

## **By-law 2024**

**For member approval at the June 26, 2024 Annual General Meeting**

The By-law relating generally to the conduct of the activities and affairs of the Corporation named Action Read Community Literacy Centre of Guelph (“Action Read”).

The purpose of Action Read is to provide a range of literacy and numeracy services, tutoring and learning opportunities to Guelph adults and families.

Action Read was incorporated by Letters Patent on August 13, 1991 under the Ontario *Corporations Act*, later replaced by the Ontario *Not-for-Profit Corporations Act* (the “Act”).

By-law 2024 provides information and rules regarding administration, membership and the Board of Directors (the “Board”), based on the Act.

As of the effective date By-law 2024, all prior by-laws of Action Read are repealed.

By-law 2024 is as follows:

### **1. Procedure and Interpretation**

Unless the Act, Articles or by-laws state differently:

- a) The Board Members will decide all matters of a procedural nature; and
- b) The Board Members shall interpret the by-law(s), board policies, rules or regulations of Action Read. Board decisions are final.

The Act covers all items not addressed in By-law 2024.

### **2. Registered Office**

The registered office of Action Read shall be in Guelph, Ontario, at a location decided by the Board.

### **3. Seal**

The Action Read seal is an optional item used to show that a document is official.

#### **4. Membership**

4.1 Action Read Members shall include:

- A. All current Board Members.
- B. All learners and volunteers:
  - a) have been involved with Action Read's programs or activities for at least two months; and
  - b) are 18 years of age or older; and
  - c) want to advance the purposes and goals of Action Read.

Each Action Read Member is entitled to receive notice of, attend and vote at any General Members meeting.

Action Read staff and service contractors are not considered Members. They are entitled to receive notice of and attend General Member meetings, but they are not entitled to vote.

#### **4.2 Termination of Membership**

A person's membership at Action Read terminates:

- a) when they deliver a resignation letter to the Board or staff;
- b) if they have not been involved with Action Read's programs or activities for 13 months;
- c) if they violate any term of the Articles, by-laws or written policies of Action Read, or behave in a way that may be harmful to advancing Action Read's programs and goals, as determined by the Board; or
- d) if Action Read is liquidated or dissolved under the Act.

4.3 If the Board determines, in good faith, that an individual's membership should be terminated, the Chair (or designate) shall give 15 days' notice to the Member and shall provide the reasons for the proposed termination.

The Member may respond to the Chair no later than 6 days prior to the proposed cancellation date. The Chair will consider the response, and will follow the process outlined in the Act. The Board's decision shall be final and binding.

## **5. Meetings of the Members**

### **5.1 Annual General Meeting (AGM)**

Action Read must hold one AGM each year within six months of the fiscal year end, at a time, date and place determined by the Board. The purpose of the AGM is to:

- a) elect Board Members;
- b) appoint the Auditor; and
- c) address any new or special business that was included in the meeting notice.

The AGM would typically include:

- d) approving the Agenda;
- e) approving the minutes of the previous AGM;
- f) presenting the Board approved financial statements; and
- g) any Member proposals that were included in the meeting notice.

### **5.2 Member Proposals**

Members may give Action Read notice of proposals or new business no later than 60 days prior to the Member meeting date. The proposal must be handled in accordance with Section 56 of the Act.

### **5.3 Special Meetings**

The Board may call a special meeting of Members at any time, for any purpose, which must be included in the meeting notice.

### **5.4 Meetings, Participation and Voting in Remote Members Meetings**

At the sole discretion of the Board, an individual may participate in a Members' Meeting remotely, by either telephone or electronic means. Remote meetings must:

- a) allow all participants to communicate adequately with each other during the meeting;
- b) allow Action Read to verify the identity of anyone casting a vote; and
- c) if electing Board Members, voting must be confidential.

A Member participating in the above ways is counted as present at that meeting. Members' meetings may be fully remote, or they may be a combination of remote and in-person.

