



# Sustainable Purchasing Leadership Council

## Bylaws

April, 2014

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Amended April 10, 2014

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**Bylaws of the Sustainable Purchasing Council,  
DBA Sustainable Purchasing Leadership Council**

**ARTICLE I NAME AND OFFICE**

**Section 1 Name**

The name of the corporation is Sustainable Purchasing Council, Inc., also known as “Sustainable Purchasing Leadership Council” and as “SPLC.”

**Section 2 Office**

SPLC’s principal office will be in the metropolitan Washington D.C. area or in another location approved by the Board of Directors.

**ARTICLE II MEMBERSHIP**

**Section 1 Members**

Any organization, including but not limited to the following, may apply to become a Regular Member of SPLC (“member”): Corporate and Retail; Educational and Research Institutions (both public and private including K-12, colleges and universities); 501(c)(3) Environmental and other 501(c)(3) Nonprofit Organizations; Federal Government; Finance and Insurance Community (institutions, appraisers, accountants); Product Manufacturers; Professional Firms; Professional Societies and Trade Associations and other 501(c) Nonprofit Organizations; Real Estate and Real Estate Service Providers (including building owners, developers, property managers); State and Local Governments; Utilities, ESCOs and Energy Service Providers, and international Sustainable Purchasing Leadership Councils. Members shall complete an application, agree to meet and comply with all policies set forth by SPLC in SPLC’s Membership Policies and Procedures, and pay dues and any other fees that the Board may establish. The Board of Directors may set fees in such amounts as it shall deem necessary, including, and without limitation, annual dues.

**Section 2 Admission Procedure**

Members shall only be admitted to membership as provided in SPLC’s Membership Policies & Procedures.

**Section 3 Member Roles**

Representatives of Member organizations participate in the work of the SPLC in one or more of three possible roles, as described in SPLC’s Membership Policies and Procedures: (a) Purchaser; (b) Supplier; and (c) Public Interest Advocate.

The SPLC seeks to achieve balanced representation of all three roles in all significant deliberations and decision-making.

Unless otherwise determined by the Board of Directors, all working groups and committees of the SPLC whose work will result in recommendations or work products on behalf of the entire SPLC shall ensure equal representation by each of the Member roles described in the SPLC’s Membership Policies and Procedures. Procedures for achieving equal representation of each Member role are described in SPLC’s Working Group Policies and Procedures.

#### **Section 4      Resignation/Termination**

There are no refunds for membership dues. Resignation or termination of membership will not relieve a Member of responsibility for any financial obligations, including dues and other amounts due, accrued up to the effective date of membership termination. Membership in the SPLC may be terminated as follows:

- A. At the request of a Member to SPLC; such termination shall be considered resignation. In the event of such termination by resignation, dues already paid for the current year will not be refunded. If membership is terminated by Member resignation, and for no other basis, the Member may rejoin SPLC.
- B. The Member has not paid dues or other financial obligations to the SPLC as of the expiration date and after the expiration of any grace period as may be further set forth in SPLC's Membership Policies and Procedures. Termination of membership for failure to pay dues is automatic and no further process shall be afforded a Member in such instance. If membership is terminated by failure to pay dues, the Member may rejoin SPLC.
- C. The Member is expelled for actions which the SPLC Executive Committee determines are prejudicial to the welfare, interest or character of SPLC, including but not limited to the following:
  1. Willful violation of these Bylaws;
  2. Extending member benefits to individuals other than regular employees of the Member;
  3. Continued misuse of SPLC intellectual property after receiving a demand to cease and desist from so doing;
  4. Re-sale of items or information purchased or received from SPLC at the Member discounted rate (including but not limited to the re-sale of reference guides, webcasts or podcasts) unless explicitly authorized by SPLC;
  5. Falsely representing relationship with SPLC (for example, stating that SPLC certifies a member organization's product); and/or
  6. Publishing false information about SPLC;
  7. Failure to adhere to the SPLC's Code of Conduct as described in the SPLC's Membership Policies and Procedures.

When SPLC seeks to expel a Member, SPLC shall contact the Member primary contact by email and mail (at the email address and mailing address last provided by Member to SPLC), with a copy to the Member's CEO/Senior Executive, notifying the Member of the alleged basis for expulsion. The Member shall reply in writing within 30 days responding to the charge. SPLC staff shall promptly render a decision and determine sanctions by transmitting such decision, by email and by mail, to the primary contact and the Member's CEO/Senior Executive.

