virginia

West Virginia

UNICOR and Jail Industries sites located within the states listed

South Central Region:

Arkansas

Kansas

Louisiana

Mississippi

Missouri

Nebraska

Oklahoma

Texas

UNICOR and Jail Industries sites located within the states listed

Western Region:

Alaska

Arizona

California

Colorado

Hawaii

Idaho

Montana

Nevada

New Mexico

North Dakota

Oregon

South Dakota

Utah

Washington

Wyoming

Alberta

British Columbia

UNICOR, Jail Industries and CORCAN sites located within states and provinces listed

Section 5.13 Voting by Board Members:

(A) Each Board member present at a meeting shall be entitled to vote on all matters presented before the Board, unless there exists a "self-dealing" conflict between the member and the Corporation as defined by IRS Rules and Regulations.

(B) In the event that a Board member is unable to attend a regular or special Board meeting, the member may give another Board member a general power to vote in his/her stead at the meeting by proxy. Each proxy to vote on Board business shall be executed in writing, setting forth the date and time of the specific Board meeting, the name of the Board member authorized to vote by proxy for the absent member, and the date of execution of the proxy vote notice. The proxy should be emailed to the Executive Director. A proxy vote may not be used to establish a quorum for the Board to conduct business, nor may a member of the Board be authorized to hold more than one proxy vote. The Chair shall validate each notice of proxy vote submitted to the Executive Director at the meeting.

ARTICLE VI: COMMITTEES

Section 6.01 Committees of the Board: The Board, by resolution, adopted by a majority of the directors and provided a quorum is present, may create one or more committees of the Board consisting of two or more Directors of the Board. Non Board members may also be appointed as deemed necessary by the President. Appointments to committees of the Board shall be made by the President and presented to the Board of Directors. Any such committee, to the extent provided in the Board resolution, shall have all the authority of the Board, except that no committee, regardless of Board resolution may:

- (A) Fill vacancies on the Board or on any committee that has the authority of the Board.
- (B) Fix compensation of the Directors for serving on the Board or on any committee;
- (C) Amend or repeal Bylaws or adopt new Bylaws;
- (D) Amend or repeal any resolution of the Board that, by its express terms is not so amendable or repealable;
- (E) Create any other committee of the Board or appoint the members of committees of the Board;
- (F) Approve any contract or transaction to which the Corporation is a party;
- (G) Notwithstanding any provision of these Bylaws to the contrary, the President, as Chief Executive Officer of the Corporation, may appoint or designate a member of the Board of Directors to serve as an alternate or substitute member of a committee of the Board when and to the extent that: such appointment is needed to expedite an emergency project of the Corporation; and, no meeting of the Board is planned at such time as to allow a delay of such appointment to a committee.

Section 6.02 Meetings and Actions of Committees: Meetings and actions of committees of the Board shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other Board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined by the Chair of such committees. Minutes of each meeting of any committee of the Board shall be kept, and shall be filed with the corporate records. The Board may adopt rules for the governing of any committee, provided they are consistent with these Bylaws or, in the absence of rules adopted by the Board, the committee may adopt such rules.

Section 6.03 Standing Committees: The following shall be standing committees of the Corporation whose duties and responsibilities shall be set forth by the President:

- A. Research
- B. Best Practices Committee
- C. Membership Committee
- D. Program Development Committee

- E. Marketing Committee
- F. Audit Committee

Section 6.04 Ad-Hoc Committees: The following shall be ad-hoc committees of the Corporation whose duties and responsibilities shall be set forth by the President:

- A. Ways and Means Committee
- B. Nominations Committee
- C. Awards Committee

ARTICLE VII: OFFICERS

Section 7.01 Officers of the Corporation: The officers of the Corporation shall be a Chairman, President, a President-Elect, a Vice President of Program Development, a Vice President of Marketing, a Corporate Secretary (the Executive Director), and a Treasurer (Chief Financial Officer). The officers are designated as the Executive Committee. The Corporation may also have, at the Board's discretion, such other officers as may be appointed in accordance with Section 7.03 of these Bylaws.