## 5.5 Notice of Meetings

### Timeline:

Action Read shall give notice of the Members meetings at least 21 days in advance. In exceptional situations, Action Read may give notice not less than 10 days before, and not more than 50 days before the date of the meeting.

Notices shall state the purpose of the meeting, provide sufficient details about the agenda, and include the text of any special resolution or proposed by-law.

### Method:

Notice to any Member, Board Member or to the auditor may be delivered by:

- a) telephone;
- b) prepaid mail;
- c) fax;
- d) email;
- e) electronic means; or
- f) other means as the Board determines.

## 5.6 Omissions and Errors

No error or accidental omission in giving notice of any Board Meeting or any Members' Meeting will invalidate the meeting or make void anything that happens at the meeting.

Members and persons entitled to receive notice may waive their right to notice, or may agree to a change to the timeline of the notice by written consent.

## 5.7 Quorum

A quorum is the minimum number of Members required to be present at the meeting to transact business. A quorum at a Members' Meeting is 20 Members, where at least 10 of these are also learners.

If a quorum is present at the opening of a meeting of the Members, the Members present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting.

## 5.8 Conduct

In the Chair's absence, the Board will assign a designate chair. The Chair, or designate, shall have the authority to determine the rules and procedures appropriate for the proper conduct of the meeting.

## 5.9 Voting

Voting at members meetings will be done by a show of hands. In certain cases, voting will be done by secret ballot such as if required by the Act or the by-laws, for the election of Board Members, or for any sensitive issues that the Board chooses.

Voting will be decided by majority (>50%). An abstention will not be considered a vote cast. In the case of a tie vote for the election of Board Members, a coin will be tossed. In the case of a tie vote for any other decision, the motion shall fail.

## 5.10 Scrutineers at Meetings of Members

- a) The Board shall appoint two individuals to count ballots, and two individuals to watch the counters (referred to as scrutineers).
- b) Each scrutineer shall carry out their duties with strict impartiality and according to the best of their ability. The scrutineers shall:
  - i. determine the number of Members;
  - ii. count all ballots; and
  - iii. such other duties as requested by the Chair of the meeting.
- c) No person who is a candidate for election may serve as a scrutineer at that election.

## 5.11 Proxies

Absentee voting, including by proxy, is not permitted.

## 5.12 Persons Entitled to Attend Meetings

The only persons entitled to attend a Members' Meeting are the:

- a) Members;
- b) Board Members;
- c) Staff;
- d) Auditors of Action Read.

The Board or Staff may invite members of the community as appropriate.

## **6. Board of Directors**

### 6.1 Board

The Board shall manage or supervise the management of the activities and affairs of Action Read.

## 6.2 Powers

The Board may exercise all of the rights and powers granted under the Act, except as restricted in the Act, Articles or in By-law 2024.

## 6.3 Number

A Board of Directors of 10 people shall manage the affairs of Action Read. Of these, 3 will be Action Read learners, 1 will be a family literacy participant, 3 will be Action Read volunteers, and the remaining 3 will be volunteers or individuals from the community.

After the reasonable efforts of the Action Read Nomination Committee, if this board composition cannot be achieved and positions remain vacant, nominations may be put forward from qualified individuals from the community. The Board may appoint additional Board Members who shall hold office for a term that ends at the next AGM. The appointed Board Member(s) must then stand for election at the AGM.

The total number of Board Members appointed may not exceed one-third of the number of Board Members elected at the previous AGM.

The Board may offer a training position, as capacity allows, for a learner who wants to develop their skills before becoming a Board Member. The Nomination Committee must approve trainees. Trainees are entitled to attend Board meetings, but they cannot vote.

## 6.4 Consent, Election and Terms

The Board shall strike a Nomination Committee to seek, screen and recommend candidates for the Board of Directors. All candidates will provide their consent to the Nomination Committee to run for the Board.

The Chair of the Nomination Committee must receive all nominations no later than 2 days prior to the AGM. Subject to the discretion of the Board, no nominations will be accepted from Members after this date.