The Member may appeal the staff decision to SPLC's Executive Committee by making a written appeal within 30 calendar days of receipt of the decision. Such appeal shall be sent by mail. The written appeal should detail the reasons the Member believes the staff decision to have been in error and/or should request sanctions other than those determined by staff. SPLC's Executive Committee shall consider such request at its next regularly scheduled telephone meeting. The Member may request the opportunity to participate in the meeting. In its sole discretion, the Executive Committee shall determine whether to permit the Member to make an oral presentation to the Executive Committee and at which meeting such presentation shall occur. The Executive Committee shall make a decision on the appeal within 20 days of the later of the meeting at which it reviewed the appeal or the meeting at which the Member presentation occurs and shall cause its decision to be rendered to the Member in writing. The decision of the Executive Committee is final and may not be further appealed.

SPLC may remove a Member's access to discounted pricing if SPLC, in its sole discretion, makes a determination that a Member has misused SPLC intellectual property or if a Member has provided non-employee access to the Member's account and/or discounted purchase price benefit. As provided in greater detail in SPLC's Membership Policies and Procedures, SPLC staff shall notify the Member before making such determination.

#### **Section 5      Review**

The Board shall evaluate all SPLC membership requirements periodically and remove or enact requirements as appropriate for achieving the mission of SPLC.

### **ARTICLE III      MEMBER MEETINGS AND VOTING**

#### **Section 1      Rating System Balloting**

The Board of Directors shall adopt policy and guidance on voting on rating system balloting procedures which shall strive to achieve the goal of balance and consensus.

#### **Section 2      Representation**

Each Member shall be entitled to one vote on each matter submitted to a vote of the membership. SPLC shall utilize proportional voting, by which any regular employee of a SPLC Member who is also a registered representative of the Member organization as defined in the Membership Policies & Procedures may cast a proportional share of the vote for that Member.

#### **Section 3      Annual Meeting**

An annual meeting of the membership for business or other purposes—as may be stated in the notice of the meeting—will be held once a year at a time, place and date to be determined by the Board of Directors. Upon the approval of the Executive Committee, the annual meeting may be held by means of the Internet or other electronic communications technology in a fashion pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, pose questions, and make comments.

#### **Section 4      Special Meetings**

Special meetings may be called by the President, Chair, Chair-Elect, Secretary, Treasurer or Board of Directors at their discretion, or at the written request of at least 20% of the voting members. Upon the approval of the Executive Committee, special meetings of the members may be held by means of the Internet or other electronic communications technology in a fashion pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, pose questions, and make comments.

#### **Section 5      Notice**

Written notice of a meeting, annual or special, stating the place, date and hour of the meeting, (and in cases of a special meeting, stating the purpose or purposes for which the meeting is called) will be given to each Member entitled to vote at such meeting, not less than 20 days or more than 50 days before the date of the meeting. Notice may be given by mail, courier, facsimile, or email. Notice will be deemed given if it is sent to the last address, fax number or email address, as applicable, provided by the Member to SPLC.

#### **Section 6      Quorum**

Only those members current in their dues payments at the record date as set forth in Membership Policies and Procedures as adopted by the Board of Directors are entitled to vote. For votes involving the entire membership, one-tenth (10%) of voting members present in person, proxy or by teleconference, will constitute a quorum for the transaction of business. The affirmative vote of a majority of the members

present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members. The members present at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. If a quorum is not present or represented at a meeting, the members present at such meeting will have the power to adjourn the meeting until a quorum is present, at which time any business may be transacted that would have been transacted at the meeting as originally called.

### **Section 7 Proxies**

At any meeting of the membership, a Member entitled to vote may vote by proxy executed in writing by the Member or their duly authorized representative. A proxy is valid for only one meeting. The number of proxies that a Member may represent shall be limited to one.

### **Section 8 Voting**

A Member may vote by mail, Internet, or any other means of electronic communications technology (such vote to be cast at a Member meeting). Members who vote by electronic communications technology are deemed present in person for purposes of determining whether a quorum is present.