Section 7.02 Election, Designation, and Term of Office:

- (A) The President-Elect shall attain the next higher position of President of the Association by progression.
- (B) The President shall attain the position of Chairman of the Board of the Association by progression.
- (C) The offices of the President-Elect, Vice President of Program Development, Vice President of Marketing and Treasurer, shall be elected by written or electronic ballot of the members entitled to vote.
- (D) The office of Corporate Secretary shall be performed by the Executive Director of the Corporation as an ex-officio non-voting member of the Board.
- (E) Each term of service on the Board of Directors shall be for two years for the: Chairman, President, President-Elect, Vice President of Program Development, Vice President of Marketing, and Treasurer.

Section 7.03 Removal of Officers: Any officer may be suspended, for cause by a majority of the Board of Directors, and may be removed, for cause, by a majority vote of the Board of Directors with the approval of the voting power of the Corporation, at the next regular meeting of the membership. An officer may also be removed should he/she cease to be qualified for the office as provided in these Bylaws and if he/she misses two consecutive Board meetings and/or functions.

Section 7.04 Resignation of Officers: Any officer may resign at any time by giving written or electronic notice to the Corporation. The resignation shall take effect as of the date the notice is

received, unless otherwise specified in the notice. The resignation need not be accepted to be effective.

Section 7.05 Vacancies in Office: A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointment to that office.

Section 7.06 Chairman of the Board: The Chairman shall represent the Board with the Executive Committee and serve as Chair of the Research, Nominations and Awards Committees. The Chair shall only vote on the Nominations and Awards Committees when a tie-breaking vote is required.

Section 7.07 President: Subject to the control of the Board, the President shall: be the Chief Executive Officer of the Corporation; supervise, direct and control the Corporation's activities, affairs, and officers; and, preside at all meetings of the Board and membership. The President shall serve as Chair of the Best Practices Committee and shall appoint a Chair to all other committees. The President shall ensure that an annual financial audit is conducted by a reputable audit firm. The President shall be an ex-officio non-voting member of all committees and councils and shall be given notice of and shall have the right to attend all committee and council meetings. However, unless the President is designated by these Bylaws or by the Board of Directors or the Executive Committee as a regular member of the committee, the President shall be under no obligation to attend such meetings and shall not be counted to determine the number necessary to make a quorum or to determine whether or not a quorum is present. The President is the official spokesperson for the Association during his/her term of office. The President shall have such other powers and duties on the Board as the Bylaws may prescribe.

Section 7.08 President-Elect: The President-Elect shall preside at all meetings of the Board and membership meetings in the absence of the President, and shall perform such other duties as may be assigned by the Board. The President-Elect shall serve as Chair of the Membership Committee.

Section 7.09 Vice President of Program Development: The Vice President of Program Development shall serve as Chair of the Program Development Committee and perform such other duties as may be assigned by the President and/or Board.

Section 7.10 Vice President of Marketing: The Vice President of Marketing shall serve as Chair of the Marketing Committee and perform such other duties as may be assigned by the President and/or Board.

Section 7.11 Corporate Secretary (Executive Director/Chief Administrative Officer):

(A) **Books of Minutes:** The Corporate Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings and actions of the Board, and of committees of the Board. The minutes of the meeting shall include the time and place that the meeting was held, whether the meeting was annual, regular, special, and, if special, how authorized, the notice given, and the names of those present at the Board or committee meetings.

(B) Articles of Incorporation/Bylaws: The Corporate Secretary shall keep or cause to be kept, at the principal office if any, a copy of the articles of incorporation and Bylaws, as amended to date.

(C) Notices, Seal and Other Duties: The Corporate Secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The Corporate Secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

Section 7.12 Treasurer (Chief Financial Officer):

(A) The Treasurer (Chief Financial Officer) shall ensure that the National Office keeps and maintains, or causes to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Chief Financial Officer shall send or cause to be given to the members such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The book of accounts shall be open to inspection by any member, in good standing, at all reasonable times.

(B) The Treasurer shall submit an annual operating budget to the Board of Directors for approval and also report on the Association's operating reserve and investment account performance at each bi-annual Board meeting.