All individuals newly elected or appointed to hold office as a Board Member must provide written consent before or within 10 days after the election or appointment. This is not required for a Board Member who is re-elected or reappointed without a break in their term of office.

The term of office shall be 2 years with a possible extension to 3 years. Board Members may stay on for a second term of 2 years with a possible extension to 3 years before retiring. Board Members who intend to stay for a third year or second term must notify

the board 60 days before the AGM. In total Board Members can sit for a maximum of 6 years, excluding any months served filling a vacancy.

A Board Member who has served for the maximum time may run for the Board again after a 1-year break.

#### 6.5 Qualifications

To be eligible to be a Board Member an individual shall:

- a) be at least 18 years of age;
- b) be a Canadian resident;
- c) not be disqualified under the Act (e.g. not have the status of bankrupt, not found incapable under the Ontario *Substitute Decisions Act*, or Ontario *Mental Health Act* or by any court in Canada or elsewhere);
- d) not be an “ineligible individual” within the meaning of the Canadian Income Tax Act or any other legislation; and
- e) not be an employee of Action Read, nor receive remuneration, either directly or indirectly, from Action Read, nor be a spouse, child or parent of such individual receiving remuneration either directly or indirectly from Action Read.

If an individual no longer qualifies under this Section, they automatically cease to be a Board Member. The vacancy created may be filled in the manner stated in Section 6.7.

#### 6.6 Ceasing to be a Board Member

The position of a Board Member shall stop:

- a) when a Board Member resigns. A Board Member may resign by providing written notice to Action Read. A Board Member who resigns will stop holding office when Action Read receives the written notice or at the time specified in the notice, whichever is later.
- b) if a Board Member misses three or more meetings a year, they may be asked to vacate their position. The resignation shall not take effect until confirmed by a resolution of the Board;
- c) when a Board Member becomes ineligible and no longer meets the qualifications of Section 6.5 for being a Board Member; and
- d) when a Board Member is removed from office by the Members before the end of their term of office. Members may do this by passing a resolution at a Members’ Meeting with at least a majority (>50%) of the votes cast by the Members. The Board Member being removed shall be entitled to give a statement under Section 27 of the Act.

## 6.7 Vacancies

A vacancy in the Board shall be filled as follows:

- a) If the vacancy occurs as a result of the Members removing a Board Member, the Members may fill the vacancy by a majority (>50%) vote.
- b) For any other vacancy, a quorum of Board Members may fill a vacancy among the Board Members by a majority (>50%) vote. The total number of Board Members so appointed may not exceed one-third of the number of Board Members elected at the previous AGM of the Members. However, if there is not a quorum of Board Members, the remaining Board Members must call a meeting of the Members to fill the vacancy. If the Board Members fail to call a meeting or if there are no Board Members then in office, the meeting may be called by any Member.
- c) A vacancy may also be filled at the next AGM of the Members at which Board Members are elected.

## 6.8 Re-numeration of Board Members

No Board Member shall directly or indirectly receive any payment from occupying the position of Board Member, or from providing any other service to Action Read. However, Board Members may be reimbursed for reasonable expenses that they have incurred in their Board or volunteer role.

## **7. Meeting of Board Members**

### 7.1 Regular Meetings

The Board may appoint one or more days in each year for regular meetings of the Board at a place and time named; no further notice of the regular meetings need be given.

### 7.2 Calling Meetings

Meetings of the Board and of the Executive Committee (if any) may be held at the registered office or any other location accessible to Action Read Members, as named in the notice calling the meeting. The Chair or the Secretary may call meetings of the Board.

### 7.3 Notice of Meetings

Notice of Board meetings shall be given to each Board Member not less than 48 hours before the meeting is to take place, unless notice is given by prepaid mail, in which



case, notice of Board meetings shall be given not less than 10 days before the meeting is to take place.