### **Section 9 Voting by Ballot**

Any action that may be taken at any meeting of the members may be taken without a meeting so long as, as directed by the Board of Directors or Executive Committee, SPLC delivers a ballot to each Member entitled to vote on the matter in the manner required by SPLC's Membership Policies & Procedures and these Bylaws.

## **ARTICLE IV BOARD OF DIRECTORS**

### **Section 1 Composition**

Except as specified in Section 14 of this Article, the Board of Directors' composition shall include: (a) 9 elected directorships, representative of perspectives agreed on by the Board of Directors; (b) 3 appointed directorships; (c) one (1) staff directorship; (d) Officers whose terms as Directors have otherwise expired; and (e) the President/CEO, who shall serve, ex-officio, as a non-voting member of the Board of Directors.

Of the elected directorships, based on the Member roles described in the SPLC's Member Policies and Procedures, and subject to the availability of a sufficient number of qualified candidates in all three roles, at least three (3) elected directorships shall be filled by Purchaser representatives from member organizations; at least three (3) elected directorships shall be filled by Public Interest Advocate representatives from member organizations; and no more than three (3) elected directorships shall be filled by Supplier representatives from member organizations.

### **Section 2 Responsibilities**

All corporate powers shall be exercised by or under the authority of the Board of Directors, and the activities and affairs of SPLC shall be managed by or under the direction, and subject to the oversight, of its Board of Directors.

### **Section 3 Eligibility and Nominations**

Nominations for elected directorships shall be put forward according to guidelines approved by the Board of Directors, which may include specific requirements for the eligibility of candidates. Subject to such requirements, only employees of members in good standing are eligible to stand for election as elected directors, except that no more than one employee of a given Member may run for a directorship or simultaneously serve as a member of the Board of Directors during a fiscal year. (All candidates from a Member that puts forth more than one candidate will be disqualified if the Member fails to select one of the candidates to run.)

Nominations for staff directorships shall be put forward by majority vote by all SPLC staff and retained contractors working 80 hours or more per month for the SPLC. The President/CEO may not occupy a staff directorship.

Board appointed directors shall not be required to be employees of a SPLC Member.

A Nominating Working Group of the Governance Committee shall review all nominees to ensure that they meet the eligibility requirements and fulfill diversity and leadership criteria for board membership. The Nominating Working Group shall then formulate and the Executive Committee approve the slate of candidates for directorships before the slate is announced to the members by either electronic mail or U.S. Mail. The Nominating Working Group shall also conduct the nomination process for staff directorships.

#### **Section 4      Term**

Except as specified in Section 14 – Initial Composition and Terms, terms for elected directors shall be three (3) years or until their successors are chosen, whichever is later. Terms for appointed directorships shall be three (3) years or until their successors are chosen, whichever is later. Terms for staff directorships shall be three (3) years or until their successor is chosen, whichever is later.

#### **Section 5      Term Limits**

Individuals may serve as Directors for no more than a total of six (6) years, whether or not consecutively served, provided however that the President/CEO is exempt from such term limit. Further, no individual may serve on the Board in the capacity of a Director and/or Officer of the Board or the Corporation, for a total of more than nine (9) years, except for the President/CEO, who serves ex-officio.

For the purpose of determining the limit of the Board service, service as a Board member for a year or less in filling a vacancy or for a year or less in filling an initial term shall not be counted toward the total years served.

#### **Section 6      Election**

The election process shall be open to all SPLC members in compliance with the Membership Policies & Procedures for a period of not less than 30 days. The elected Directors shall be elected by the members pursuant to policy and procedures enacted by the Board of Directors. SPLC shall utilize proportional voting, by which any regular employee of an SPLC Member who is also a registered representative of the Member organization as defined in the Membership Policies & Procedures may cast a proportional share of the vote for that Member. The Board shall appoint Directors for the appointed seats pursuant to its policies.

#### **Section 7      Voting**

Each Board member is entitled to one vote, provided however that the President/CEO serves as a non-voting Board member. Voting on all matters, including election of Officers or amendments to the Bylaws, may be conducted only in accordance with these Bylaws. Voting by the Board shall occur in a properly noticed meeting of the Board. Directors may participate in such meetings by any means of communication by which all directors participating in the meeting are able to hear one another, and such participation shall constitute presence in person at the meeting. Votes during an official meeting may be registered by voice, hand or ballot delivered in person or electronically. All decisions shall be made by simple majority (51%) of voting members of the Board. In the event of a tie in voting, the President/CEO may cast a vote to break the tie, but the President/CEO is not required to do so.