(C) The Treasurer shall participate on the Audit Committee in an ex-officio, non-voting capacity.

(D) The Treasurer shall serve as Chair of the Ways and Means Committee.

ARTICLE VIII: ELECTION AND APPOINTMENT OF OFFICERS AND DIRECTORS

Section 8.01 Election and Appointment of Officers and Directors shall be administered in accordance with this Section of the Bylaws.

Section 8.02 Nominations and Elections of Officers and Directors: A member, in good standing, may nominate a candidate for At-Large Director, which nomination must be accepted by the nominee, in writing, and emailed to the Executive Director on or before the date established by the NCIA National Office. Nominations for the positions of President-Elect, Vice President of Program Development, Vice President of Marketing, Treasurer and At-Large Director shall be reviewed by the Executive Director for eligibility and accepted by the National Office for inclusion on the ballot for the voting membership. If the eligibility of a nomination is in question, the Executive Director shall confer with the Nominations Committee Chair and the Nominations Chair may activate the Ad-Hoc Nominations Committee if any such action is determined necessary.

(A) Notice and Balloting: Access to an online ballot link containing a short biography of each candidate will be emailed to each member in good standing and entitled to vote at least sixty (60) days, but no more than seventy-five (75) days prior to the annual summer meeting of the membership. In order to be counted, members must submit the online ballot by the published deadline, which shall be at least thirty (30) days prior to the annual meeting.

(B) Certification of Election: The National office staff shall ensure a responsible accurate count of all ballots returned within the time prescribed by these Bylaws, and shall certify each election for office. Elected officers shall assume their office on January 1 of the calendar year following their election.

(C) Eligibility for Officers: To be eligible for the officer positions of President or President-Elect, the person shall have previously served one term as an officer. In the event that there is not an officer nominee, Board members with four years of service or more will be eligible to run for the position of President-Elect. To be eligible for the office of Vice President or Treasurer, the person shall have previously served one term as a Board member.

(D) Board of Directors eligibility: To be eligible to serve on the Board, the person shall be an active manager in the field of Correctional Industries and a voting member of the association in good standing, except for the ACA Representative as designated under Section 5.03 (C). A current Board member working in the department of corrections is eligible to continue to serve the remainder of his/her current term on the Board of Directors.

All Board members, elected or appointed, excluding the ACA Representative, must maintain practitioner membership in this Corporation.

(E) Voting Membership: As referred to herein, “voting membership” includes the following membership classes: Practitioner, Agency and Jail Industries Agency.

(F) Term: Officers and Directors shall serve for a term of two (2) years.

Section 8.03 Regional and Other Representatives to the Board

(A) Regional Representatives to the Board: The voting membership from each region shall elect at regional business meeting or by written or electronic ballot, regional representatives to the Board for a term of two years.

(B) American Correctional Association (ACA) Representative to the Board: The representative shall be proposed by ACA with the consent of the Board for a term as determined by ACA.

ARTICLE IX: INDEMNIFICATION

Section 9.01 Right of Indemnity: To the fullest extent permitted by law, this Corporation shall indemnify its members, officers, employees, and other persons described in these Bylaws including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any claim or legal proceeding as that term is generally used, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in any such cause of action, so long as the person did not act in a grossly negligent manner or in violation of state or federal criminal law.

Section 9.02 Approval of Indemnity: Upon written or electronic request of the Board by any person seeking indemnification, the Board shall promptly determine whether an acceptable standard of conduct has been met and may thereafter authorize indemnification. If the Board cannot authorize indemnification because the number of members who are parties to that proceeding with respect to which indemnification is sought prevents the formation of a quorum of members who are not parties to that proceeding, the Board shall appoint a committee of non-party members to examine the facts and evidence and make a determination whether the applicable standard of conduct has been met and, if so, the committee shall authorize indemnification consistent with the legal terms of coverage specified in the Corporation's indemnification insurance policy provided for in Section 9.04.