The declaration of the Chair or Secretary that notice has been given pursuant to this by-law shall be sufficient evidence of the giving of such notice.

Notice of a meeting is not necessary if:

- a) all of the Board Members are present and are in favour of holding the meeting;
- b) those absent have agreed to the holding of the meeting;
- c) a quorum of Board Members is present and it would be the first meeting of a newly elected or appointed Board immediately following the AGM of Action Read; or
- d) the meeting is a regular meeting as described in Section 7.1.

#### 7.4 Meetings by Electronic Conference

The members of the Board or a Committee (as the case requires) may participate in a meeting of the Board or Committee by telephone, electronic or other communication means. The form of communication must permit all participants to hear and communicate adequately with each other. A Board Member participating in a meeting by such means is deemed present at the meeting. Board meetings may be held entirely by telephone, electronic or other communication means.

#### 7.5 Quorum

The quorum for a meeting is a majority of Board Members, whether present in person or by remote communications (electronic, telephone). No decisions shall be made at any meeting unless the quorum is present at the start of the meeting.

#### 7.6 Chair

The Chair will oversee Board Meetings. If the Chair is absent, the Vice-Chair or designate, will act as the Chair of the meeting.

#### 7.7 Voting

The Board shall strive to make all decisions by consensus. When it is clear that Board members have reached consensus on a decision, any Board member may put a motion forward, and any Board Member may second the motion. A decision will then be made by the show of hands of all Board Members, unless a ballot is required or requested by the Chair or any Board Member. The Chair will then make a declaration that a resolution is carried, which will be recorded in the minutes as evidence.

If after the reasonable efforts of the Board to reach consensus, and the Board is at an impasse, decisions may be made by a majority vote (>50%). Each Board Member, including the Chair, has one vote. In the case of a tie (50%), the motion shall fail.

## **8. Officers**

### **8.1 Officers**

Officers are special roles that help the Board carry out its work. The Board will appoint from among the Board Members a Chair, Treasurer and Secretary at its first meeting following the AGM of Action Read or as soon as possible thereafter. These appointments will be for a one-year term, and can be re-appointed for additional terms. The Board may remove any Officer by resolution for any reason.

The Officers will have such authority and duties as the Board may assign from time to time, and as outlined in Sections 8.2 through 8.9. Officers may work with the Executive Director to delegate duties to staff as appropriate, but ultimately the Officers are accountable to the Board for their areas of responsibility.

### **8.2 Chair**

The Chair will perform the duties described in the by-laws, and other duties as may be required by law or as the Board has determined, including calling and chairing meetings of the Board, setting meeting agendas and chairing Executive Committees, and chairing meetings of the Members. The Chair may attend meetings of all Committees.

### **8.3 Secretary**

The Secretary shall give all required notices for Member and Board Member meetings. They shall attend all meetings of the Board Members and of the Members. They shall write meeting minutes, and store these in the minute book. The Secretary ensures the safekeeping of all records, documents and other instruments belonging to Action Read. The Secretary shall process all correspondence and keep the Chair informed about correspondence received; and the Secretary shall make available a current membership list at each meeting of the Members.

The Secretary may work with the Executive Director to delegate these duties to staff as appropriate, but ultimately the Secretary is accountable to the Board for their areas of responsibility.

### **8.4 Treasurer**

The Treasurer shall ensure that full and accurate books of account are kept, including all receipts and disbursements of Action Read. The Treasurer shall ensure proper

procedures are followed regarding the deposit of money, the safekeeping of securities and the disbursement of the funds of Action Read. The Treasurer shall provide to the Board an account of the financial position of Action Read and a report of all financial statements at the end of each fiscal year, and as determined by the Board. The Treasurer shall ensure that such financial records of Action Read are audited each year. They shall ensure the Chair is promptly notified of any shortage of funds.

The Treasurer may work with the Executive Director to delegate these duties to staff as appropriate, but ultimately the Treasurer is accountable to the Board for their areas of responsibility.