Any action required to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect



to the subject matter thereof. Such consent shall have the effect of action taken at a meeting of the Board of Directors. Signatures verifying such consent may be delivered electronically.

#### **Section 8 Quorum**

A simple majority (51%) of voting Board members then in office present in person or by teleconference will constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. The Board members present at a duly organized meeting may continue to do business until either adjournment or the withdrawal of enough Board members to leave less than a quorum.

#### **Section 9 Meetings**

An annual meeting of the Board of Directors shall be held at a location determined by the Board of Directors. Written notice of such meeting will be given to each Board member at least 30 days prior to the proposed meeting date. Regular meetings of the Board of Directors will take place quarterly unless otherwise determined by the Board. Any particulars concerning regular meetings, including but not limited to notice, time and location, shall be determined by the Board, to the extent that these particulars are not determined by these Bylaws. The order of business for meetings of the Board shall be determined by the President/CEO in consultation with the Executive Committee. The order of business may be altered at any meeting by request of a majority of the Executive Committee or by a majority of Board members present. Robert's Rules of Order Newly Revised shall govern, except when otherwise provided in these Bylaws or specifically authorized by the Board. The Board of Directors may allow attendance by invited guests at any meeting. At the discretion of the Board, Council staff may be invited to attend Board meetings as observers.

#### **Section 10 Special Meetings**

Special meetings of the Board of Directors may be called by the President/CEO, Chair or a majority of the Directors, and shall be held at such time and place as the person or persons calling the meeting shall designate. Notice of special meetings shall be given at least forty-eight (48) hours prior to the meeting and may be given either personally, by mail, courier, facsimile, telephone, email, or any other form of wire or wireless communication.

#### **Section 11 Vacancies**

If a vacancy occurs in any elected position the Board may appoint an individual to fill that seat until the next annual Board election, provided that the appointee meets the relevant eligibility criteria for elected Directors. At the next annual Board election, the seat shall be open for election to fill the remainder of the original term, if any, or to start a new term. If a vacancy occurs in an appointed seat, the Board may appoint an individual to fill the remainder of the term.

#### **Section 12 Removal from Office**

An elected Director will be removed from the Board of Directors if the person becomes unaffiliated with any Member. A Director, whether elected or appointed, may be removed, with or without cause, by a two-thirds vote of the entire Board of Directors at a properly called meeting of the Board of Directors where quorum is present. Causes for such action may include, but shall not be limited to, failure to abide by the SPLC's Bylaws or Code of Conduct, or no longer meeting eligibility requirements set forth in these Bylaws or otherwise approved by the Board. If any Board member shall fail to attend two (2) regular quarterly Board meetings within a calendar year without an excuse accepted as satisfactory by the Board, such Board member shall be deemed to have resigned from the Board. Prior to removing a Board member for any of the above reasons, the Board may, at its discretion, inform the Board member of the risk of removal and offer an opportunity for appeal.

### **Section 13 Compensation of Board of Directors Members**

Board members, except for the President/CEO, shall not be entitled to any compensation for their service on the Board of Directors. The Board of Directors shall determine the amount of compensation for the President/CEO. Travel expenses for Board members may be reimbursed in accordance with SPLC's adopted Travel and Expense procedures.

### **Section 14 Initial Composition and Terms**

In order to allow for an orderly staggering of directorships, the initial composition and terms shall be as follows. The initial composition Board of Directors shall be 3 appointed directorships, as follows:

Yalmaz Siddiqui

Anastasia O'Rourke

Cynthia Cummis

The initial term of these directors shall expire on December 31, 2015. The President/CEO shall also serve, ex-officio, as a non-voting member of this initial Board of Directors.