Section 9.03 Advancement of Expenses: To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 9.01 and 9.02 of these Bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 9.04 Insurance: The Corporation shall purchase and maintain insurance to the fullest extent permitted by law on behalf of its officers, members, employees, and other agents, against any liability asserted against or incurred by any officer, member, employee, or agent in such capacity or arising out of the officer's, member's, employee's or agent's status as such.

ARTICLE X: RECORDS AND REPORTS

Section 10.01 Maintenance of Corporate Records: The Corporation shall maintain:

(A) Adequate and accurate financial books and records of accounts;

(B) Written Minutes of the proceedings of its Board and Committees of the Board, as set forth in these Bylaws; and

(C) A record of each person's name, address, telephone number and email address who is associated with this Corporation as member, officer, employee or agent.

Section 10.02 Business Records and Minutes: On written demand by the Corporation, any voting member may inspect and copy the minutes of the proceedings of the Board and Committees of the Board at any reasonable time during office hours for a purpose reasonably related to the member's corporate interest. Any such inspection and copying may be made in person or by the member's agent or attorney. Any right of inspection extends to the records of any subordinate unit of the Corporation. Any copies or reproductions shall be at Member's cost.

Section 10.03 Maintenance and Inspection of Articles and Bylaws: The Corporation shall maintain at its principal office the original or a copy of the Articles of Incorporation and Bylaws, as amended to date, which shall be open to inspection by any voting member at all reasonable times during office hours. A member shall have an absolute right to inspect the Corporation's books, records,

documents of every kind, and/or physical properties.

Section 10.04 Annual Audit Reports: The Corporation shall have its financial books and records audited annually by an independent Certified Public Accountant. At the completion of the audit, the Audit Committee shall submit an annual audit report to be sent to the officers and directors within 180 days after the end of the Corporation's fiscal year.

The report shall contain the following information, in appropriate detail, for the fiscal year:

(A) The assets and liabilities, including the trust funds of the Corporation as of the end of the fiscal year.

(B) The principal changes in assets and liabilities, including trust funds.

(C) The revenue or receipts of the Corporation, both designated/undesignated or with/without restrictions, to particular purposes.

(D) The expenses or disbursements of the Corporation for both general and restricted purposes.

ARTICLE XI: CONSTRUCTION AND DEFINITIONS

Section 11.01 Governing Law: Unless the context requires otherwise, the general provisions, rules of construction and definitions in the Nonprofit Corporation Laws of the state of Kentucky shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

Section 11.02 High Vote Requirement: If any provision of these Bylaws requires the vote of a larger proportion of the Board than is otherwise required by law, that provision may not be altered, amended or repealed except by that greater vote.

ARTICLE XII: BYLAWS AMENDMENTS

Section 12.01 Adopt, Amend or Repeal Bylaws: The Board may adopt, amend, or repeal any provision of these Bylaws at any regular or special meeting provided a 60-day written notice is given to each member of the Board, together with a statement of the subject area of the Bylaws to be considered for adoption, amendment or repeal. Proposed changes to the Bylaws shall be submitted in writing for vote by the Board of Directors in person or by proxy via written or electronic ballot for consideration.

ARTICLE XIII: FISCAL YEAR

Section 13.01 The fiscal year of the Association shall be October 1 through September 30 of each year.

ARTICLE XIV: DISSOLUTION

Section 14.01 In the event of the dissolution of the Corporation, any assets remaining in the Corporation after the payment of all debts and other obligations shall be donated to an organization dedicated to the betterment of Correctional Industries, as agreed upon by the Board of Directors or to such organizations as are set forth in the Articles of Incorporation; or to any organization qualified by the Internal Revenue Service as a section 501(c) (3) tax exempt organization.

ARTICLE XV: CERTIFICATE OF CORPORATE SECRETARY

Section 15.01 I certify that I am the duly appointed Corporate Secretary of the National Correctional Industries Association, Inc., a Kentucky nonprofit corporation, and that the above Bylaws consisting of Articles I through XIV, are the Bylaws of this Corporation as adopted by the Board of Directors and members, and last amended or modified by action of the Board on August 20, 2020.

Corporate Secretary