#### 8.5 Executive Director

The Board may appoint an Executive Director (ED) who shall, subject to the direction of the Board, supervise and control the operations of Action Read. The ED shall have the right to receive notice of, to attend, to speak at all meetings of the Board, any committee of the Board (including the Executive Committee, if any) and the meetings of Members, except those meetings where terms of employment, compensation or disciplinary action of the ED are discussed. The Board may not delegate to the ED any of the powers it may not delegate under the Act to an Executive Committee.

If the ED is a paid position, the appointment process is subject to Action Read's hiring policy and the ED would not have the right to vote at Board meetings.

#### 8.6 Other Officers

The Board may create other officer positions as it sees fit, such as a Vice-Chair, Signing Officer, or Process Watcher to ensure that meetings are orderly, participatory and timely. The duties of other officers shall be whatever the Board requires of them. The Board may vary, add to or limit the powers and duties of any other officer or officers.

If a Vice-Chair is appointed, then during the absence or inability of the Chair, the Chair's duties shall be performed and the Vice-Chair may exercise their powers.

#### 8.7 Holding More Than One Office

Except for the offices of Board Chair and Board Vice-Chair (if any), after reasonable efforts have been made, and under exceptional circumstances, an individual may hold more than one office (e.g. the offices of Secretary and Treasurer).

#### 8.8 Conflict of Interest

Board Members shall disclose any direct or indirect personal interests or conflicting duties in contracts or proposed contracts as required by the Act.

## **9. Executive Committee**

Whenever the Board has more than 5 members, the Board may appoint an Executive Committee to be a managing committee of the Board. They may delegate to the Executive Committee any of the powers of the Board, except those powers set out in the Act that are not permitted to be delegated. The Board must make a decision, which is formally recorded in the minutes, to give the Executive Committee these additional powers. Any decisions made by the Executive Committee must be presented at the next full Board meeting, and any business arising will be addressed as necessary.

## **10. Other Board Committees**

The Board will determine the composition and terms of reference for any Board Committee. The Board may dissolve any committee by resolution at any time.

For all Board Committees:

- a) the Board shall ensure all Committees have a clearly stated and approved mandate;
- b) if a Committee is to be given a mandate that includes decision-making, it shall be made up exclusively of Board Members, and if a Committee is made up of Board Members and non-Board Members it shall only serve as an advisory committee;
- c) at least one Board Member shall serve on each; and
- d) the Committee shall provide regular reports to the Board regarding its work.

## **11. Insurance and Protection of Board Members, Officers and Others**

Action Read will buy and maintain liability insurance for the benefit of Action Read and of each individual sitting or having previously sat as a Board Member and Board Committee Member. When buying liability insurance, the Board shall comply with applicable law, and shall consider:

- a) the degree of risk to which the Board Member may be exposed;
- b) whether, in practice, the risk cannot be eliminated or significantly reduced by means other than the indemnity or insurance;
- c) whether the cost or amount of the insurance is affordable and reasonable in relation to the risk;
- d) whether there is any value to the organization to give indemnity or to purchase insurance.

It is the obligation of anyone seeking insurance coverage or indemnity from Action Read, to cooperate fully with Action Read in the defense of any demand, claim or suit

made against such person, and to make no admission of responsibility or liability to any third party without the prior agreement of Action Read and the insurer.

#### 11.1 Board Members and Officers Liability Indemnity and Exclusion

As long as a Board Member, Officer or committee Member or other person indemnified by Action Read

- a) complied with the Act, and Action Read's Articles and by-laws; and
- b) exercised their powers and discharged their duties in accordance with the Act;

no Board Member, Officer or committee Member or other person indemnified by Action Read will be legally responsible for:

- c) the acts, neglects or defaults of any other Board Member, Officer, Committee Member or employee of Action Read;
- d) insufficiency or deficiency of title to any property acquired by the Board or on behalf of Action Read;
- e) the insufficiency or deficiency of Action Read's investment security;
- f) any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or Corporation with whom or which any Action Read investments are held or deposited; or
- g) any other loss, damage or misfortune whatever may happen in the execution of the duties of his or her respective office or position.