On January 1, 2014, the size of the Board shall be increased to a total of 10 directors by adding: (a) 3 appointed directorships; (b) 3 elected directorships; and (c) 1 staff directorship. The terms and election of elected directors shall follow the procedures described in Sections 3, 4, 5, 6, and 7 of this Article, except that one of the newly appointed directors shall have a term of one (1) year, and one of the newly appointed directors shall have a term of two (2) years. For those directors appointed on January 1, 2014 whose terms are shorter than three (3) years, their terms shall not count toward the term limits described in Section 5 – Term Limits. The resulting composition of the Board shall be: (a) 6 appointed directorships; (b) 3 elected directorships; (c) 1 staff directorship; and (d) the President/CEO. Of the elected directorships, based on the Member roles described in the SPLC's Member Policies and Procedures, and subject to the availability of a sufficient number of qualified candidates in all three roles, at least one (1) elected directorship shall be filled by a representative from a Purchasing Organization Member; at least one (1) elected directorship shall be filled by a representative from a Public Interest Organization Member; and no more than one (1) elected directorship shall be filled by a representative from a Supplier Organization Member.

On January 1, 2015, the size of the Board shall be increased to a total of 13 directors by adding 3 elected directorships. The terms and election of elected directors shall follow the procedures described in Sections 3, 4, 5, 6, and 7 of this Article. The resulting composition of the Board shall be: (a) 6 appointed directorships; (b) 6 elected directorships; (c) 1 staff directorship; and (d) the President/CEO. Of the total elected directorships, based on the Member roles described in the SPLC's Member Policies and Procedures, and subject to the availability of a sufficient number of qualified candidates in all three roles, at least two (2) elected directorships shall be filled by representatives from Purchasing Organization Members; at least two (2) elected directorships shall be filled by representatives from Public Interest Organization Members; and no more than two (2) elected directorships shall be filled by representatives from Supplier Organization Members.

On January 1, 2016, with the addition of those directors elected in 2015 whose terms shall commence on January 16, 2016, the Board will achieve its permanent composition as described in Section 1 of this Article.

The above transition plan is represented graphically below:

	2013	2014	2015	2016	2017
Initial Director #1	[Blue bar]				
Initial Director #2	[Blue bar]				
Initial Director #3	[Blue bar]				
Staff Director		[Green bar]			[Green bar]
Appointed Director #1		[Blue bar]	[Blue bar]		
Appointed Director #2		[Blue bar]		[Blue bar]	
Appointed Director #3		[Blue bar]			[Blue bar]
Elected Director - Purchaser #1		[Orange bar]			[Orange bar]
Elected Director - Supplier #1		[Orange bar]			[Orange bar]
Elected Director - Public Interest #1		[Orange bar]			[Orange bar]
Elected Director - Purchaser #2			[Orange bar]		
Elected Director - Supplier #2			[Orange bar]		
Elected Director - Public Interest #2			[Orange bar]		
Elected Director - Purchaser #3				[Orange bar]	
Elected Director - Supplier #3				[Orange bar]	
Elected Director - Public Interest #3				[Orange bar]	

This Section is temporary and shall expire and automatically be deleted from the SPLC Bylaws on January 1, 2016. All references to this section shall also be automatically deleted from the SPLC Bylaws when this section is deleted.

**ARTICLE V OFFICERS**

**Section 1 Officers**

The Officers (the “Officers”) of the Board of Directors shall be a Chair, a Chair-Elect, and an Immediate Past Chair. The Officers (the “Officers”) of the Corporation shall be a Secretary, a Treasurer and a President/CEO, who shall also serve as officers of the Board. The Board may appoint other officers, each of whom shall have such title and perform such duties as the Board may designate.

**Section 2 Eligibility**

All Directors shall be eligible to be elected to serve as Chair-Elect, Chair, Secretary, or Treasurer.

**Section 3 Duties of the Officers**

Duties of individual Officers, in addition to serving on the Executive Committee, are as follows:

A. The Chair shall preside at all meetings of the Board of Directors and membership, and shall fulfill the duties of the Chair as set forth in Board-approved policies.

B. The Chair-Elect shall exercise the responsibilities of the Chair in the event of the Chair’s absence or disability and shall fulfill the duties of the Chair-Elect as set forth in Board-approved policies. Additional responsibilities may be determined and assigned by the Chair.

C. The Treasurer shall use reasonable business judgment to safeguard the funds of SPLC and ensure that accurate accounts of receipts and disbursements are prepared. The Treasurer will also review, annually, the budget submitted by the President/CEO to be discussed and approved by the Board of Directors. The Chair may appoint an Assistant Treasurer to assist the Treasurer, and who may perform the same duties as the Treasurer. The Treasurer shall fulfill the duties of the Treasurer as set forth in Board-approved policies.

D. The Secretary shall ensure the taking and dissemination of minutes, prepare and sign corporate documents, etc. and perform the duties normally assigned to a Secretary. The Chair may appoint an Assistant Secretary to assist the Secretary, and who may perform the same duties as the Secretary. The Secretary shall fulfill the duties of the Secretary as set forth in Board-approved policies.

E. The Immediate Past Chair shall work closely with and provide support to the Chair and Chair-elect and shall fulfill the duties of the Immediate Past Chair as set forth in Board-approved policies.

#### **Section 4      Nomination & Election**

The Board of Directors shall vote for and elect the following Officers: Chair-Elect, Secretary and Treasurer, according to a process and timeline set and agreed to by the Board. The Nominating Working Group of the Governance Committee shall solicit nominations and present to the Board candidates for Officers. The Board will convene a meeting within a specified period of time after receipt of the candidates to vote and elect the Officers.

#### **Section 5      Terms**

The Chair, Immediate Past-Chair and Chair-Elect shall each hold office for one (1) year. The Chair-Elect shall assume the office of Chair at the conclusion of the current Chair's term. The terms of office of both the Secretary and the Treasurer shall each be two (2) years, with the Secretary term ending in even-numbered years and the Treasurer term ending in odd-numbered years. An Officer shall continue to serve in his or her term as Director, provided however that if such Officer term extends beyond the term of the directorship, then the Officer shall be deemed to continue as a Board member ex officio, only until the end of the term of office as Officer. The size of the Board shall be enlarged as necessary to accommodate Officers who are no longer representing directorships as such directors were originally elected. The size of the Board shall be reduced as Officers leave Board positions created solely for their continued participation.

#### **Section 6      Vacancies**

Should any office become vacant, the Board of Directors shall nominate and vote upon, within 60 days, a member of the Board to complete the remainder of the term involved, provided that at least half of the term remains. If less than half of the term remains, the Executive Committee shall nominate, and the Board of Directors vote upon, within 60 days, a member of the Board to complete the remainder of the term. In either case, such Officers shall meet the eligibility requirements set forth in Section 2 above. In the event of a vacancy in the position of Immediate Past Chair, the position may not be filled, at the sole discretion of the Board of Directors. In the event of a vacancy in the position of Secretary, the position may be filled temporarily by another Officer, at the discretion of the Board of Directors.

#### **Section 7      Removal from Office**

An Officer may be removed with or without cause by a two-thirds vote of the entire Board of Directors at a properly called meeting of the Board of Directors where quorum is present. Causes for such action may include, but shall not be limited to, failure to abide by SPLC's Bylaws or Code of Conduct, or failure to meet Officer duties as provided for in these Bylaws or in Board-approved policies.

## **ARTICLE VI PRESIDENT/CEO AND STAFF**

### **Section 1 Appointment**

The Board of Directors shall appoint and employ a salaried or contracted staff head who shall have the title of President/CEO and whose contract and/or terms and conditions of employment shall be specified by the Board of Directors, which may be delegated by the Board to a committee of the Board.

### **Section 2 Authority and Responsibility**

The President/CEO shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation. The President/CEO shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, the President/CEO shall, in the name of the corporation, execute such contracts, checks, or other instruments, which may from time to time be authorized by the Board of Directors, and shall appoint signatories appropriate to their responsibility and level of authority and in line with recognized accounting principles. The President/CEO will also prepare an annual business plan including a proposed budget for SPLC that will be reviewed by the Officers and then submitted to the Board of Directors. The President/CEO may hire and/or appoint as necessary appropriate SPLC staff to provide administrative and program management services and negotiate employment and/or management contracts on SPLC's behalf. These duties include fixing compensation for such SPLC staff within the approved budget.

## **ARTICLE VII FINANCES**

### **Section 1 Signature on checks and notes**

All checks shall be signed by the President/CEO or his or her designee, or as the Board of Directors may from time to time designate, or as stated in these Bylaws.

### **Section 2 Fiscal Year**

The fiscal year of the corporation will be the calendar year.