Action Read shall also, upon approval by the Board, indemnify any such protected person in such other circumstances as any legislation or laws permit or require.

#### 12. Execution of Documents

Any person authorized by the Board may enter into contracts in the ordinary course of Action Read's operations, on behalf of Action Read. Documents requiring two signatures shall be signed on behalf of Action Read by any two Signing Officers.

The Board Members may at any time by resolution direct the manner in which, and the person or persons by whom any particular Document or any class of Documents may or shall be signed. Any person authorized to sign any document may affix the corporate seal, if any, to the document. Any Board Member may certify a copy of any instrument, resolution, by-law or other document of Action Read to be a true copy.

#### 13. Responsibility for Acts

The Directors of Action Read are not obligated to take responsibility for any major contract, act or financial transaction unless the Board has reviewed and approved it.

#### **14. Borrowing by the Corporation**

Subject to the limitations set out in the By-Laws and in the Articles of Incorporation of Action Read, the Board may:

- a) borrow money on the credit of Action Read
- b) issue, sell or pledge securities of Action Read; or
- c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of Action Read, including book debts, rights, powers, franchises, and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of Action Read. Its borrowing power shall be limited to borrowing money for current operating expenses.

#### **15. Banking Arrangements**

The banking business of Action Read shall be transacted with such bank, trust company, credit union or other firm or body corporate carrying on a banking business as the Board Members may designate, appoint or authorize from time to time by resolution.

All such banking business or any part thereof shall be transacted on Action Read's behalf by any two Signing Officers and/or other person(s) as the Board may designate, direct or authorize from time to time by resolution.

#### **16. Fiscal Year**

The fiscal year of Action Read shall end on March 31 in each year. The Board may change this date by resolution.

#### **17. Books and Records**

The Board shall see that all necessary books and records of Action Read required by the By-law of Action Read or by any applicable statute, including the Act, are regularly and properly kept.

#### **18. Auditor**

At each AGM, members shall appoint an auditor to audit the books of Action Read, who will hold office until the next AGM. The Board may fill any interim vacancy in the office of the auditor. The Board shall fix payment of the auditor.

### **19. Dispute Resolution Mechanism**

If a dispute or controversy among Members, Board Members, or Committee Members of Action Read arising out of or related to the Act, the Articles or by-laws, or out of any aspect of the activities or affairs of Action Read is not resolved in private meetings between the parties, then it shall be settled by a process of dispute resolution as follows to the exclusion of such persons instituting a lawsuit or legal action:

- a) the dispute shall be settled by arbitration before a single arbitrator, in accordance with the Ontario *Arbitration Act* or as otherwise agreed upon by the parties to the dispute. All proceedings relating to arbitration shall be kept confidential, and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law; and
- b) all costs of the arbitrator shall be borne by such parties as may be determined by the arbitrator.

### **20. By-law (s) and Amendments, Etc.**

The Members may from time to time amend by-laws, create new by-laws or revoke by-laws with majority (>50%) of the votes cast at a Members Meeting.

The Board may from time to time in accordance with the Act pass or amend by-laws. However, the Board must submit any by-laws it passes or any changes it makes to existing by-laws to the Members at the next Members' Meeting. The Members may confirm, reject or amend the new by-law or by-law changes.

### **21. Effective Date of By-law 2024**

This by-law called 'By-law 2024' shall come into force on the date Action Read receives its first Certificate and Articles of Amendment under the Ontario *Not-for-Profit Corporations Act*.

*Certified that these amended by-laws were adopted and confirmed by the Members in accordance with the Act and Articles on \_\_\_\_\_, 2024, and are in effect without further changes or amendments as of \_\_\_\_\_, 2024, being the date the Certificate and Articles of Amendment were obtained.*

Chair, [print name:]

Secretary, [print name:]