### **Section 3 Audit**

The accounts of SPLC shall be audited not less than annually by a Certified Public Accountant who shall be recommended by the Finance and Audit Committee and appointed by the Executive Committee, with the approval of the Board of Directors and who shall provide a report to the Board of Directors.

### **Section 4 Operating Reserve Fund**

The Board may adopt policies and procedures for an operating reserve fund.

## **ARTICLE VIII INDEMNIFICATION**

SPLC shall indemnify any present or former director, officer, employee, contractor, agent, and/or volunteer of SPLC against any threatened, pending or completed action, claim, suit, liability or proceeding, including all associated actual and reasonable legal fees and other expenses incurred, to the fullest extent legally permissible under the laws of the State of Delaware as these may from time to time be amended. As used herein the term "volunteer" means a person who holds a position on an official SPLC Board Committee, Panel, Steering Committee, Committee of a Steering Committee, Technical Advisory Group, or Working Group as defined in the SPLC policies and procedures for committees and working groups. The phrase "employee" means a person who performs or has performed services to SPLC for a salary or wages. The indemnification provided hereunder shall inure to the benefit of the heirs, executors

and administrators of persons entitled hereunder. This right of indemnification shall be in addition to, and not exclusive of, all other rights to which any person may be entitled. Indemnification shall extend only to acts undertaken on behalf of SPLC, and further, only to the extent that such conduct related to, and arose from, such person's official duties as a director, officer, employee, agent, and/or volunteer of SPLC, or other corporation, enterprise, or subsidiary for which services are performed at SPLC's request.

Indemnification shall not be provided for any person who is subject to liability for conduct constituting the following: i) a breach of the duty of loyalty to SPLC; ii) an act or omission by such person not in good faith, or which involves intentional misconduct deliberately opposed to the best interests of SPLC; iii) an intentional infliction of harm to SPLC; iv) a knowing violation of the law; or v) a transaction from which such person derived an improper personal benefit. Further, indemnification shall not be provided if such person is subject to judgments, penalties, fines, settlements or expenses arising from any proceeding by, or in the right of, SPLC.

Advanced funds for reasonably anticipated expenses prior to a final determination of liability may be granted at the sole discretion of the Board of Directors and may be withheld unless otherwise required by law. Prior to the distribution of advanced funds, the recipient must provide an affirmation indicating such person's good faith belief that his or her conduct is in compliance with the provisions of this policy thereby warranting indemnification, and that all funds advanced will be repaid to SPLC if it is ultimately determined that indemnification was not appropriate under the terms of this policy. It is the burden of the indemnified party to demonstrate the actual and reasonable expenditure of all funds provided by SPLC. Persons representing themselves pro se shall not be reimbursed for self-performed legal services.

Indemnification shall not be provided for any action, suit, or proceeding brought by, or on behalf of, SPLC, or any existing or previous director, officer, employee, agent, and/or volunteer, unless such action is explicitly approved and directed by the Board of Directors. The Board of Directors shall purchase insurance on behalf of any director, officer, employee, or other agent against any liability asserted against or incurred by him/her which arises out of such person's status as a director, officer, employee, or agent or out of acts taken in such capacity, whether or not SPLC would have the power to indemnify such person against such liability under applicable provisions of law.

## **ARTICLE IX COMMITTEES**

### **Section 1 Executive Committee**

There shall be an Executive Committee of SPLC which shall have as members the Chair, Chair-/Elect, Immediate Past Chair, Secretary, Treasurer and the President/CEO. The Executive Committee shall be a committee of the Board, having and able to exercise the authority of the Board as delegated by the Board. The Executive Committee shall appoint all Directors of any supporting corporation of SPLC, as defined under IRC §509a3.

The Executive Committee shall fulfill its duties as laid out in Board-approved policies, and shall:

- A. Direct the implementation of programs, activities and recommendations of the approved Strategic Plan.
- B. Review and recommend the Annual Business Plan submitted by the President/CEO for presentation to and approval by the Board of Directors.
- C. Review and recommend the annual budget submitted by the President/CEO for presentation to and approval by the Board of Directors.

## **Section 2 Other Committees**

There shall be a Governance Committee and a Finance and Audit Committee. The Board may establish additional committees to assist the Board in carrying out the work of the Board. The majority of members must be current or past Board members. The number of members serving on these committees and members' term length shall be in conformance with committee policies and the committees' charters. Quorum is a simple majority (51%) of the committee membership. The Executive Committee shall appoint the members, chairs and vice-chairs of these committees in conformance with committee policies.

The Board may establish other committees and working groups, including those to develop programs, as it deems appropriate, and shall establish the powers and duties of each. The Executive Committee may establish working groups and shall appoint individuals to serve on committees and carry out other duties as delegated by the Board in committee policies.

## **Section 3 Balance**

The SPLC shall seek to create and maintain its committees in a fair and balanced manner, appropriately representing multiple viewpoints, without dominance by a single member category. The Board, or any committee designated by the Board, shall review the composition and leadership of committees. Criteria for balanced committee makeup shall be set forth in Board-approved committee policy.

## **Section 4 Meetings and Action of Committees**

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provision of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The time for special meetings of committees may also be fixed by the Board of Directors or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provision of these Bylaws.

## **Section 5 Voting**

Voting by committees and working groups may be in person, or via telephone, video conference, U.S. mail or electronically as described in the committee policies approved by the Board.

## **Section 6 Other Roles**

In addition to roles described elsewhere in these Bylaws, Membership Policies & Procedures, and this document, the following groups and roles are included in the Council's work.

### **A. Strategic Advisory Committee**

- a. The Strategic Advisory Committee (SAC) is an expert sounding board for the overall strategy of the Council. Advisory Committee members are invited, both individually and as a group, to provide informal advice on the work of the Council.
- b. Composition. The SAC includes members of the Founders Circle and other invited subject matter experts appointed by the SPLC Executive Committee. Invited members of the Strategic Advisory Committee may or may not be Member representatives.
- c. Authority. The SAC has no decision-making authority in the work of the Council.

- B. Founders Circle:** The Founders Circle (FC) provides financial and technical support for the launch of the Council. Organizations in the Founders Circle are referred to as Founders or Founding Members, with the conditions of their participation fully described in the Founders Circle Terms & Benefits.

- a. Eligibility. Organizations are invited to be Founders on the basis of leadership in their field related to sustainable purchasing.
  - b. Recognition. Founders are publicly recognized for their contribution to the launch and development of SPLC, as described in the Founders Circle Terms & Benefits.
  - c. Dues. Founders pay dues as described in the Founders Circle Terms & Benefits.
  - d. Membership Status. Founders are automatically eligible for membership in the SPLC without payment of additional dues, upon completion of the other requirements for membership.
  - e. Participation. One registered representative of each Founder shall, upon request to the Board, be appointed to the Strategic Advisory Committee.
  - f. Authority. The Founders Circle has no decision-making authority.
  - g. Balance. The SPLC seeks, to the extent possible, to attract to the Founders Circle a diverse and representative group of stakeholder organizations.
- C. **Strategic Partners.** Strategic Partners, also called Partners, are organizations whose work is complementary to SPLC and with whom the SPLC has signed a formal partnership agreement identifying specific areas of collaboration and mutual benefit.
- a. Definition. Partnerships are defined on a case-by-case basis in a customized Memorandum of Understanding (MOU) that is signed by authorized representatives of all parties to the partnership agreement.
  - b. Duration. The duration of each partnership is defined in the governing MOU.
  - c. Communication. Unless otherwise specified in the governing MOU, all parties to the partnership are free to communicate publicly about the partnership and its terms and the SPLC lists all partnerships on a Partners page on its website.
  - d. Membership Status. Partners are not automatically considered members of the SPLC. Partners wishing to become members of the SPLC must meet all requirements for membership, including payment of dues.
  - e. Termination. Conditions for termination of partnerships are specified in the governing MOU. The Board of Directors may terminate a partnership at any time.

## **ARTICLE XI AMENDMENTS**

These Bylaws may be amended by two-thirds vote of the Board of Directors, so long as such amendment is not prohibited by the laws of the State of Delaware. These Bylaws may also be amended by the affirmative two-thirds vote of the members, in person or by proxy, at any regular or special meeting of the membership or by ballot, provided that notice of the substance of the proposed amendment has been sent to each Member at least sixty (60) working days prior to the date of the regular or special meeting involved or prior to the day the ballot is sent.